

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2026

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: 001-38678

**upwork**

**UPWORK INC.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or other jurisdiction of incorporation or organization)  
**530 Lytton Avenue, Suite 301**  
**Palo Alto, California**  
(Address of principal executive offices)

**46-4337682**  
(I.R.S. Employer Identification No.)  
  
**94301**  
(Zip Code)

**(650) 316-7500**  
(Registrant's telephone number, including area code)

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

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, \$0.0001 par value per share	UPWK	The Nasdaq Stock Market LLC

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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of April 30, 2026, there were 123,518,137 shares of the registrant's common stock outstanding.



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Unless otherwise expressly stated or the context otherwise requires, references in this Quarterly Report on Form 10-Q, which we refer to as this Quarterly Report, to "Upwork," "Company," "our," "us," and "we" and similar references refer to Upwork Inc. and its wholly owned subsidiaries.

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## **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Quarterly Report contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements include all statements other than statements of historical fact, including any statements regarding our future operating results and financial position, information or predictions concerning the future of our business or strategy, future products, features, or functionality, anticipated events and trends, including future research and development, sales and marketing, and general and administrative expenses, and provision for transaction losses, potential growth or growth prospects, our competitive position, technological and market trends, industry environment, the economy, our plans with respect to share repurchases, the expected impact of cost-saving initiatives, the expected impact and timing of strategic initiatives, including the launch of Lifted, our enterprise-focused subsidiary, and its acquisitions of Bubty B.V., which we refer to as Bubty, and Ascen Inc., which we refer to as Ascen, and other future conditions. Words such as “believes,” “may,” “will,” “estimates,” “potential,” “continues,” “anticipates,” “intends,” “expects,” “could,” “would,” “projects,” “plans,” “targets,” and variations of such words and similar expressions are intended to identify forward-looking statements.

We have based these forward-looking statements largely on our current expectations and projections as of the date of this filing about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short- and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in Part II, Item 1A, “Risk Factors” in this Quarterly Report. Readers are urged to carefully review and consider the various disclosures made in this Quarterly Report and in other documents we file from time to time with the Securities and Exchange Commission, which we refer to as the SEC, that disclose risks and uncertainties that may affect our business. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, the future events and circumstances discussed in this Quarterly Report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements. In addition, the forward-looking statements in this Quarterly Report are made as of the date of this filing, and we do not undertake, and expressly disclaim any duty, to update such statements for any reason after the date of this Quarterly Report or to conform statements to actual results or revised expectations, except as required by law.

You should read this Quarterly Report and the documents that we reference herein and have filed with the SEC or incorporated by reference as exhibits to this Quarterly Report with the understanding that our actual future results, performance, and events and circumstances may be materially different from what we expect.

## PART I—FINANCIAL INFORMATION

### Item 1. Financial Statements.

**UPWORK INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

<i>(In thousands, except share and per share data)</i>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 328,400	\$ 294,356
Marketable securities	251,334	378,425
Funds held in escrow, including funds in transit	203,685	180,752
Trade and client receivables – net of allowance of \$6,329 and \$5,919 as of March 31, 2026 and December 31, 2025, respectively	75,911	76,236
Prepaid expenses and other current assets	23,971	21,064
Total current assets	883,301	950,833
Property and equipment, net	49,278	44,421
Goodwill	149,192	149,192
Intangible assets, net	34,231	37,161
Operating lease asset	12,656	5,011
Deferred tax asset	111,402	111,495
Other assets, noncurrent	1,892	1,467
<b>Total assets</b>	<b>\$ 1,241,952</b>	<b>\$ 1,299,580</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 11,092	\$ 7,858
Escrow funds payable	203,685	180,752
Debt, current	360,231	359,770
Accrued expenses and other current liabilities	63,994	94,023
Deferred revenue	8,199	7,765
Total current liabilities	647,201	650,168
Operating lease liability, noncurrent	15,197	9,707
Other liabilities, noncurrent	9,927	9,390
Total liabilities	672,325	669,265
Commitments and contingencies (Note 8)		
Stockholders' equity		
Common stock, \$0.0001 par value; 490,000,000 shares authorized as of March 31, 2026 and December 31, 2025; 123,574,974 and 130,545,236 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	12	13
Additional paid-in capital	501,066	592,599
Accumulated and other comprehensive income	139	754
Retained earnings	68,410	36,949
Total stockholders' equity	569,627	630,315
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,241,952</b>	<b>\$ 1,299,580</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

**UPWORK INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**AND COMPREHENSIVE INCOME**  
(Unaudited)

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2026</b>	<b>2025</b>
<i>(In thousands, except per share data)</i>		
Revenue	\$ 195,483	\$ 192,706
Cost of revenue	44,641	41,806
Gross profit	150,842	150,900
Operating expenses		
Research and development	43,307	46,152
Sales and marketing	37,437	35,751
General and administrative	35,158	28,048
Provision for transaction losses	2,222	2,259
Total operating expenses	118,124	112,210
Income from operations	32,718	38,690
Other income, net	4,992	6,317
Income before income taxes	37,710	45,007
Income tax provision	(6,249)	(7,277)
Net income	\$ 31,461	\$ 37,730
Net income per share:		
Basic	\$ 0.25	\$ 0.28
Diluted	\$ 0.24	\$ 0.27
Weighted-average shares used to compute net income per share:		
Basic	128,116	135,208
Diluted	135,656	142,777
Other comprehensive income, net of tax:		
Net unrealized holding gain on marketable securities, net	\$ (615)	\$ 284
Total comprehensive income	\$ 30,846	\$ 38,014

The accompanying notes are an integral part of these condensed consolidated financial statements.

**UPWORK INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(Unaudited)

*(In thousands, except share amounts)*

<b>Three Months Ended March 31, 2026</b>	<b>Common Stock</b>		<b>Additional Paid-in Capital</b>	<b>Accumulated Other Comprehensive Income</b>	<b>Retained Earnings</b>	<b>Total Stockholders' Equity</b>
	<b>Shares</b>	<b>Amount</b>				
Balances as of December 31, 2025	130,545,236	\$ 13	\$ 592,599	\$ 754	\$ 36,949	\$ 630,315
Issuance of common stock upon exercise of stock options and common stock warrants	20,500	—	83	—	—	83
Stock-based compensation expense	—	—	17,002	—	—	17,002
Issuance of common stock for settlement of RSUs	1,130,978	—	—	—	—	—
Tides Foundation common stock warrant expense	—	—	188	—	—	188
Repurchase of common stock, including excise tax	(8,121,740)	(1)	(108,806)	—	—	(108,807)
Unrealized gain on marketable securities	—	—	—	(615)	—	(615)
Net income	—	—	—	—	31,461	31,461
<b>Balances as of March 31, 2026</b>	<b>123,574,974</b>	<b>\$ 12</b>	<b>\$ 501,066</b>	<b>\$ 139</b>	<b>\$ 68,410</b>	<b>\$ 569,627</b>

*(In thousands, except share amounts)*

<b>Three Months Ended March 31, 2025</b>	<b>Common Stock</b>		<b>Additional Paid-in Capital</b>	<b>Accumulated Other Comprehensive Income (loss)</b>	<b>Accumulated Deficit</b>	<b>Total Stockholders' Equity</b>
	<b>Shares</b>	<b>Amount</b>				
Balances as of December 31, 2024	135,348,453	\$ 14	\$ 653,575	\$ 264	\$ (78,476)	\$ 575,377
Issuance of common stock upon exercise of stock options	163,078	—	652	—	—	652
Stock-based compensation expense	—	—	13,337	—	—	13,337
Issuance of common stock for settlement of RSUs	869,141	—	—	—	—	—
Tides Foundation common stock warrant expense	—	—	188	—	—	188
Repurchase of common stock, including excise tax	(2,331,772)	(1)	(33,225)	—	—	(33,226)
Unrealized gain on marketable securities	—	—	—	284	—	284
Net income	—	—	—	—	37,730	37,730
<b>Balances as of March 31, 2025</b>	<b>134,048,900</b>	<b>\$ 13</b>	<b>\$ 634,527</b>	<b>\$ 548</b>	<b>\$ (40,746)</b>	<b>\$ 594,342</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

**UPWORK INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

<i>(In thousands)</i>	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 31,461	\$ 37,730
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for transaction losses	1,946	2,066
Depreciation and amortization	9,099	4,861
Amortization of debt issuance costs	460	460
Accretion of discount on purchases of marketable securities, net	(1,850)	(1,943)
Amortization of operating lease asset	397	202
Tides Foundation common stock warrant expense	188	188
Stock-based compensation expense	15,421	12,272
Deferred taxes	93	—
Changes in operating assets and liabilities:		
Trade and client receivables	(784)	(3,535)
Prepaid expenses and other assets	(3,480)	(3,298)
Operating lease liability	(25)	830
Accounts payable	3,124	(1,987)
Accrued expenses and other liabilities	(33,466)	(11,108)
Deferred revenue	435	227
Net cash provided by operating activities	<u>23,019</u>	<u>36,965</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of marketable securities	—	(50,708)
Proceeds from maturities of marketable securities	128,326	51,380
Proceeds from sale of marketable securities	—	280
Purchases of property and equipment	(1,723)	(2,472)
Internal-use software and platform development costs	(8,391)	(3,703)
Net cash provided by (used in) investing activities	<u>118,212</u>	<u>(5,223)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Change in escrow funds payable, net	23,554	19,258
Proceeds from exercises of stock options and common stock warrants	83	652
Repurchase of common stock	(107,891)	(33,054)
Net cash used in financing activities	<u>(84,254)</u>	<u>(13,144)</u>
<b>NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>	<b>56,977</b>	<b>18,598</b>
Cash, cash equivalents, and restricted cash—beginning of period	478,908	505,593
Cash, cash equivalents, and restricted cash—end of period	<u>\$ 535,885</u>	<u>\$ 524,191</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for income taxes	\$ 500	\$ 64
Cash paid for interest	559	451
<b>SUPPLEMENTAL DISCLOSURES OF NON-CASH ACTIVITIES:</b>		
Right-of-use asset recognized	\$ 8,042	\$ —
Property and equipment purchased but not yet paid	150	875
Internal-use software and platform development costs incurred but not yet paid	345	227

The accompanying notes are an integral part of these condensed consolidated financial statements.

**UPWORK INC.**  
**Notes to Condensed Consolidated Financial Statements**  
(Unaudited)

**Note 1—Organization and Description of Business**

Upwork Inc., which is referred to as the Company or Upwork, through its complementary, wholly owned subsidiaries, connects businesses with global, AI-enabled talent across every on-demand work type, including freelance, agency, fractional, and payrolled. The Company's portfolio of platforms and other workforce solutions includes the Upwork Marketplace, the world's human and AI-powered work marketplace that connects businesses with on-demand access to highly skilled independent talent worldwide, and Lifted, the Company's wholly owned subsidiary that provides a purpose-built solution for enterprise organizations to source, contract, manage, and pay talent across the full spectrum of contingent work.

The Company's customers consist of both talent and clients, where talent includes independent professionals and agencies of varying sizes that deliver services through the Upwork Marketplace, Lifted, or other Company workforce solutions. Clients range from small businesses and entrepreneurs to large enterprises that seek and engage with talent through these platforms and other workforce solutions.

Upwork Inc. is incorporated in the state of Delaware and is headquartered in Palo Alto, California.

Unless otherwise expressly stated or the context otherwise requires, the terms "Upwork" and the "Company" in these notes to the condensed consolidated financial statements refer to Upwork Inc. and its wholly owned subsidiaries.

**Note 2—Basis of Presentation and Summary of Significant Accounting Policies**

***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States, which is referred to as U.S. GAAP, and applicable rules and regulations of the SEC regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. As such, the information included in this Quarterly Report should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, which is referred to as the Annual Report, filed with the SEC on February 13, 2026.

The condensed consolidated balance sheet as of December 31, 2025, included herein, was derived from the audited financial statements as of that date but does not include all disclosures including notes required by U.S. GAAP.

The condensed consolidated financial statements include the accounts of Upwork and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated.

The accompanying condensed consolidated financial statements reflect all normal recurring adjustments necessary for a fair statement of the financial position, results of operations, changes in stockholders' equity and cash flows for the interim periods, but do not purport to be indicative of the results of operations or financial condition to be anticipated for the full year ending December 31, 2026. Prior period presentation has been revised to conform to the current period presentation as of March 31, 2026.

***Use of Estimates***

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the periods presented. Such estimates include, but are not limited to: valuation of acquired intangible assets; the useful lives of assets; assessment of the recoverability of long-lived assets; goodwill impairment; allowance for expected credit

losses; liabilities relating to transaction losses; stock-based compensation; and accounting for income taxes. Management bases its estimates on historical experience and on various other assumptions that management believes to be reasonable under the circumstances. The Company evaluates its estimates, assumptions, and judgments on an ongoing basis using historical experience and other factors and revises them when facts and circumstances dictate.

The Company is not aware of any specific event or circumstance that would require an update to its estimates or judgments or a revision of the carrying value of its assets or liabilities. These estimates may change as new events occur and additional information is obtained. Actual results could differ materially from these estimates under different assumptions or conditions.

### **Summary of Significant Accounting Policies**

The significant accounting policies applied in the Company's audited consolidated financial statements, as disclosed in the Annual Report, are applied consistently in these unaudited interim condensed consolidated financial statements.

### **Recently Adopted Accounting Pronouncements**

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which is referred to as ASU 2025-05. ASU 2025-05 provides an optional practical expedient to permit entities to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of short-term trade receivables and contract assets when developing reasonable and supportable forecasts for estimating expected credit losses. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025. The Company adopted ASU 2025-05. The Company has evaluated the impact of ASU 2025-05 and as a result its adoption did not have a material impact on the consolidated financial statements. The Company's trade receivables are short-duration in nature and have historically experienced low credit losses, and its existing aging-based allowance methodology is substantially consistent with the practical expedient introduced by ASU 2025-05.

### **Recent Accounting Pronouncements Not Yet Adopted**

With the exception of those discussed below, the Company has reviewed the accounting pronouncements issued prior to or during the three months ended March 31, 2026, and concluded they were either not applicable or not expected to have a material impact on the Company's condensed consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, which is referred to as ASU 2024-03. ASU 2024-03 requires public entities to disclose detailed information about specific types of expenses included within the expense captions presented on the face of the income statement. While ASU 2024-03 does not alter the presentation of expense captions on the face of the income statement, it introduces requirements for disaggregating certain expense captions into specified categories within the footnotes to the financial statements. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact that ASU 2024-03 will have on its consolidated financial statements and accompanying footnotes.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which is referred to as ASU 2025-06. ASU 2025-06 modernizes the accounting for internal-use software by removing all references to prescriptive and sequential software development stages. ASU 2025-06 requires entities to begin capitalizing software costs when management authorizes and commits to funding the software project, and it is probable that the project will be completed and the software will be used for its intended purpose. ASU 2025-06 is effective for fiscal years beginning after December 15, 2027, and for interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the timing of adoption and the potential impact of this new guidance on its consolidated financial statements.

### Note 3—Revenue

#### Disaggregation of Revenue

Based on the information provided to and reviewed by the Chief Operating Decision Maker, who is referred to as the CODM, the nature, amount, timing, and uncertainty of revenue and cash flows and how they are affected by economic factors are most appropriately depicted by the type of service and primary geographical markets. Revenues recorded within these categories are earned from similar products and services for which the nature of associated fees and the related revenue recognition models are substantially similar.

The Company disaggregates revenue by two types of services: Marketplace revenue and Enterprise revenue.

The following table sets forth total revenue by type of service for the periods presented:

	Three Months Ended March 31,	
	2026	2025
<i>(In thousands)</i>		
Marketplace	\$ 170,705	\$ 166,293
Enterprise	24,778	26,413
Total revenue	\$ 195,483	\$ 192,706

The following table sets forth total revenue by geographic area based on the billing address of talent and clients for the periods presented:

	Three Months Ended March 31,	
	2026	2025
<i>(In thousands)</i>		
Talent		
United States	\$ 29,787	\$ 27,339
Philippines	14,584	14,584
India	12,693	13,501
Pakistan <sup>(1)</sup>	13,211	10,650
Rest of world <sup>(1)(2)</sup>	42,881	41,721
Total talent	113,156	107,795
Clients		
United States	57,989	59,242
Rest of world <sup>(2)</sup>	24,338	25,669
Total clients	82,327	84,911
Total revenue	\$ 195,483	\$ 192,706

<sup>(1)</sup> For the three months ended March 31, 2025, the Company revised the presentation of geographic revenue to separately present Pakistan to conform to the current period presentation. This change in presentation did not impact total talent revenue or total revenue for the periods presented.

<sup>(2)</sup> During each of the three months ended March 31, 2026 and 2025, no single country included in the Rest of world category had revenue that exceeded 10% of total talent revenue, total clients revenue, or total revenue.

#### Deferred Revenue and Remaining Performance Obligation

Deferred revenue represents amounts billed in advance for services not yet rendered.

Deferred revenue expected to be recognized within the next twelve months is classified as current deferred revenue.

The Company has applied the practical expedients and exemptions and does not disclose the value of remaining performance obligations for (i) contracts with an original expected length of one year or less; and (ii) contracts for which the variable consideration is allocated entirely to a wholly unsatisfied promise to transfer a distinct service that forms part of a single performance obligation under the series guidance.

### Contract Balances

The following table provides information about the balances of the Company's Trade and client receivables, net of allowance and contract liabilities included in deferred revenue and other liabilities, noncurrent as of the dates presented:

<i>(In thousands)</i>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Trade and client receivables, net of allowance	\$ 75,911	\$ 76,236
<b>Contract liabilities</b>		
Deferred revenue, current	8,199	7,765

During the three months ended March 31, 2026, changes in the contract liabilities balances were primarily the result of normal business activity.

Revenue recognized during the three months ended March 31, 2026 that was included in deferred revenue as of December 31, 2025 was \$7.8 million. Revenue recognized during the three months ended March 31, 2025 that was included in deferred revenue as of December 31, 2024 was \$7.2 million.

### Note 4—Fair Value Measurements

The Company defines fair value as the exchange price that would be received from the sale of an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The authoritative guidance describes three levels of inputs that may be used to measure fair value:

- Level I—Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities in active markets;
- Level II—Observable inputs other than Level I prices, such as unadjusted quoted prices for similar assets or liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and
- Level III—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. These inputs are based on the Company's own assumptions used to measure assets and liabilities at fair value and require significant management judgment or estimation.

The categorization of a financial instrument within the fair value hierarchy is based upon the lowest level of input that is significant to its fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the assets or liabilities.

The Company's financial instruments that are carried at fair value consist of Level I and Level II assets as of March 31, 2026 and December 31, 2025. The following tables summarize the Company's available-for-sale marketable securities' amortized cost, gross unrealized gains, gross unrealized losses, and fair value

by significant investment category reported as cash equivalents or marketable securities as of March 31, 2026 and December 31, 2025:

<i>(In thousands)</i> March 31, 2026	Amortized Cost	Unrealized Gain	Unrealized Loss	Fair Value	Cash Equivalents	Marketable Securities
Level I						
Money market funds	\$ 176,418	\$ —	\$ —	\$ 176,418	\$ 176,418	\$ —
Treasury bills	113,260	—	(26)	113,234	—	113,234
U.S. government securities	35,773	47	(30)	35,790	—	35,790
Total Level I	325,451	47	(56)	325,442	176,418	149,024
Level II						
Corporate bonds	101,155	221	(73)	101,303	—	101,303
Foreign government and agency securities	999	8	—	1,007	—	1,007
Total Level II	102,154	229	(73)	102,310	—	102,310
Total	\$ 427,605	\$ 276	\$ (129)	\$ 427,752	\$ 176,418	\$ 251,334

<i>(In thousands)</i> December 31, 2025	Amortized Cost	Unrealized Gain	Unrealized Loss	Fair Value	Cash Equivalents	Marketable Securities
Level I						
Money market funds	\$ 73,519	\$ —	\$ —	\$ 73,519	\$ 73,519	\$ —
Treasury bills	257,425	88	—	257,513	39,697	217,816
U.S. government securities	37,642	122	—	37,764	—	37,764
Total Level I	368,586	210	—	368,796	113,216	255,580
Level II						
Corporate bonds	117,532	561	(1)	118,092	—	118,092
Foreign government and agency securities	4,738	15	—	4,753	—	4,753
Total Level II	122,270	576	(1)	122,845	—	122,845
Total	\$ 490,856	\$ 786	\$ (1)	\$ 491,641	\$ 113,216	\$ 378,425

Additionally, the Company deposits funds held in escrow in interest-bearing and non-interest-bearing cash accounts. The interest earned on the interest-bearing accounts is included in Revenue in the Company's condensed consolidated statement of operations and comprehensive income. As of March 31, 2026 and December 31, 2025, the fair value of the Company's funds held on behalf of customers and held in interest-bearing cash accounts was measured using Level I inputs.

The Company's non-financial assets acquired pursuant to its acquisitions of Bubty B.V., which is referred to as Bubty, and Ascen Inc., which is referred to as Ascen, including intangible assets and goodwill, are measured at estimated fair value on a non-recurring basis. For additional information, refer to "Note 7—Business Combination."

The following table summarizes the remaining contractual maturities of our cash equivalents and marketable securities as of March 31, 2026:

<i>(In thousands)</i>	Amortized Cost	Fair Value
Due within one year	\$ 292,454	\$ 292,425
Due after one year through five years	135,151	135,327
Total	\$ 427,605	\$ 427,752

### Unrealized Investment Losses

For available-for-sale marketable debt securities with unrealized loss positions, the Company does not intend to sell these securities, nor does it anticipate that it will need to or be required to sell the securities. As of March 31, 2026 and December 31, 2025, the decline in fair value of these securities was attributable to changes in interest rates and not due to credit-related factors. As of March 31, 2026 and December 31, 2025, the Company considered any decreases in market value to be temporary in nature and did not consider any of the Company's marketable securities to be other-than-temporarily impaired. The Company did not record any impairment charges with respect to its marketable securities during each of the three months ended March 31, 2026 and 2025.

During the three months ended March 31, 2026 and 2025, interest income, net was \$5.8 million and \$7.1 million, respectively. Interest income, net is included in Other income, net in the Company's condensed consolidated statement of operations and comprehensive income.

### Note 5—Balance Sheet Components

#### Cash and Cash Equivalents, Restricted Cash, and Funds Held In Escrow, Including Funds In Transit

The following table reconciles cash and cash equivalents, restricted cash, and funds held in escrow that are restricted as reported in the condensed consolidated balance sheets as of March 31, 2026 and December 31, 2025 to the total of the same amounts shown in the condensed consolidated statement of cash flows for the three months ended March 31, 2026:

<i>(In thousands)</i>	March 31, 2026	December 31, 2025
Cash and cash equivalents	\$ 328,400	\$ 294,356
Restricted cash	3,800	3,800
Funds held in escrow, including funds in transit	203,685	180,752
Total cash, cash equivalents, and restricted cash as shown in the condensed consolidated statement of cash flows	<u>\$ 535,885</u>	<u>\$ 478,908</u>

#### Property and Equipment, Net

Property and equipment, net consisted of the following as of the dates presented:

<i>(In thousands)</i>	March 31, 2026	December 31, 2025
Internal-use software and platform development	\$ 92,674	\$ 83,461
Leasehold improvements	8,609	7,755
Computer equipment and software	8,312	7,630
Office furniture and fixtures	1,118	1,076
Total property and equipment	<u>110,713</u>	<u>99,922</u>
Less: accumulated depreciation	<u>(61,435)</u>	<u>(55,501)</u>
Property and equipment, net	<u>\$ 49,278</u>	<u>\$ 44,421</u>

For the three months ended March 31, 2026 and 2025, depreciation expense related to property and equipment, excluding internal-use software and platform development, was \$0.7 million and \$0.4 million, respectively.

For the three months ended March 31, 2026 and 2025, the Company capitalized \$9.2 million and \$4.6 million of internal-use software and platform development costs, respectively.

For the three months ended March 31, 2026 and 2025, amortization expense related to the capitalized internal-use software and platform development costs was \$5.5 million and \$2.6 million, respectively.

### Intangible Assets, Net

The carrying value of intangible assets was as follows as of the dates presented:

(In thousands)	March 31, 2026			December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	\$ 34,600	\$ 8,300	\$ 26,300	\$ 34,600	\$ 6,203	\$ 28,397
Assembled workforce	3,188	3,188	—	3,188	3,188	—
Customer relationships	11,000	3,069	7,931	11,000	2,236	8,764
Total	<u>\$ 48,788</u>	<u>\$ 14,557</u>	<u>\$ 34,231</u>	<u>\$ 48,788</u>	<u>\$ 11,627</u>	<u>\$ 37,161</u>

### Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following as of the dates presented:

(In thousands)	March 31, 2026	December 31, 2025
Accrued compensation and related benefits	\$ 16,185	\$ 51,858
Accrued taxes	24,078	19,715
Accrued vendor expenses	11,774	12,899
Accrued payment processing fees	5,153	4,708
Accrued talent costs	1,581	1,678
Operating lease liability, current	4,049	1,672
Other	1,174	1,493
Total accrued expenses and other current liabilities	<u>\$ 63,994</u>	<u>\$ 94,023</u>

### Stockholders' Equity

For all performance stock unit awards, which are referred to as PSU awards, granted under the Company's 2018 Equity Incentive Plan, which is referred to as the 2018 EIP, the number of PSU awards that become earned and eligible to vest is based on the Company's achievement of performance conditions established at the time of grant by the compensation committee of the Company's board of directors, which is referred to as the compensation committee, relating to one or more performance periods, which is referred to as the PSU Performance Condition. Following the completion of the applicable performance period, the compensation committee certifies the Company's achievement of the applicable PSU Performance Condition, and the dates on which such certifications occur are referred to as Certification Dates. In order for any PSU awards to be earned and vest, recipients must remain in continuous service with the Company through the applicable Certification Date, which is referred to as the PSU Service Condition.

The Company classifies all PSU awards as equity awards. Stock-based compensation expense related to PSU awards is recognized as a component of operating expenses in the Company's condensed consolidated statements of operations and comprehensive income and is recognized over the longer of the expected achievement period of the applicable PSU Performance Condition or the applicable PSU Service Condition. The grant-date fair value of PSU awards is determined using valuation techniques appropriate for the specific award terms, including valuation models that incorporate the impact of market-based conditions, as applicable. At each reporting date prior to the applicable Certification Date, the Company reassesses the number of PSU awards that are probable of vesting, and any changes are reflected in stock-based compensation expense in the period of change.

### 2026 PSU Awards

In February 2026, the compensation committee approved the grant of PSU awards to certain members of the Company's leadership team under the 2018 EIP, which awards are referred to as the 2026 PSU Awards. These awards were granted on February 18, 2026.

Up to fifty percent of the maximum number of shares subject to the 2026 PSU Awards are eligible to vest based on the Company's achievement of certain financial performance targets over a two-year performance period consisting of the Company's fiscal years ending December 31, 2026 and 2027, and up to the remaining fifty percent of the maximum number of shares subject to the 2026 PSU Awards are eligible to vest based on the Company's achievement of certain financial performance targets over a three-year performance period consisting of the Company's fiscal years ending December 31, 2026, 2027, and 2028. The performance targets consist of a weighted average achievement percentage, reflecting equal weighting of adjusted EBITDA and revenue achievement for each fiscal year within the applicable performance period, subject to adjustment by a relative total shareholder return compound annual growth rate multiplier, all as established by the compensation committee at the time of grant.

Stock-based compensation expense related to the 2026 PSU Awards is recognized over the longer of the expected achievement period for the PSU Performance Condition and the PSU Service Condition, which is approximately 24 months and 36 months for the portions of the awards eligible to vest based on performance for the performance periods ending December 31, 2027 and December 31, 2028, respectively.

### **Share Repurchase Program**

In September 2025, the Company's board of directors authorized a share repurchase program for the repurchase of up to \$100.0 million of shares of the Company's outstanding common stock, which is referred to as the 2025 Share Repurchase Authorization. Under the 2025 Share Repurchase Authorization, the Company repurchased and subsequently retired 2.1 million shares of its common stock for an aggregate amount of \$36.0 million, at an average price of \$17.33 per share, from September 2025 through December 2025, and an additional 4.6 million shares for an aggregate amount of \$64.0 million, at an average price of \$14.00 per share, from January 2026 through March 2026. As of March 31, 2026, the Company had no remaining balance available for repurchases under the 2025 Share Repurchase Authorization.

In February 2026, the Company's board of directors authorized a share repurchase program for the repurchase of up to \$300.0 million of shares of the Company's outstanding common stock, which is referred to as the 2026 Share Repurchase Authorization, and together the 2026 Share Repurchase Authorization and the 2025 Share Repurchase Authorization are referred to as the Share Repurchase Authorizations. Under the 2026 Share Repurchase Authorization, the Company repurchased and subsequently retired 3.5 million shares of its common stock for an aggregate amount of \$43.9 million, at an average price of \$12.37 per share, in March 2026. As of March 31, 2026, the Company had \$256.1 million available for repurchase under the 2026 Share Repurchase Authorization.

Collectively, during the three months ended March 31, 2026, the Company repurchased and subsequently retired 8.1 million shares of its common stock for an aggregate amount of \$107.9 million at an average price of \$13.28 per share, including fees associated with the repurchases and excluding excise tax, under the Share Repurchase Authorizations.

Repurchases of the Company's common stock under the 2026 Share Repurchase Authorization may be made from time to time on the open market (including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended), in privately negotiated transactions, or by other methods, at the Company's discretion, and in accordance with applicable securities laws and other restrictions. The 2026 Share Repurchase Authorization has no expiration date and will continue until otherwise suspended, terminated, or modified at any time for any reason. The 2026 Share Repurchase Authorization does not obligate the Company to repurchase any dollar amount or

number of shares, and the timing and amount of any repurchases will depend on market and business conditions.

## **Note 6—Leases**

### ***Lisbon Office Lease***

In January 2026, the Company commenced a new operating lease for approximately 16,189 square feet of office space and 27 parking spaces in Lisbon, Portugal, pursuant to a lease agreement entered into in December 2025. Although structured as a services agreement under local law, the Company evaluated the arrangement under U.S. GAAP and concluded that it contains a lease under ASC 842. The initial lease term is 72 months from the commencement date, scheduled to expire in December 2031, unless terminated earlier. The Company evaluated the three-year renewal options and determined they are not reasonably certain to be exercised; accordingly, they have not been included in the measurement of the right-of-use asset or lease liability. As a result of entering into this lease, the Company recognized a right-of-use asset and lease liability of approximately \$3.6 million and \$3.5 million, respectively. Monthly rent payments under the lease are approximately €0.1 million and are recorded within general and administrative expenses in the Company's condensed consolidated statements of operations and comprehensive income. The lease is denominated in Euros, and the lease liability is remeasured at each reporting date using the current spot exchange rate, with foreign currency gains and losses recognized in earnings.

### ***Palo Alto Office Lease — Expansion Space***

In February 2026, the Company commenced two new operating leases for expansion space at its corporate headquarters in Palo Alto, California, pursuant to a First Amendment to its existing office lease executed in January 2026. The amendment added Suite 125 (approximately 7,540 square feet) and Suite 302 (approximately 1,390 square feet), bringing total leased space at the location to approximately 21,615 square feet across three suites. The term for both suites runs through the existing lease expiration of September 2032. The Company concluded that the expansion represents two separate leases rather than a modification of the existing lease, and both suites are classified as operating leases. The Company evaluated the two existing renewal options, each for an additional three years, and determined they are not reasonably certain to be exercised; accordingly, they have not been included in the measurement of the right-of-use assets or lease liabilities. As a result of entering into these leases, the Company recognized right-of-use assets and lease liabilities of approximately \$3.7 million for Suite 125 and approximately \$0.7 million for Suite 302. Monthly rent payments, in aggregate under the lease, are approximately \$0.1 million and are recorded within general and administrative expenses in the Company's condensed consolidated statements of operations and comprehensive income.

## **Note 7—Business Combination**

### **2025 Acquisitions**

#### ***Bubty B.V.***

On June 27, 2025, Lifted acquired 100% of the equity interests of Bubty, a Netherlands-based platform supporting enterprise management of contingent workforce solutions, for total purchase price consideration of \$20.4 million. This acquisition advances the Company's strategic objectives by equipping Lifted with enhanced workforce management capabilities and a platform for clients managing global talent.

The acquisition of Bubty was accounted for as a business combination in accordance with ASC Topic 805, Business Combinations. Accordingly, the allocation of the purchase price is as follows (in thousands):

Cash and cash equivalents	\$	77
Trade and client receivables		71
Intangible assets		18,600
Total assets	\$	18,748
Accounts payable, accrued expenses and other liabilities	\$	930
Deferred tax liability		3,614
Total liabilities	\$	4,544
Net assets	\$	14,204
Goodwill		6,206
Total purchase price consideration	\$	20,410

The excess of the purchase consideration over the fair value of net assets acquired has been recorded as goodwill. The goodwill is primarily attributable to the expected synergies from integrating Bubty's workforce management technology and operations with Lifted, and the value of the assembled workforce, which do not qualify for separate recognition as identifiable intangible assets. The goodwill is not deductible for income tax purposes.

The Company engaged an independent third-party valuation specialist to assist in the determination of the fair value of intangible assets acquired. All key estimates, assumptions, and forecasts were either provided by or reviewed by management. While the third-party specialist provided significant input into the valuation, the final conclusions reflect the judgment of management. The fair value measurements of the intangible assets were based primarily on significant unobservable inputs, and this represents a Level 3 measurement.

As of the acquisition date, the fair value and expected useful lives of the identifiable intangible assets acquired were as follows (dollars in thousands):

	Fair Value	Expected Useful life
Developed technology	\$ 18,600	5 years

**Ascen Inc.**

On August 18, 2025, Lifted acquired 100% of the equity interests of Ascen, a tech-enabled employer of record company specifically designed for the contingent labor space, for total purchase price consideration of \$40.8 million. This acquisition supports the Company's strategic objective to enhance its enterprise offerings by enabling clients of Lifted to engage workers classified as employees for U.S. tax purposes.

The acquisition of Ascen was accounted for as a business combination in accordance with ASC Topic 805, Business Combinations. Accordingly, the allocation of the purchase price is as follows (in thousands):

Cash and cash equivalents	\$	2,688
Trade and client receivables		12,420
Intangible assets		15,000
Other current assets		2,116
<b>Total assets</b>	<b>\$</b>	<b>32,224</b>
Accounts payable, accrued expenses and other liabilities	\$	9,080
Deferred tax liability		4,306
<b>Total liabilities</b>	<b>\$</b>	<b>13,386</b>
<b>Net assets</b>	<b>\$</b>	<b>18,838</b>
Goodwill		21,922
<b>Total purchase price consideration</b>	<b>\$</b>	<b>40,760</b>

The excess of the purchase consideration over the fair value of net assets acquired has been recorded as goodwill. The goodwill is primarily attributable to the expected synergies from Lifted's ownership of Ascen and the Company's expansion into employer of record and staffing solutions, which do not qualify for separate recognition as identifiable intangible assets. The goodwill is not deductible for income tax purposes.

The Company engaged an independent third-party valuation specialist to assist in the determination of the fair value of intangible assets acquired. All key estimates, assumptions, and forecasts were either provided by or reviewed by management. While the third-party specialist provided significant input into the valuation, the final conclusions reflect the judgment of management. The fair value measurements of the intangible assets were based primarily on significant unobservable inputs, and this represents a Level 3 measurement.

As of the acquisition date, the fair value and expected useful lives of the identifiable intangible assets acquired were as follows (dollars in thousands):

	Fair Value	Expected Useful life
Customer relationship	\$ 10,000	3 years
Developed technology	\$ 5,000	5 years
<b>Total intangibles</b>	<b>\$ 15,000</b>	

During the three months ended December 31, 2025, the Company decreased goodwill by \$1.3 million related to the Ascen acquisition based on new information obtained about facts and circumstances that existed as of the acquisition date, resulting in a reduction to the purchase price allocation. The Company finalized the purchase price allocations for the acquisitions of Bubty and Ascen in accordance with ASC 805, and no further measurement period adjustments are expected.

The Company incurred approximately \$4.4 million of transaction-related expenses in connection with these acquisitions for the nine months ended September 30, 2025, all of which were recorded in general and administrative expenses in the consolidated statements of operations and comprehensive income. No additional transaction-related expenses were incurred during the three months ended December 31, 2025.

The Company has not presented unaudited supplemental pro forma financial information for the business acquisitions described above, as management determined that such information was not material to the Company's consolidated results of operations for the periods presented, assuming the acquisitions had occurred as of the beginning of the comparable prior reporting period.

As of March 31, 2026, acquisition-related compensation includes aggregate founders' holdback amounts of \$16.4 million to be paid over a three-year period from the date of the respective deal close, subject to the relevant founder's continued employment or service, as applicable. This represents compensation for post-combination services because the payments are subject to the relevant founder's continuous employment or service, as applicable, to the relevant vesting dates. The Company expects to recognize related compensation expense over the service period as amounts are earned.

## **Note 8—Commitments and Contingencies**

### **Letters of Credit**

In conjunction with the Company's operating lease agreements, as of March 31, 2026 and December 31, 2025, the Company had irrevocable letters of credit outstanding in the aggregate amount of \$0.3 million. The letters of credit are collateralized by restricted cash in the same amount. No amounts had been drawn against these letters of credit as of March 31, 2026 and December 31, 2025.

### **Contingencies**

The Company accrues contingent liabilities when it is probable that future expenditures will be made and such expenditures can be reasonably estimated. Potential contingencies may include various claims and litigation or non-income tax matters that arise from time to time in the normal course of business. Due to uncertainties inherent in such contingencies, the Company can give no assurance that it will prevail in any such matters, which could subject the Company to significant liability or damages. Any claims, litigation, or other contingencies could have an adverse effect on the Company's business, financial position, results of operations, or cash flows in or following the period that claims, litigation, or other contingencies are resolved.

As of March 31, 2026 and December 31, 2025, the Company was not a party to any material legal proceedings or claims, nor is the Company aware of any pending or threatened litigation or claims, including non-income tax matters, that could reasonably be expected to have a material adverse effect on its business, operating results, cash flows, or financial condition. Accordingly, the amounts accrued for contingencies for which the Company believes a loss is probable were not material as of March 31, 2026 and December 31, 2025.

### **Indemnification**

The Company has indemnification agreements with its officers, directors, and certain key employees to indemnify them while they are serving in good faith in their respective positions. In the ordinary course of business, the Company and its operating subsidiaries enter into contractual arrangements under which they agree to provide indemnification of varying scope and terms to clients, business partners, vendors, and other parties, including, but not limited to, losses arising out of the Company's or its operating subsidiaries' breach of such agreements, claims related to potential data or information security breaches, intellectual property infringement claims made by third parties, and other liabilities relating to or arising from their products and services or their acts or omissions. In addition, subject to the terms of the applicable agreement, as part of the Enterprise Solutions and certain other premium offerings, the Company and its operating subsidiaries indemnify clients that subscribe to worker classification services for losses arising from worker misclassification. It is not possible to determine the maximum potential loss under these indemnification provisions due to the Company's limited history of prior indemnification claims and the facts and circumstances involved in each particular provision.

## Note 9—Debt

The following table presents the carrying value of the Company's debt obligations as of March 31, 2026 and December 31, 2025:

<i>(In thousands)</i>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Convertible senior notes	\$ 360,998	\$ 360,998
Total debt	360,998	360,998
Less: Unamortized debt issuance costs	(767)	(1,228)
Balance	\$ 360,231	\$ 359,770
Debt, current	360,231	359,770
Weighted-average interest rate	0.77 %	0.76 %

### Convertible Senior Notes Due 2026

In August 2021, the Company issued 0.25% convertible senior notes due 2026, which are referred to as the Notes. The Notes were issued pursuant to and are subject to the terms and conditions of an indenture between the Company and Computershare Trust Company, National Association (as successor in interest to Wells Fargo Bank, National Association), as trustee, which is referred to as the Indenture. The Notes were offered and sold in a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. As of March 31, 2026 and December 31, 2025, \$361.0 million aggregate principal amount of the Notes remained outstanding.

The Notes are senior, unsecured obligations of the Company and bear interest at a rate of 0.25% per year. Interest began to accrue on August 10, 2021, and is payable semiannually in arrears on February 15 and August 15 of each year, beginning on February 15, 2022, and the principal amount of the Notes will not accrete. The Notes will mature on August 15, 2026, unless earlier redeemed, repurchased, or converted in accordance with the terms of the Notes.

Holders may convert all or any portion of their Notes, in multiples of \$1,000 principal amount, at the option of the holder (i) on or after May 15, 2026, at any time until the close of business on the second scheduled trading day immediately preceding the maturity date, and (ii) prior to the close of business on the business day immediately preceding May 15, 2026, only upon satisfaction of certain conditions and during certain periods specified as follows:

- during any calendar quarter commencing after the calendar quarter ending on December 31, 2021, if the last reported sale price of the Company's common stock is greater than or equal to 130% of the conversion price for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter of the conversion price on each applicable trading day;
- during the five consecutive business day period after any five consecutive trading day period, which is referred to as the Measurement Period, in which the trading price (as defined in the Indenture) per \$1,000 principal amount of Notes for each trading day of the Measurement Period was less than 98% of the product of the last reported sale price per share of the Company's common stock on such trading day and the conversion rate on such trading day;
- if the Company calls such Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date; and
- upon the occurrence of specified corporate events described in the Indenture.

Upon conversion, the Notes may be settled in shares of the Company's common stock, cash or a combination of cash and shares of the common stock, at the election of the Company. The Notes have an initial conversion rate of 15.1338 shares of common stock per \$1,000 principal amount of Notes, which is subject to adjustment in certain circumstances. This is equivalent to an initial conversion price of approximately \$66.08 per share of the Company's common stock. The conversion rate is subject to

customary adjustments under certain circumstances in accordance with the terms of the Indenture. In addition, if certain corporate events that constitute a make-whole fundamental change (as defined in the Indenture) occur or if the Company issues a notice of redemption with respect to the Notes prior to the maturity date, then the conversion rate will, in certain circumstances, be increased for a specified period of time.

The Company may redeem for cash all or any portion of the Notes (subject to a partial redemption limitation), at the Company's option, on or after August 20, 2024, if the last reported sale price per share of the Company's common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus any accrued and unpaid interest, if any, to, but excluding, the redemption date. No sinking fund is provided for the Notes, which means that the Company is not required to redeem or retire the Notes periodically.

Upon the occurrence of a fundamental change (as defined in the Indenture), subject to certain conditions, holders have the right to require the Company to repurchase for cash all or a portion of their Notes at a price equal to 100% of the principal amount of the Notes to be repurchased, plus any accrued and unpaid interest thereon, if any, until, but excluding, the fundamental change repurchase date.

The Notes are the Company's senior unsecured obligations and rank senior in right of payment to any of the Company's existing and future indebtedness that is expressly subordinated in right of payment to the Notes; equal in right of payment to any of the Company's existing and future unsecured indebtedness that is not so subordinated; effectively junior in right of payment to any of the Company's existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness and other liabilities (including trade payables) of the Company's subsidiaries.

For each of the three months ended March 31, 2026 and 2025, interest expense was \$0.2 million, and amortization of the issuance costs was \$0.5 million related to the Notes.

As of March 31, 2026 and December 31, 2025, the if-converted value of the Notes did not exceed the outstanding principal amount. As of March 31, 2026, the total estimated fair value of the Notes was \$355.0 million and was determined based on a market approach using actual bids and offers of the Notes in an over-the-counter market on the last trading day of the period. The Company considers these assumptions to be Level II inputs in accordance with the fair value hierarchy described in "Note 4—Fair Value Measurements."

### **Capped Calls**

In connection with the issuance of the Notes, the Company entered into privately negotiated capped call transactions, which are referred to as the Capped Calls, with various financial institutions.

Subject to customary anti-dilution adjustments substantially similar to those applicable to the Notes, the Capped Calls cover the number of shares of the Company's common stock initially underlying the Notes. By entering into the Capped Calls, the Company expects to reduce the potential dilution to its common stock (or, in the event a conversion of the Notes is settled in cash, to reduce its cash payment obligation) in the event that at the time of conversion of the Notes its common stock price per share exceeds the conversion price of the Notes, with such reduction subject to a cap based on the cap price. If, however, the market price per share of common stock, as measured under the terms of the Capped Calls, exceeds the cap price of the Capped Calls, there would be dilution and/or there would not be an offset of such potential cash payments, in each case, to the extent that the then-market price per share of common stock exceeds the cap price of the Capped Calls. The initial cap price of the Capped Calls is \$92.74 per share of common stock, which represents a premium of 100% over the last reported sale price of the common stock of \$46.37 per share on August 5, 2021, the date of issuance of the Notes, and is subject to certain customary adjustments under the terms of the Capped Calls; provided that the cap price will not be reduced to an amount less than the strike price of \$66.08 per share.

The Capped Calls are separate transactions and are not part of the terms of the Notes. The Capped Calls meet the criteria for classification as equity and, as such, are not remeasured each reporting period and are included as a reduction to additional paid-in-capital within stockholders' equity.

#### Note 10—Net Income per Share

The following table sets forth the computation of the Company's basic and diluted net income per share for the periods presented:

	Three Months Ended March 31,	
	2026	2025
<i>(In thousands, except share and per share data)</i>		
<b>Numerator:</b>		
Basic: net income	\$ 31,461	\$ 37,730
Interest expense related to convertible senior notes, net of tax	573	576
Diluted	\$ 32,034	\$ 38,306
<b>Denominator:</b>		
Weighted-average shares used to compute net income per share, basic and diluted		
Basic	128,116,112	135,208,178
Options to purchase common stock	488,857	590,766
Common stock issuable upon vesting of restricted stock units and performance stock units	1,410,138	971,177
Common stock issuable upon exercise of common stock warrants	149,905	232,847
Common stock issuable in connection with employee stock purchase plan	27,806	310,599
Common stock issuable in connection with convertible senior notes	5,463,045	5,463,045
Diluted	135,655,863	142,776,612
<b>Net income per share:</b>		
Basic	\$ 0.25	\$ 0.28
Diluted	\$ 0.24	\$ 0.27

The following potentially dilutive shares were excluded from the computation of diluted net income per share for the periods presented because including them would have been anti-dilutive:

	Three Months Ended March 31,	
	2026	2025
Options to purchase common stock	1,500,000	1,500,000
Common stock issuable upon vesting of restricted stock units and performance stock units	8,590,572	9,389,674
Common stock issuable in connection with employee stock purchase plan	644,641	373,809
Total	10,735,213	11,263,483

## Note 11—Income Taxes

The Company computes its provision for income taxes by applying the estimated annual effective tax rate to year-to-date income from recurring operations and adjusts the provision for discrete tax items recorded in the period.

For the three months ended March 31, 2026 and 2025, the Company's income tax provision was \$6.2 million and \$7.3 million, respectively.

The decrease in income tax provision for the three months ended March 31, 2026, was primarily attributable to lower income before income taxes in the current period.

The Company regularly evaluates the realizability of its deferred tax assets and establishes a valuation allowance when it is more likely than not that some or all of its deferred tax assets will not be realized. This assessment is based on the weight of all available evidence, including cumulative pre-tax income or losses, anticipated future earnings, the impact of permanent differences, and items recorded in other comprehensive income or losses.

Based on all available positive and negative evidence, including demonstrated sustained profitability, which is objective and verifiable, and after considering anticipated future earnings, the Company concluded it is more likely than not that its U.S. federal deferred tax assets will be realizable. The Company continues to maintain a valuation allowance against its California deferred tax assets, as it is more likely than not that these assets will not be realized, primarily due to expected research and development tax credit generation exceeding the Company's ability to utilize these assets in future periods.

The Company is subject to taxation in the United States and various other state and foreign jurisdictions. Due to certain tax attribute carryforwards, the tax years 2001 to 2024 remain open to examination by the major taxing jurisdictions in which the Company is subject to tax. Due to differing interpretations of tax laws and regulations, tax authorities may dispute the Company's tax filing positions. The Company periodically evaluates its exposures associated with its tax filing positions and believes that adequate amounts have been reserved for adjustments that may result from tax examinations.

On July 4, 2025, Public Law 119-21 was enacted, introducing changes to U.S. tax law, including 100% bonus depreciation and the expensing of domestic research costs. In accordance with ASC 740, Income Taxes, the effects of enacted tax law changes must be recognized in the period in which the legislation is enacted. Certain provisions became effective in the first quarter of 2026, and these impacts have been reflected in the Company's first quarter 2026 results.

## Note 12—Segment Information

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly provided to the CODM in deciding how to allocate resources to an individual segment and in assessing performance. The Company's Chief Executive Officer is the Company's CODM. The CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance. The accounting policies of the Company's reportable segment, as well as how the Company derives revenue, are consistent with those described in "Note 2—Basis of Presentation and Summary of Significant Accounting Policies" of the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

The CODM uses consolidated net income to assess performance, evaluate cost optimization, and allocate resources, including personnel-related and financial or capital resources, in the annual budget and forecasting process, as well as budget-to-actual variances on a monthly basis. As such, the Company has determined that it operates as one operating and reportable segment.

The following tables set forth significant expense categories and other specified amounts included in consolidated net income that are otherwise regularly provided to the CODM for the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31,	
	2026	2025
Revenue	\$ 195,483	\$ 192,706
Cost of revenue <sup>(1)</sup>	39,128	39,201
Research and development <sup>(1)</sup>	35,126	38,544
Sales and marketing <sup>(1)</sup>	36,017	33,750
General and administrative <sup>(1)(2)</sup>	25,564	22,940
Provision for transaction losses	2,222	2,259
Stock-based compensation expense	15,421	12,272
Depreciation and amortization	9,099	4,861
Interest income	(5,850)	(7,098)
Interest expense	704	686
Income tax provision	6,249	7,277
Other segment items <sup>(3)</sup>	342	284
Segment net income	<u>\$ 31,461</u>	<u>\$ 37,730</u>

<sup>(1)</sup> For all periods presented, excludes stock-based compensation and depreciation and amortization included in cost of revenue, research and development, sales and marketing, and general and administrative expenses, as these amounts are regularly provided to the CODM.

<sup>(2)</sup> For all periods presented, excludes expenses related to the warrant to purchase 500,000 shares of the Company's common stock at an exercise price of \$0.01 per share issued to the Tides Foundation in 2018, which is referred to as the Tides Foundation Warrant.

<sup>(3)</sup> For the three months ended March 31, 2026 and 2025, the Company incurred \$0.2 million of expenses related to the Tides Foundation Warrant.

Substantially all of the Company's long-lived assets, including operating lease right-of-use assets, were located in the United States as of March 31, 2026 and December 31, 2025.

#### Note 13—Subsequent Events

##### *Restructuring Plan*

On May 7, 2026, the Company announced a restructuring plan, which is referred to as the Restructuring Plan, intended to build a more efficient operating model and position the Company for profitable growth as the nature of work evolves. The Company anticipates that the Restructuring Plan will include a reduction of the Company's total workforce by approximately 24% and the Company estimates that it will incur between approximately \$16.0 million and \$23.0 million in pre-tax restructuring charges in connection with the Restructuring Plan. The Company expects most of these charges to be cash expenditures and to be recognized over the next two or three quarters with the majority of these charges in the second quarter of 2026.

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

*You should read the following discussion and analysis of our financial condition and results of operations together with the section titled “Risk Factors” and the condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report. This discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties, as well as assumptions that may never materialize or that may be proven incorrect. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed in the sections titled “Special Note Regarding Forward-Looking Statements” and “Risk Factors,” and in other parts of this Quarterly Report.*

### Overview

Upwork Inc., through its complementary, wholly owned subsidiaries, connects businesses with global, AI-enabled talent across every on-demand work type, including freelance, agency, fractional, and payrolled. Our portfolio of platforms and other workforce solutions includes the Upwork Marketplace, the world’s human and AI-powered work marketplace that connects businesses with on-demand access to highly skilled independent talent worldwide, and Lifted, our wholly owned subsidiary that provides a purpose-built solution for enterprise organizations to source, contract, manage, and pay talent across the full spectrum of contingent work.

Our customers consist of both talent and clients. We define talent as those who deliver services through the Upwork Marketplace, Lifted, or other Upwork workforce solutions. We define clients as customers that seek and engage with talent through these platforms and other workforce solutions. Talent includes independent professionals and agencies of varying sizes, while clients range from small businesses and entrepreneurs to large enterprises, including Fortune 100 companies.

We measure economic activity across our portfolio of platforms and other workforce solutions using Gross Services Volume, which we refer to as GSV. GSV represents the total dollar value transacted through all Upwork platforms and other workforce solutions, including client spend for talent services. GSV also includes other client and talent value-added services, such as AI-based solutions, purchases of Connects (which are virtual tokens that are required for talent to bid on projects and purchase ads products on the Upwork Marketplace), payment processing, memberships, and currency services.

### Financial Highlights

Over the past several years, we have continued to execute on our strategic initiatives designed to drive sustainable growth and profitability, and improve operational efficiency. These initiatives have centered around four key growth drivers: (i) enhancing monetization and the supply and demand characteristics of the Upwork Marketplace with new ads products and other offerings, enhancing existing offerings, and optimizing our Connects pricing model; (ii) expanding our Enterprise offerings through enhanced solutions and strategic partnerships that enable us to serve a broader range of client segments and deliver end-to-end contingent workforce solutions through Lifted; (iii) expanding our small and medium-sized business, which we refer to as SMB, offerings and support through tailored solutions such as Business Plus; and (iv) advancing our AI capabilities and AI-native experiences, including through Uma™, our proprietary AI work agent, and other AI-driven features that enhance productivity for talent and clients across the Upwork Marketplace.

The execution of these initiatives delivered measurable financial benefits across our business and contributed to Marketplace take rate expansion and revenue growth for the three months ended March 31, 2026. Marketplace revenue increased to \$170.7 million, or 3%, for the three months ended March 31, 2026, as compared to \$166.3 million in the same period in 2025. Marketplace take rate increased to 19.4% for the three months ended March 31, 2026, as compared to 18.3% in the same period in 2025, reflecting the growing contributions from ads and monetization products.

Enterprise revenue decreased to \$24.8 million, or (6)%, for the three months ended March 31, 2026, as compared to \$26.4 million in the same period in 2025, largely due to a reduction in client spend resulting

from reduced efforts to acquire new customers as we prioritized the transition of Enterprise clients to the Lifted platform. Unless otherwise indicated, Enterprise results discussed herein include the results of Ascen and Buby following the date that each was acquired by Lifted.

During the three months ended March 31, 2026, we generated net income of \$31.5 million, compared to net income of \$37.7 million during the same period in 2025. The decrease in net income primarily reflects increased cost of revenue and operating expenses driven by our continued investment in the business, partially offset by revenue growth.

Adjusted EBITDA was \$57.4 million for the three months ended March 31, 2026, as compared to \$56.0 million during the same period in 2025.

Adjusted EBITDA is not prepared in accordance with, and is not an alternative to, financial measures prepared in accordance with generally accepted accounting principles in the United States, which we refer to as U.S. GAAP. See “Key Financial and Operational Metrics—Non-GAAP Financial Measures” below for a definition of adjusted EBITDA, information regarding our use of adjusted EBITDA, and a reconciliation of adjusted EBITDA to net income, the most directly comparable financial measure prepared under U.S. GAAP.

### Key Financial and Operational Metrics

The key financial and operational metrics that we monitor to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans, and make strategic decisions were as follows, as of or for the period presented:

	Three Months Ended March 31,		Change
	2026	2025	
<i>(In thousands, except percentages and basis points)</i>			
GSV	\$ 987,110	\$ 987,712	— %
Marketplace revenue	\$ 170,705	\$ 166,293	3 %
Marketplace take rate	19.4 %	18.3 %	111 bps
Net income	\$ 31,461	\$ 37,730	(17)%
Adjusted EBITDA <sup>(1)</sup>	\$ 57,426	\$ 56,011	3 %

<sup>(1)</sup> Adjusted EBITDA is not prepared in accordance with, and is not an alternative to, financial measures prepared in accordance with U.S. GAAP. See “— Non-GAAP Financial Measures” below for the definition of adjusted EBITDA, information regarding our use of adjusted EBITDA, and a reconciliation of adjusted EBITDA to net income, the most directly comparable financial measure prepared under U.S. GAAP.

	As of March 31,		% Change
	2026	2025	
<i>(Active clients are in thousands)</i>			
Active clients	784	812	(3)%
GSV per active client	\$ 5,138	\$ 4,912	5 %

We believe these key financial and operational metrics are useful to evaluate period-over-period comparisons of our business and in understanding our operating results, and management uses these metrics to track our performance. We expect our key metrics may fluctuate between periods due to a number of factors, including changing macroeconomic conditions; the number of Sundays (i.e., the day we have the contractual right to bill and recognize revenue for the majority of our talent service fees each week) in any given period; the lapping of significant launches of new lines of business or products, pricing changes, and other monetization efforts; and ongoing efforts to improve processes on the Upwork Marketplace, including project proposals and purchases of Connects, among others. For a discussion of limitations in the measurement of our key financial and operational metrics, see “Risk Factors—We track certain performance metrics with internal tools and do not independently verify such metrics. Certain of our performance metrics may not accurately reflect certain details of our business, are subject to inherent

challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business” in Part II, Item 1A of this Quarterly Report.

### **Gross Services Volume (GSV)**

GSV represents the total dollar value transacted through all Upwork platforms and other workforce solutions. The primary component of GSV is client spend, which we define as the total dollar amount that clients spend for talent services through such platforms and other workforce solutions. GSV also includes other client and talent value-added services, such as AI-based services, purchases of Connects, payment processing, memberships, and currency services.

Growth in the number of active clients and GSV per active client are the primary drivers of GSV.

In the third quarter of 2025, we refined our definition of GSV to better align with the continued evolution of our business model and service offerings, including as a result of Lifted’s acquisitions of Bubty and Ascen. This change does not impact previously reported GSV amounts or affect the comparability of GSV across periods, and no historical periods have been recast.

For purposes of determining countries where we enable GSV, we include both the countries in which the clients that paid for the applicable services are located, as well as the countries in which talent that provided those services are located.

### **Marketplace Revenue**

Marketplace revenue represents the revenue derived from the Upwork Marketplace and is the primary driver of our business. We believe Marketplace revenue provides comparability to other online marketplaces. We generate Marketplace revenue from both talent and clients. Marketplace revenue is primarily generated from talent service fees paid by talent as a percentage of the total amount talent charges clients for services accessed on the Upwork Marketplace and client marketplace fees. We also generate Marketplace revenue through ads and monetization products, including purchases of Connects, talent memberships, and other services, such as foreign currency exchange when clients choose to pay in currencies other than the U.S. dollar. Additionally, we earn interest on funds held on behalf of customers, which is included in Marketplace revenue.

### **Marketplace Take Rate**

Marketplace take rate measures the correlation between Marketplace revenue and Marketplace GSV and is calculated by dividing Marketplace revenue by Marketplace GSV. We define Marketplace GSV as GSV derived from the Upwork Marketplace. Marketplace take rate is an important metric because it is the key indicator of how well we monetize spend on the Upwork Marketplace.

### **Active Clients and GSV per Active Client**

We define an active client as a client that has had spend activity on any Upwork platform or other workforce solution during the 12 months preceding the date of measurement. GSV per active client is calculated by dividing total GSV during the four quarters ended on the date of measurement by the number of active clients on the date of measurement. We believe that the number of active clients and GSV per active client are indicators of the growth and overall health of our business. The number of active clients is a driver of GSV and, in turn, revenue generated across our platforms and workforce solutions.

### **Non-GAAP Financial Measures**

In addition to our results determined in accordance with U.S. GAAP, adjusted EBITDA is a non-GAAP measure that we believe is useful in evaluating our operating performance.

We define adjusted EBITDA as net income adjusted for stock-based compensation expense; depreciation and amortization; other income (expense), net, which includes interest expense; income tax benefit (provision); and, if applicable, certain other gains, losses, benefits, or charges that are non-cash or are significant and the result of isolated events or transactions that have not occurred frequently in the past

and are not expected to occur regularly in the future. Adjusted EBITDA is not prepared in accordance with, and is not an alternative to, financial measures prepared in accordance with U.S. GAAP.

The following table presents a reconciliation of net income, the most directly comparable financial measure prepared in accordance with U.S. GAAP, to adjusted EBITDA for each of the periods indicated:

<i>(In thousands)</i>	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Net income	\$ 31,461	\$ 37,730
Add back (deduct):		
Stock-based compensation expense	15,421	12,272
Depreciation and amortization	9,099	4,861
Other income, net	(4,992)	(6,317)
Income tax provision	6,249	7,277
Other <sup>(1)</sup>	188	188
Adjusted EBITDA	\$ 57,426	\$ 56,011

<sup>(1)</sup> For the three months ended March 31, 2026 and 2025, we incurred \$0.2 million of expense related to the warrant to purchase 500,000 shares of our common stock at an exercise price of \$0.01 per share issued to the Tides Foundation in 2018.

We use adjusted EBITDA as a measure of operational efficiency. We believe that this non-GAAP financial measure is useful to investors for period-to-period comparisons of our business and in understanding and evaluating our operating results for the following reasons:

- adjusted EBITDA is widely used by investors and securities analysts to measure a company's operating performance without regard to items such as stock-based compensation expense; depreciation and amortization; other income (expense), net, which includes interest expense; income tax benefit (provision); and, if applicable, certain other gains, losses, benefits, or charges that are non-cash or are significant and the result of isolated events or transactions that have not occurred frequently in the past and are not expected to occur regularly in the future, all of which can vary substantially from company to company depending upon their financing, capital structures, and the method by which assets were acquired;
- our management uses adjusted EBITDA in conjunction with financial measures prepared in accordance with U.S. GAAP for planning purposes, including the preparation of our annual operating budget, as a measure of our core operating results and the effectiveness of our business strategy, and in evaluating our financial performance; and
- adjusted EBITDA provides consistency and comparability with our past financial performance, facilitates period-to-period comparisons of our core operating results, and also facilitates comparisons with other peer companies, many of which use similar non-GAAP financial measures to supplement their U.S. GAAP results.

Our use of adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under U.S. GAAP. Some of these limitations are as follows:

- adjusted EBITDA excludes stock-based compensation expense, which has recently been, and will continue to be for the foreseeable future, a significant recurring expense for our business and an important part of our compensation strategy;
- although depreciation and amortization expense are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and adjusted EBITDA does not

reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;

- adjusted EBITDA does not reflect: (a) changes in, or cash requirements for, our working capital needs; (b) interest expense, or the cash requirements necessary to service interest or principal payments on our debt, which reduces cash available to us; (c) tax payments that may represent a reduction in cash available to us; or (d) material acquisition-related deal costs, and
- other companies, including companies in our industry, may calculate adjusted EBITDA or similarly titled measures differently, which reduces the usefulness of this measure for comparative purposes.

Because of these and other limitations, you should consider adjusted EBITDA along with net income and our other financial performance measures prepared in accordance with U.S. GAAP.

## Components of Our Results of Operations

### Revenue

**Marketplace Revenue.** Marketplace revenue represents the revenue derived from the Upwork Marketplace and is primarily generated from talent service fees and client marketplace fees. Effective May 2025, we introduced a variable pricing structure for talent service fees for new contracts. Under this variable pricing structure, talent on the Upwork Marketplace are charged a fixed fee for each contract ranging from 0% to 15% of their earnings, depending on platform-specific supply and demand factors, such as project type, job availability, and client demand. The applicable fee is disclosed at contract inception and remains fixed for the duration of the contract. For contracts formed prior to May 2025, we maintain a flat talent service fee of 10% for talent working with clients on the Upwork Marketplace.

Revenue for a majority of talent service fees on the Upwork Marketplace is recognized on the Sunday of each week, as this is the day we have the contractual right to bill talent for the service fees. We charge a client marketplace fee of 5% on each transaction—or 3% if paid via ACH for eligible clients. We also offer a Business Plus plan that includes premium features targeted at larger customers, which is subject to a client marketplace fee of 10% on each transaction—or 8% if paid via ACH for eligible clients.

We also generate Marketplace revenue through ads and monetization products, talent memberships, and other services, such as foreign currency exchange when clients choose to pay in currencies other than the U.S. dollar. Additionally, we earn interest on funds held on behalf of customers.

**Enterprise Revenue.** Enterprise offers two primary lines of service—Enterprise Solutions and Managed Services.

Our Enterprise Solutions offerings include access to additional product features, premium access to top talent, professional services, custom reporting, and flexible payment terms. Revenue from our Enterprise Solutions offerings includes all client fees, subscriptions, and talent service fees. For our Enterprise Solutions offerings, we charge clients a monthly or annual subscription fee and a service fee calculated as a percentage of the client's spend on talent services, in addition to a 10% service fee paid by talent. Additionally, clients of our Enterprise Solutions offerings can subscribe to a compliance service that includes worker classification services for an additional fee and may also choose to use the Upwork Marketplace to engage talent that were not originally sourced through the Upwork Marketplace for a lower fee percentage.

Through our Managed Services offering, we are responsible for providing services and engaging talent directly or as employees of Ascen and its subsidiaries or third-party staffing providers to perform services for clients on our behalf. The talent providing services in connection with our Managed Services offering include independent talent and agencies of varying sizes. Under U.S. GAAP, we are deemed to be the principal in these Managed Services arrangements and therefore recognize the entire GSV of Managed Services projects as Managed Services revenue, as compared to recognizing only the percentage of the client spend that we receive, as we do with our Marketplace and Enterprise Solutions offerings.

### **Cost of Revenue, Gross Profit, and Gross Margin**

**Cost of Revenue.** Cost of revenue consists primarily of the cost of payment processing fees, amounts paid to talent to deliver services for clients under our Managed Services offering, personnel-related costs for our services and support personnel, third-party hosting fees for our use of Amazon Web Services, which we refer to as AWS, and the amortization expense associated with capitalized internal-use software and platform development costs. We define personnel-related costs as salaries, bonuses, benefits, travel and entertainment, and stock-based compensation costs for employees and the costs related to other service providers we engage.

**Gross Profit and Gross Margin.** Our gross profit and gross margin may fluctuate from period to period. Such fluctuations may be influenced by our revenue, the mix of payment methods that our clients choose, the timing and amount of investments to expand hosting capacity, our continued investments in our services and support teams, the timing and amounts paid to talent in connection with our Managed Services offering, and the amortization expense associated with capitalized internal-use software and platform development costs. In addition, gross margin will be impacted by fluctuations in our revenue mix between Marketplace revenue and Enterprise revenue.

### **Operating Expenses**

**Research and Development.** Research and development expense primarily consists of personnel-related costs. Research and development costs are expensed as incurred, except to the extent that such costs are associated with internal-use software and platform development that qualifies for capitalization.

**Sales and Marketing.** Sales and marketing expense consists primarily of expenses related to advertising and marketing activities, as well as personnel-related costs, including sales commissions, which we expense as they are incurred.

**General and Administrative.** General and administrative expense consists primarily of personnel-related costs for our executive, finance, legal, human resources, and operations functions; outside consulting, legal, and accounting services; and insurance.

**Provision for Transaction Losses.** Provision for transaction losses consists primarily of losses resulting from fraud and bad debt expense associated with our Trade and client receivables balance and transaction losses associated with chargebacks. Provisions for these items represent estimates of losses based on our actual historical incurred losses and other factors.

### **Other Income, Net**

Other income, net consists primarily of interest income that we earn from our operating investments, namely our deposits in money market funds and investments in marketable securities, interest expense on our outstanding borrowings, as well as gains and losses from foreign currency exchange transactions.

### **Income Tax Provision**

Income tax provision consists primarily of U.S. federal and state income taxes. We will continue to evaluate the need for a valuation allowance against our deferred tax assets on a quarterly basis.

## Results of Operations

The following table sets forth our condensed consolidated results of operations for the periods presented:

<i>(In thousands)</i>	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>Revenue</b>		
Marketplace	\$ 170,705	\$ 166,293
Enterprise	24,778	26,413
Total revenue	195,483	192,706
Cost of revenue <sup>(1)</sup>	44,641	41,806
Gross profit	150,842	150,900
<b>Operating expenses</b>		
Research and development <sup>(1)</sup>	43,307	46,152
Sales and marketing <sup>(1)</sup>	37,437	35,751
General and administrative <sup>(1)</sup>	35,158	28,048
Provision for transaction losses	2,222	2,259
Total operating expenses	118,124	112,210
Income from operations	32,718	38,690
Other income, net	4,992	6,317
Income before income taxes	37,710	45,007
Income tax provision	(6,249)	(7,277)
Net income	\$ 31,461	\$ 37,730

<sup>(1)</sup> Includes stock-based compensation expense as follows:

<i>(In thousands)</i>	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Cost of revenue	\$ 162	\$ 187
Research and development	4,805	5,812
Sales and marketing	1,420	1,501
General and administrative	9,034	4,772
Total stock-based compensation	\$ 15,421	\$ 12,272

## Comparison of the Three Months Ended March 31, 2026 and 2025

### Revenue

	Three Months Ended March 31,			
	2026	2025	Change	
<i>(In thousands, except percentages)</i>				
Marketplace	\$ 170,705	\$ 166,293	\$ 4,412	3 %
Percentage of total revenue	87 %	86 %		
Enterprise	24,778	26,413	(1,635)	(6)%
Percentage of total revenue	13 %	14 %		
Total revenue	\$ 195,483	\$ 192,706	\$ 2,777	1 %

GSV was relatively flat at \$987.1 million for the three months ended March 31, 2026, compared to \$987.7 million for the same period in 2025, reflecting continued softness in active client volumes offset by Ascen's GSV.

The number of active clients decreased 3% as of March 31, 2026, compared to March 31, 2025, driven by slower growth in acquisition of new clients, as well as lower retention of existing clients. By contrast, GSV per active client increased 5% as of March 31, 2026, compared to March 31, 2025, reflecting increased client engagement.

For the three months ended March 31, 2026, total revenue was \$195.5 million, representing a 1% increase compared to the same period in 2025.

For the three months ended March 31, 2026, Marketplace revenue increased by \$4.4 million, or 3%, compared to the same period in 2025, primarily driven by higher revenue from ads and monetization products, as well as increased adoption of Business Plus.

For the three months ended March 31, 2026, Enterprise revenue decreased by \$1.6 million, or 6%, compared to the same period in 2025. This decline was primarily driven by decreases in both Managed Services revenue and Enterprise Solutions revenue, both reflecting reduced client spend resulting from reduced efforts to acquire new customers as we focused on the transition of Enterprise clients to the Lifted platform. During the three months ended March 31, 2026, we focused on supporting existing Enterprise clients, while continuing to invest in the development of Lifted, which drove improvements in year-over-year spend per active Enterprise client. Investment in the expansion of Lifted is expected to support growth in Enterprise revenue in 2026, subject to market conditions and execution.

### Cost of Revenue and Gross Margin

	Three Months Ended March 31,			
	2026	2025	Change	
<i>(In thousands, except percentages)</i>				
Cost of revenue	\$ 44,641	\$ 41,806	\$ 2,835	7 %
Total gross margin	77 %	78 %		

For the three months ended March 31, 2026, cost of revenue increased by \$2.8 million, or 7%, compared to the same period in 2025. The increase was primarily driven by a \$2.9 million increase in amortization of capitalized internal-use software and platform development costs related to projects placed into service in 2025, partially offset by a \$0.2 million decrease in the cost of talent services to deliver Managed Services revenue.

For the three months ended March 31, 2026, gross margin decreased to 77% compared to 78% in the same period in 2025, primarily reflecting the impact of higher amortization of capitalized internal-use software and platform development costs as a percentage of revenue.

We expect gross margin to remain below prior year levels throughout 2026 and cost of revenue to increase compared to 2025, largely driven by higher amortization of capitalized internal-use software and platform development costs.

### Research and Development

	Three Months Ended March 31,			
	2026	2025	Change	
(In thousands, except percentages)				
Research and development	\$ 43,307	\$ 46,152	\$ (2,845)	(6)%
Percentage of total revenue	22 %	24 %		

For the three months ended March 31, 2026, research and development expense decreased by \$2.8 million, or 6%, compared to the same period in 2025, primarily driven by a \$2.4 million reduction in personnel-related costs and \$4.0 million of incremental internal-use software and platform development costs. These costs were partially offset by a \$1.6 million increase in amortization of intangible assets and \$1.0 million of higher hosting costs.

### Sales and Marketing

	Three Months Ended March 31,			
	2026	2025	Change	
(In thousands, except percentages)				
Sales and marketing	\$ 37,437	\$ 35,751	\$ 1,686	5 %
Percentage of total revenue	19 %	19 %		

For the three months ended March 31, 2026, sales and marketing expense increased by \$1.7 million, or 5%, compared to the same period in 2025, primarily driven by a \$3.9 million increase in marketing and advertising spend, partially offset by a \$2.0 million decrease in personnel-related costs.

### General and Administrative

	Three Months Ended March 31,			
	2026	2025	Change	
(In thousands, except percentages)				
General and administrative	\$ 35,158	\$ 28,048	\$ 7,110	25 %
Percentage of total revenue	18 %	15 %		

For the three months ended March 31, 2026, general and administrative expense increased by \$7.1 million, or 25%, compared to the same period in 2025, primarily driven by a \$4.2 million increase in personnel-related costs, largely attributable to higher stock-based compensation, and a \$2.0 million increase in contractor and professional service fees related to acquisition activities.

### Provision for Transaction Losses

	Three Months Ended March 31,			
	2026	2025	Change	
(In thousands, except percentages)				
Provision for transaction losses	\$ 2,222	\$ 2,259	\$ (37)	(2)%
Percentage of total revenue	1.1 %	1.2 %		

For the three months ended March 31, 2026, provision for transaction losses decreased 2%, compared to the same period in 2025, and represented approximately 1% of revenue for the three months ended March 31, 2026 and 2025.

## Other Income, Net

(In thousands, except percentages)	Three Months Ended March 31,		
	2026	2025	Change
Other income, net	\$ 4,992	\$ 6,317	\$ (1,325) (21)%

Other income, net decreased by \$1.3 million, or 21%, for the three months ended March 31, 2026, compared to the same period in 2025. The decrease was due to lower interest income on cash and investment balances.

## Income Tax Provision

(In thousands, except percentages)	Three Months Ended March 31,		
	2026	2025	Change
Income tax provision	\$ (6,249)	\$ (7,277)	\$ (1,028) (14)%
Effective tax rate	16.6 %	16.2 %	

For the three months ended March 31, 2026, our income tax provision decreased by \$1.0 million compared to the same period in 2025, primarily attributable to lower income before income taxes. Our effective tax rate was 16.6% for the three months ended March 31, 2026 compared to 16.2% for the same period in 2025.

## Liquidity and Capital Resources

Our principal sources of liquidity are our cash and cash equivalents and marketable securities. Our cash equivalents and marketable securities primarily consist of money market funds, commercial paper, treasury bills, corporate bonds, U.S. and foreign government securities, asset-backed securities, and other types of fixed income securities. The primary objective of our investment activities from our operating investments is to preserve principal while maximizing income without significantly increasing risk. Since our inception, our business has consisted of the operation of an online work marketplace that connects businesses with independent talent from across the globe and the provision of additional contingent workforce solutions through Lifted and its subsidiaries. We do not make investments for trading or speculative purposes. As of March 31, 2026 and December 31, 2025, we had \$328.4 million and \$294.4 million in cash and cash equivalents, respectively. As of March 31, 2026 and December 31, 2025, we had \$251.3 million and \$378.4 million in marketable securities, respectively.

We believe our existing cash and cash equivalents, marketable securities, and cash flow from operations will be sufficient for at least the next 12 months to meet our requirements and plans for cash, including meeting our working capital requirements and capital expenditure requirements. Further, as of March 31, 2026, our 0.25% convertible senior notes due 2026, which we refer to as the Notes, were classified as current liabilities since their August 15, 2026 maturity date falls within 12 months of the balance sheet date, March 31, 2026. We continue to monitor conditions in the debt market and our overall liquidity position to support our capital needs and strategic objectives. As part of this ongoing assessment, we are evaluating refinancing options and other alternatives in advance of upcoming debt maturities.

In the long term, our ability to support our working capital and capital expenditure requirements will depend on many factors, including our revenue growth rate, the timing and the amount of cash received from customers, the timing and extent of spending to support research and development efforts, investments to support and scale our Enterprise offerings, including integration costs associated with recent acquisitions, the expansion of sales and marketing activities, the cost to host our platforms and other workforce solutions, the introduction of new lines of business, offerings, and services, the continuing market adoption of our offerings, any acquisitions or investments that we make in complementary businesses, products, and technologies, macroeconomic conditions, any repurchases of shares of our outstanding common stock or the Notes, and our ability to obtain equity or debt financing.

To the extent existing cash and cash equivalents, cash from marketable securities, and cash from operations are insufficient to fund our working capital and capital expenditure requirements, or should we require additional cash for other purposes, we will need to raise additional funds. In the future, we may attempt to raise additional capital through the sale of equity securities or through equity-linked or debt financing arrangements as we did with the offering of the Notes. If we raise additional funds by issuing equity or equity-linked securities, the ownership and economic interests of our existing stockholders will be diluted. If we raise additional financing by incurring additional indebtedness, we will be subject to additional debt service requirements and could also be subject to additional restrictive covenants, such as limitations on our ability to incur additional debt, and other operating restrictions that could adversely impact our ability to conduct our business. Any future indebtedness we incur may result in terms that could also be unfavorable to our equity investors. There can be no assurances that we will be able to raise additional capital on terms we deem acceptable, or at all. The inability to raise additional capital as and when required would have an adverse effect, which could be material, on our results of operations, financial condition, and ability to achieve our business objectives.

### **Commitments and Contingencies**

Our principal commitments consist of the Notes, future purchase commitments for cloud infrastructure and other services, and obligations under our non-cancellable operating leases for office space.

During the periods presented, we did not have, nor do we currently have, any commitments or obligations, including contingent obligations, arising from arrangements with unconsolidated entities or persons that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, cash requirements or capital resources.

### **Notes**

Assuming the outstanding Notes are not converted into our common stock, repurchased, or redeemed prior to maturity on August 15, 2026, (i) annual interest expense relating to the Notes will be \$1.1 million for the remainder of fiscal year 2026 and (ii) principal in the amount of \$361.0 million will be payable upon maturity. For additional information about our Notes, see the section below titled “—Convertible Senior Notes Due 2026 and Capped Calls.”

### **Future Purchase Commitments**

In July 2024, we commenced a non-cancellable agreement for cloud infrastructure and other services that contains future purchase commitments of \$40.0 million over two years, with \$20.0 million in each year. As of March 31, 2026, we had \$2.0 million remaining under this agreement, which expires on May 1, 2026. We expect to renew this agreement upon expiration.

As of March 31, 2026, we had total remaining purchase commitments of \$4.2 million, consisting of \$2.0 million under the cloud infrastructure agreement described above and \$2.2 million under various other vendor agreements.

### **Operating Leases for Office Space**

During the three months ended March 31, 2026, the Company entered into two new operating lease agreements for office space. Refer to Note 6 to the condensed consolidated financial statements included in this Quarterly Report for additional information regarding these leases. Except as described in Note 6, there were no other material changes to our commitments under our lease agreements from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025.

### **Share Repurchase Program**

In September 2025, our board of directors authorized a share repurchase program for the repurchase of up to \$100.0 million of shares of our outstanding common stock, which we refer to as the 2025 Share Repurchase Authorization. Under the 2025 Share Repurchase Authorization, we repurchased and subsequently retired 2.1 million shares of our common stock for an aggregate amount of \$36.0 million, at an average price of \$17.33 per share, from September 2025 through December 2025, and an additional 4.6 million shares for an aggregate amount of \$64.0 million, at an average price of \$14.00 per share, from January 2026 through March 2026. As of March 31, 2026, we had no remaining balance available for repurchases under the 2025 Share Repurchase Authorization.

In February 2026, our board of directors authorized a share repurchase program for the repurchase of up to \$300.0 million of shares of our outstanding common stock, which is referred to as the 2026 Share Repurchase Authorization, and we refer to the 2026 Share Repurchase Authorization and the 2025 Share Repurchase Authorization together as the Share Repurchase Authorizations. Under the 2026 Share Repurchase Authorization, we repurchased and subsequently retired 3.5 million shares of our common stock for an aggregate amount of \$43.9 million, at an average price of \$12.37 per share, in March 2026. As of March 31, 2026, we had \$256.1 million available for repurchase under the 2026 Share Repurchase Authorization.

Collectively, during the three months ended March 31, 2026, we repurchased and subsequently retired 8.1 million shares of our common stock for an aggregate amount of \$107.9 million at an average price of \$13.28 per share, including fees associated with the repurchases and excluding excise tax, under the Share Repurchase Authorizations.

Repurchases of our common stock under the 2026 Share Repurchase Authorization may be made from time to time on the open market (including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended), in privately negotiated transactions, or by other methods, at our discretion, and in accordance with applicable securities laws and other restrictions. The 2026 Share Repurchase Authorization has no expiration date and will continue until otherwise suspended, terminated, or modified at any time for any reason. The 2026 Share Repurchase Authorization does not obligate us to repurchase any dollar amount or number of shares, and the timing and amount of any repurchases will depend on market and business conditions.

### **Escrow Funding Requirements**

As a licensed internet escrow agent, we offer escrow services to customers and, as such, we are required to hold our customers' escrowed cash and in-transit cash in trust as an asset and record a corresponding liability for escrow funds held on behalf of talent and clients on our balance sheet. We expect the balances of our funds held in escrow, including funds held in transit, and the related liability to fluctuate based on marketplace activity, and it may vary from period to period. Escrow regulations require us to cover the trust with our operating cash in the event of shortages due to the timing of cash receipts from clients for completed hourly billings. Talent submit their billings for hourly contracts to their clients on a weekly basis every Sunday, and the aggregate amount of such billings is added to escrow funds payable to talent on the same day. As of each Sunday of each week, we have not yet collected funds for hourly billings from clients as these funds are in transit. Therefore, in order to satisfy escrow funding requirements, every Sunday we match the shortage of cash in trust by restricting our own operating cash and typically collect this cash shortage from clients within the next several days. As of March 31, 2026 and December 31, 2025, funds held in escrow, including funds in transit, were \$203.7 million and \$180.8 million, respectively. We deposit a portion of funds held in escrow in interest-bearing checking accounts.

### **Convertible Senior Notes Due 2026 and Capped Calls**

As of March 31, 2026 and December 31, 2025, \$361.0 million aggregate principal amount of the Notes remained outstanding.

The Notes were issued in August 2021, pursuant to and subject to the terms and conditions of an indenture between us and Computershare Trust Company, National Association (as successor in interest

to Wells Fargo Bank, National Association), as trustee. The Notes are senior, unsecured obligations and bear interest at a rate of 0.25% per year, payable semiannually in arrears, and are due August 15, 2026. Upon conversion, we have an option to pay or deliver, as the case may be, cash, shares of our common stock, or a combination of cash and shares of our common stock.

As market conditions warrant, we may, from time to time, repurchase outstanding Notes, as we did in the three months ended March 31, 2023, in the open market, in privately negotiated transactions, by tender offer, by exchange transaction, or otherwise. Such repurchases of Notes, if any, will depend on prevailing market conditions, our liquidity, and other factors, and may be commenced or suspended at any time.

In connection with the issuance of the Notes, we entered into capped call transactions, which we refer to as the Capped Calls. The Capped Calls are expected generally to reduce the potential dilution to our common stock upon any conversion of the Notes and/or offset any cash payments we are required to make in excess of the principal amount of converted Notes, as the case may be, with such reduction and/or offset subject to a cap based on the cap price.

The initial cap price of the Capped Calls is \$92.74 per share of common stock, subject to certain customary adjustments under the terms of the Capped Calls. See “Note 9—Debt” of the notes to our condensed consolidated financial statements included elsewhere in this Quarterly Report for additional information regarding the Notes and the Capped Calls.

## Cash Flows

The following table summarizes our cash flows for the periods presented:

	Three Months Ended March 31,	
	2026	2025
<i>(In thousands)</i>		
Net cash provided by operating activities <sup>(1)</sup>	\$ 23,019	\$ 36,965
Net cash provided by (used in) investing activities	118,212	(5,223)
Net cash used in financing activities <sup>(1)</sup>	(84,254)	(13,144)
Net change in cash, cash equivalents, and restricted cash	\$ 56,977	\$ 18,598

<sup>(1)</sup> Includes increases in funds held in escrow, including funds in transit of \$23.6 million and \$19.3 million during the three months ended March 31, 2026 and 2025, respectively.

## Operating Activities

Our largest source of cash from operating activities is Marketplace revenue. Our primary uses of cash from operating activities are for personnel-related expenditures, payment processing fees, amounts paid to talent to deliver services for clients under our Managed Services offering, and third-party hosting costs.

For the three months ended March 31, 2026, net cash provided by operating activities was \$23.0 million, which resulted from net income of \$31.5 million, non-cash adjustments of \$25.8 million, and net cash outflows of \$34.2 million from changes in operating assets and liabilities.

For the three months ended March 31, 2025, net cash provided by operating activities was \$37.0 million, which resulted from net income of \$37.7 million and non-cash adjustments of \$18.1 million, and net cash outflows of \$18.9 million from changes in operating assets and liabilities.

## Investing Activities

For the three months ended March 31, 2026, net cash provided by investing activities was \$118.2 million, primarily driven by \$128.3 million in proceeds from maturities of marketable securities, partially offset by \$8.4 million in internal-use software and platform development costs and \$1.7 million for purchases of property and equipment.

For the three months ended March 31, 2025, net cash used in investing activities was \$5.2 million, which was primarily a result of investing \$50.7 million in various marketable securities, \$3.7 million in internal-use software and platform development costs, and \$2.5 million for purchases of property and equipment.

These outflows were partially offset by \$51.4 million in proceeds from maturities of marketable securities and \$0.3 million in proceeds from the sale of marketable securities.

### **Financing Activities**

For the three months ended March 31, 2026, net cash used in financing activities was \$84.3 million, primarily driven by \$107.9 million in cash paid for repurchases under the Share Repurchase Authorizations, partially offset by a \$23.6 million increase in escrow funds payable and \$0.1 million in proceeds from stock option exercises.

For the three months ended March 31, 2025, net cash used in financing activities was \$13.1 million, which was driven by \$33.1 million cash paid for repurchases under the \$100.0 million share repurchase program authorized by our board of directors in October 2024, partially offset by an increase in escrow funds payable of \$19.3 million, and cash received from stock option exercises of \$0.7 million.

### **Critical Accounting Policies and Estimates**

Our condensed consolidated financial statements are prepared in accordance with U.S. GAAP. The preparation of the condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. We evaluate our estimates and assumptions on an ongoing basis using historical experience and other factors and adjust those estimates and assumptions when facts and circumstances dictate. Actual results could materially differ from these estimates and assumptions.

An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, if different estimates reasonably could have been used, or if changes in the estimate that are reasonably possible could materially impact the financial statements.

Except as otherwise disclosed in “Note 2—Basis of Presentation and Summary of Significant Accounting Policies” of the notes to our condensed consolidated financial statements included elsewhere in this Quarterly Report and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” there have been no material changes to our critical accounting policies and estimates as compared to the critical accounting policies and estimates described in our Annual Report on Form 10-K for the year ended December 31, 2025.

### **Recent Accounting Pronouncements**

See “Note 2—Basis of Presentation and Summary of Significant Accounting Policies” of the notes to our condensed consolidated financial statements included elsewhere in this Quarterly Report for recently issued accounting pronouncements not yet adopted as of the date of this Quarterly Report.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

We have operations both within the United States and internationally, and we are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate and foreign currency exchange rates.

#### **Interest Rate Risk**

Borrowings under the Notes have a fixed interest rate. As of each of March 31, 2026 and December 31, 2025, we had \$361.0 million aggregate principal amount of borrowings outstanding under the Notes.

Additionally, we are exposed to interest rate risk relating to our investment portfolio. The primary objective of our investment activities from our operating investments is to preserve principal while maximizing income without significantly increasing risk. We do not make investments for trading or speculative purposes. Our portfolio’s fair value is relatively insensitive to interest rate changes.

We also earn interest on funds held on behalf of customers that we hold on our condensed consolidated balance sheets as funds held in escrow, including funds in transit. Because these balances are highly liquid, their fair value is relatively insensitive to interest rate changes.

We do not believe that a hypothetical increase or decrease in interest rates of 100 basis points would have a material impact on our operating results or financial condition.

#### **Foreign Currency Risk**

Our operating results and cash flows are subject to fluctuations due to changes in foreign currency exchange rates. In addition to the U.S. dollar, we offer clients the option to settle invoices denominated in the U.S. dollar in the following currencies: Euro, British Pound, Australian dollar, Canadian dollar, Singapore dollar, South African rand, New Zealand dollar, Polish zloty, Swiss franc, Norwegian krone, Danish krone, Swedish krona, Turkish lira, Japanese yen, and Hong Kong dollar. When clients make payments in one of these currencies, we are exposed to foreign currency risk during the period between when payment is made and when the payment amounts settle. To mitigate this risk, we may enter into forward contracts or secure foreign currency exchange rates for certain durations with financial institutions. As such, the impact of foreign currency exchange rate fluctuations to our operating results has been immaterial to date.

### **Item 4. Controls and Procedures.**

#### **Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our Chief Executive Officer (our Principal Executive Officer) and our Chief Financial Officer (our Principal Financial Officer), evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act as of March 31, 2026.

Our disclosure controls and procedures are designed to ensure that information we are required to disclose in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures, and is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2026, our disclosure controls and procedures were effective.

#### **Changes in Internal Control over Financial Reporting**

There were no changes to our internal control over financial reporting that occurred during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II—OTHER INFORMATION

### Item 1. Legal Proceedings.

We are not a party to any material pending legal proceedings. See “Note 8—Commitments and Contingencies” of the notes to our condensed consolidated financial statements included elsewhere in this Quarterly Report for additional information on our commitments and contingencies.

### Item 1A. Risk Factors.

*A description of the risks and uncertainties associated with our business is set forth below. You should carefully consider the risks and uncertainties described below, as well as the other information in this Quarterly Report, including our condensed consolidated financial statements and the related notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” The occurrence of any of the events or developments described below, or of additional risks and uncertainties not presently known to us or that we currently deem immaterial, could materially and adversely affect our business, results of operations, financial condition, and growth prospects. In such an event, the market price of our common stock could decline, and you could lose all or part of your investment. These disclosures reflect our beliefs and opinions as to factors that could materially and adversely affect us and our securities in the future. References to past events are provided by way of example only and are not intended to be a complete listing of such events or a representation as to whether or not such factors or similar events have occurred in the past or their likelihood of occurring in the future.*

#### Summary of Risk Factors

Some of the more material risks that we face include:

- Our growth depends on our ability to attract and retain a community of talent and clients, and the failure to maintain or grow our community of active customers in a cost-effective manner or at all could adversely impact our business, operating results, and financial condition.
- We have experienced growth in recent periods and expect to invest in our growth in the future. If we are unable to maintain similar levels of growth or manage future growth, our business, operating results, and financial condition could be adversely affected.
- We continue to evolve our business strategy, offerings and pricing models, and changes that we make can adversely affect our business and make it difficult to evaluate our future prospects.
- If we are unable to maintain our banking and payment partner relationships on favorable terms, or at all, our business could be adversely affected.
- Our business depends in part on the success of our strategic relationships with third parties and their continued performance.
- We face payment and fraud risks that could adversely impact our business.
- Customers circumvent our platforms and other workforce solutions, which adversely impacts our business.
- Issues relating to artificial intelligence and machine learning could adversely affect our business, operating results, and financial condition.
- We are subject to disputes with or between our customers.
- We face risks related to our international community of customers, which could increase as we seek to expand our international footprint.
- Acquisitions, investments, and other strategic transactions could result in operating difficulties and harm our business.
- If the market for independent talent and the services they offer does not grow, our business, operating results, and financial condition could be adversely affected.

- If we are not able to develop and release new offerings and services or successful enhancements to our existing offerings and services, our business could be adversely affected.
- If internet search engines' methodologies or other channels that we utilize to direct traffic to our websites are modified to our disadvantage, or our search result page rankings decline for other reasons, our customer growth could decline.
- We face intense competition and could lose market share to our competitors, which could adversely affect our business, operating results, and financial condition.
- If we or our third-party partners experience a security breach, other hacking or phishing attack, ransomware or other malware attack, or other privacy or security incident, our platforms and other workforce solutions may be perceived as not being secure, our reputation may be harmed, demand for our offerings may be reduced, our operations may be disrupted, we may incur significant legal costs, fines, or liabilities, and our business could be adversely affected.
- If we fail to maintain and enhance our brands and reputation, our business and financial condition may be adversely affected.
- Business or system errors, defects, or disruptions could diminish demand, adversely impact our business, operating results, and financial condition, and subject us to liability.
- Our business is subject to extensive government regulation and oversight. Any failure to comply with the extensive, complex, overlapping, and frequently changing laws and regulations, both in the United States and internationally, could adversely impact our business, operating results, and financial condition.
- We have a history of net losses, may increase our operating expenses in the future, and may not be able to sustain profitability.
- Our operating results and performance metrics may fluctuate from period to period, which makes our future results difficult to predict.
- The applicability of sales, use, and other tax laws or regulations on our business could subject us or our customers to additional tax liability and related interest and penalties, and adversely impact our business.
- We track certain performance metrics with internal tools and do not independently verify such metrics. Certain of our performance metrics may not accurately reflect certain details of our business, are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.
- The stock price of our common stock has been and may continue to be volatile, and you could lose all or part of your investment.
- We cannot guarantee that the 2026 Share Repurchase Authorization will be fully consummated or that share repurchases will enhance long-term stockholder value. Share repurchases could also increase the volatility of the trading price of our common stock and diminish our cash reserves.
- Our indebtedness could limit the cash flow available for our operations and expose us to risks that could adversely affect our business, operating results, and financial condition.
- Adverse or changing economic conditions may negatively impact our business.

#### **Risks Related to our Business Operations, Execution, and Growth**

***Our growth depends on our ability to attract and retain a community of talent and clients, and the failure to maintain or grow our community of active customers in a cost-effective manner or at all could adversely impact our business, operating results, and financial condition.***

The size of our community of customers, both talent and clients, is critical to our success. Our ability to achieve significant future revenue growth depends, in large part, upon our ability to attract and retain customers.

Clients have diverse options to find and engage service providers, including other online or offline platforms, staffing firms and agencies, by engaging service providers directly, or by hiring temporary, full-time, or part-time employees directly or through an agency. Clients may decrease or cease their use of our platforms and other workforce solutions and our revenue may be adversely impacted for many reasons, including: if we fail to attract and retain talent; if the quality or types of services provided, or the pricing offered, by talent are not satisfactory to clients; or if AI tools provide a suitable replacement for traditional talent tasks. Further, expenditures by clients may be cyclical and may reflect overall macroeconomic conditions or budgeting patterns. The loss of a key client could have an adverse effect on our business.

Talent similarly have many different ways of marketing their services, securing clients, and obtaining payments from clients, and the competition from offline and online models is significant. Likewise, there may be impediments to talent who would like to provide services to clients through our platforms and other workforce solutions.

Customers may stop using our platforms and other workforce solutions if the quality of the customer experience or our offerings or services do not meet their expectations or keep pace with the timing or quality of competitive products and services. Customers may also choose to cease using our platforms and other workforce solutions if they perceive that our pricing models are not in line with the value they derive from our offerings. Our efforts to attract and retain customers may not be successful or cost effective, and if customers, particularly significant clients, cease or reduce their use of our offerings and services for any reason, our business, operating results, and financial condition would be adversely affected.

***We have experienced growth in recent periods and expect to invest in our growth in the future. If we are unable to maintain similar levels of growth or manage future growth, our business, operating results, and financial condition could be adversely affected.***

We have experienced growth in a relatively short period of time and expect to invest in our growth in the future. However, our historical growth should not be considered indicative of our future performance, and there can be no assurance that we will be able to sustain our historical growth rates or that any future investments in growth will be successful or cost-effective. Moreover, sustaining our growth in future periods will become more difficult in periods of macroeconomic uncertainty, elevated interest rates, and inflation. To manage any future growth, we must improve our systems, motivate and effectively manage and train our workforce, and successfully manage the risks, challenges, and uncertainties associated with our business. If we are unable to grow successfully without compromising the quality of our offerings or customer experience, or if new systems that we implement to assist in managing our growth do not produce the expected benefits, our business, operating results, and financial condition could be adversely affected.

***We continue to evolve our business strategy, offerings and pricing models, and changes that we make can adversely affect our business and make it difficult to evaluate our future prospects.***

We continue to evolve our business strategy, offerings, and pricing model, as well as our sales, marketing, and brand positioning efforts. We continuously evaluate and revise our current offerings and pricing model and create and test additional offerings, pricing models, features, and services to serve our current and prospective customer base. For example, in August 2025, we launched Lifted, our enterprise-focused subsidiary offering a broader range of contingent work solutions for large enterprises.

Changes in our offerings and pricing model and the continued evolution of our business strategy and brand positioning subject us to a number of uncertainties, including our ability to plan for and project future growth and performance. Creating or modifying offerings is expensive and time consuming, diverts the attention of management, and may not be successful or cost-effective to maintain. In addition, we have in the past seen, and may in the future see, unexpected or unintended negative effects as a result of

changes to our pricing model, offerings, and sales and marketing efforts, including increased customer dissatisfaction, harm to our reputation, increased circumvention rates, reductions in the number, size, or completion rate of client projects, or a failure to attract and retain customers. Additionally, implementing changes to business strategies could result in furloughs, layoffs, and reductions in force, such as our restructuring plan announced in October 2024. If there are unforeseen expenses associated with such realignments in our business strategies, and we incur unanticipated charges or liabilities, then we may not be able to effectively realize the expected cost savings or other benefits of such actions. Any negative impacts resulting from changes to our business strategy, offerings, or pricing model could adversely impact our business, operating results, and financial condition.

***If we are unable to maintain our banking and payment partner relationships on favorable terms, or at all, our business could be adversely affected.***

We rely on banks and payment partners to provide us with corporate banking services, escrow trust accounts or other regulated accounts, and clearing, processing, and settlement functions for the funding of all transactions on our platforms and disbursement of funds to customers. Our banking and payment partners are critical to our business, and we may not always have a sufficient surplus of vendors in the event one or more relationships are terminated or interrupted for any reason. This could occur for a number of reasons, including the following:

- our partners may be unable to perform the services we require of them, including meeting processing speed and compliance standards;
- a failure by us to comply with our partners' compliance standards, which could result in increased rates that they charge us or our customers or a reduction or termination in services or benefits that they provide, and any remediation efforts undertaken by us may be costly and time consuming;
- our partners may be subject to investigation, regulatory enforcement, or other proceedings that result in their inability or unwillingness to provide services to us or our unwillingness to continue to partner with them;
- our partners may be unable to effectively accommodate changing service needs; and
- our partners could experience instability, delays, limitations, or closures of their businesses, networks, partners, or systems.

In addition, we may be forced to cease doing business with certain partners if payment laws, regulations, or rules change or are interpreted to make it difficult or impossible for us to comply.

If we are unable to maintain our agreements with current partners on favorable terms or at all, or if we are unable to enter into new agreements with new partners on favorable terms or at all, our ability to collect payments and disburse funds and our business, operating results, and financial condition may be adversely affected.

***Our business depends in part on the success of our strategic relationships with third parties and their continued performance.***

To grow our business, we need to continue to establish and maintain relationships with third parties, such as staffing providers, software and technology vendors, and payment processing and disbursement providers. We also have several partnerships that enable us to integrate AI tools into the Upwork Marketplace aimed at improving customer experience and productivity. As our agreements with third-party partners terminate or expire, we may be unable to renew or replace these agreements on favorable terms or at all. Some of our strategic partners offer, or could offer, competing products and services or also work with our competitors. Moreover, we cannot guarantee that the parties with which we have strategic relationships will continue to offer the services for which we rely on them at economically reasonable terms or at all or devote the resources necessary to expand our reach, increase our distribution, or support an increased number of customers. If we are unsuccessful in establishing or maintaining our relationships with third parties on favorable terms, these relationships are not successful in improving our

business, or one or more of our partners materially changes its business, our business, operating results, and financial condition may be adversely impacted.

***We face payment and fraud risks that could adversely impact our business.***

We expect that bad actors will continue to attempt to use our platforms to engage in unlawful or fraudulent conduct. This conduct may include unauthorized or fraudulent acquisition or use of data, money laundering, moving funds to regions or persons restricted by sanctions or export controls, terrorist financing, fraudulent sale of services, bribery, breaches of security, extortion or use of ransomware, distribution or creation of malware or viruses, and piracy or misuse of software and other copyrighted or trademarked content.

Our controls relating to customer identity verification and authentication and fraud detection are complex, require continuous improvement, and may not be effective in detecting and preventing misconduct. Further, while we take steps to improve our trust and safety program through the use of algorithms and machine learning techniques, any required or inadvertent disclosure of our security techniques or new laws restricting our use of them may make our efforts to prevent fraud or the improper use of our platforms less effective and increase the risk of harm to our customers. If our controls are not effective, any of the following could result, each of which could harm our reputation, divert the attention of management, and adversely impact our business, operating results, and financial condition:

- we may be, and historically have been, held liable for the unauthorized use of credit or debit card details or other payment account information and required to return the funds at issue and pay a chargeback, return, or other fee. If our chargeback or return rate becomes excessive, card networks may require us to pay fines or other fees or engage in costly remediation efforts or cease doing business with us;
- the California Department of Financial Protection and Innovation, which we refer to as the DFPI, or other regulators may require us to hold larger cash reserves or take other action with respect to our internet escrow license or other licensing regimes;
- customers may seek to hold us responsible for losses, lose confidence in and decrease use of our platforms and other workforce solutions, or publicize their negative experiences;
- law enforcement or administrative agencies could seek to hold us responsible for the conduct of or content posted by customers and impose fines and penalties, bring criminal action, or require us to change our business practices, and private actions or public enforcement may increase depending on interpretations of and possible changes to applicable laws;
- we may be subject to additional risk and liability exposure if employees or third-party service providers, including our independent team members, misappropriate or facilitate the fraudulent use of our or customer banking, payment, or other information;
- if talent misstate their qualifications, identity or location, or produce insufficient or defective work product or work product with a harmful effect, clients or other third parties may seek to hold us responsible and may lose confidence in and decrease use of our platforms and other workforce solutions; and
- we may bring, and have in the past brought, claims against clients and other third parties for their misuse of our platforms.

***Customers circumvent our platforms and other workforce solutions, which adversely impacts our business.***

Our business depends on customers transacting through our platforms and other workforce solutions. Despite our efforts to prevent them from doing so, customers circumvent our platforms and other workforce solutions and engage with or take payment through other means to avoid fees, and it is difficult or impossible to measure the losses associated with circumvention. Enhancements and changes we make to our pricing models, fees, offerings, services, and features may unintentionally cause customers to circumvent our platforms and other workforce solutions. In addition, circumvention is likely to increase

during a macroeconomic downturn, as customers may be more cost-sensitive. The loss of revenue associated with circumvention adversely impacts our business, operating results, and financial condition. Moreover, our efforts to reduce circumvention may be costly or disruptive to implement, fail to have the intended effect or have an adverse effect on our brand or customer experience, reduce the attractiveness of our platforms and other workforce solutions, or otherwise harm our business, operating results, and financial condition.

***Issues relating to artificial intelligence and machine learning could adversely affect our business, operating results, and financial condition.***

We incorporate AI and machine learning technologies across our platforms, offerings, and internal operations and are making further investments in expanding our AI capabilities. In addition, GSV from AI-related work performed on the Upwork Marketplace has increased as demand for AI talent has grown in recent periods. As with many innovations, AI presents new and evolving risks and challenges that could undermine or slow its adoption or cause us to experience brand or reputational harm, competitive harm, legal liability, new or enhanced governmental or regulatory scrutiny, and to incur additional costs to resolve such issues, each of which could adversely impact our business, operating results, and financial condition. For example, AI outputs may be, or alleged to be, deficient, inaccurate, inappropriate, biased, or infringing on the intellectual property rights of third parties. Perceived or actual technical, legal, compliance, privacy, security, ethical, or other issues relating to the use of AI may cause public confidence in AI generally or in our use of AI to be undermined, which could slow our customers' adoption of our offerings, services, and features that use AI or result in a decrease in demand for AI-related work. In addition, the rapid evolution of AI will require significant resources to develop, integrate, and maintain the AI technologies included in our offerings, services, and features in order to remain competitive and to implement these technologies responsibly and minimize unintended or harmful impacts. There can be no assurance that the development and deployment of such technologies will be successful or cost effective.

***We are subject to disputes with or between our customers.***

Disputes sometimes arise between talent and clients, including with respect to service standards, payment, confidentiality, work product, and intellectual property ownership and infringement. If either party believes the contract terms were not met, the service agreements negotiated between our customers and our default terms provide a mechanism for the parties to request assistance from us and, for some contracts, a third-party arbitrator. If customer disputes are not resolved amicably, the parties might escalate to formal proceedings. Given our role in facilitating and supporting customers' interactions, claims may be brought against us directly and talent or clients may bring us into claims filed against each other, particularly when one party is insolvent or facing financial difficulties. We generally disclaim responsibility and liability for disputes between customers; however, we cannot guarantee that these disclaimers will be effective in preventing or limiting our involvement in customer disputes, enforceable, or otherwise effectively prevent us from incurring liability. Disputes with or between customers may become more frequent based on the services offered or conditions outside our control, such as a macroeconomic downturn or actions of bad actors seeking to take advantage of other customers. Such disputes, or any increase in the number of disputes, may adversely affect our business, operating results, and financial condition.

***We face risks related to our international community of customers, which could increase as we seek to expand our international footprint.***

We have customers located in over 180 countries. Conducting business with an international customer base, engaging talent globally, and expanding our operations internationally subject us to significant challenges, uncertainties, and risks, including:

- varying and overlapping laws and regulations and approaches to enforcement, including with respect to worker classification and data protection and privacy;
- difficulties in, and costs of, establishing local brand recognition, adverse changes in customer sentiment between the United States and other countries, and staffing, managing, and operating international operations or support functions;

- the imposition of taxes on transactions between us and our customers or among our customers, or liability for failing to collect and remit taxes owed by our customers;
- compliance with laws designed to combat money laundering and the financing of terrorist activities;
- tariffs, restrictions or fees applied to service exports and imports, restrictions on foreign investments, sanctions, changes to existing trade arrangements between various countries, and other trade barriers or protection measures;
- geopolitical instability and security risks, such as armed conflict and civil or military unrest, political instability, human rights concerns, terrorist activity, ransomware, and cyberterrorism in countries where we have customers and retaliatory actions that governments may take in response, including the interruption of internet access as a result of any of the foregoing;
- costs of localizing services and business practices, including adding the ability for clients to pay in local currencies or modifying our platforms to offer our websites in local languages;
- changes to laws, regulations, or central bank rules impacting us or our partners that may make payments for services exports more costly, difficult, or impossible to process, or that may reduce the availability of tools like digital wallets and related payment services;
- any unenforceability of contractual provisions designed to protect and mitigate against risks, including terms of service, services agreements, arbitration and class action waiver provisions, disclaimers of warranties, limitations of liabilities, releases of claims, and indemnification provisions;
- economic weakness or currency-related challenges or crises;
- regional or global public health events;
- difficulties in obtaining and protecting our intellectual property rights outside the United States;
- organizing or similar activity by workers, local unions, works councils, or other labor organizations; and
- other risks relating to laws and regulations in jurisdictions outside the United States, as discussed elsewhere in these “Risk Factors.”

These risks may make it costly or difficult for us to conduct or expand our operations internationally, particularly in markets where we have limited experience. If we are unable to manage the complexity of global operations and support an international customer base successfully and in a cost-effective manner, our business, operating results, and financial condition could be adversely affected.

***Our business depends largely on our ability to attract and retain talented employees, including senior management and key personnel. If we lose the services of Hayden Brown, our President and Chief Executive Officer, or other members of our senior management team or key personnel, we may not be able to execute on our business strategy.***

Our future success depends in large part on our ability to attract, retain, and motivate our senior management and other key personnel. In particular, we are dependent on the services of Hayden Brown, our President and Chief Executive Officer, and our future vision, strategic direction, platforms, offerings, and technology could be compromised if she were to take another position, become ill or incapacitated, or otherwise become unable to serve as our President and Chief Executive Officer.

We face intense competition for qualified personnel from numerous technology companies. We may not be able to retain our current key personnel or attract, train, integrate, or retain other highly skilled personnel in the future and may incur significant costs to do so. Our senior management and other key personnel are all employed on an at-will basis, which means that they could terminate their employment with us at any time, for any reason, and without notice, and we do not maintain any “key-person” life insurance policies. In addition, changes in our management team resulting from the hiring or departure of

executives and other personnel changes including reorganizations of reporting lines of our workforce have resulted, and may in the future result, in increased attrition or reduced productivity of our personnel and could negatively impact our ability to attract qualified personnel. Volatility, depreciation, or lack of appreciation in our stock price may also affect our ability to attract and retain key personnel.

If we lose the services of senior management or other key personnel, if our succession plans prove inadequate to ensure business continuity, or if we are unable to retain, attract, train, and integrate the highly skilled personnel we need, our business, operating results, and financial condition could be adversely affected.

***Acquisitions, investments, and other strategic transactions could result in operating difficulties and harm our business.***

Our business strategy may, from time to time, include business combinations, acquisitions, and dispositions of products, services, technologies, businesses, or other assets, strategic investments, and commercial and strategic partnerships. However, there can be no assurance that we will be successful in identifying, negotiating and consummating strategic transaction opportunities. These transactions, even if undertaken and announced, may not close on the anticipated timeline or at all, including due to challenges in obtaining regulatory or other approvals. In addition, strategic transactions that do close may involve significant challenges, uncertainties, and risks, including:

- the potential for our strategic transactions to use cash that we may need in the future to operate our business or result in dilutive issuances of our equity securities or the incurrence of significant indebtedness;
- failure of the strategic transaction to advance our business strategy or realize its anticipated benefits;
- disruptions of our ongoing operations and diversion of management's attention;
- potential exposure to new or incremental risks associated with the acquired businesses or assets, including becoming subject to different laws and regulations or more stringent scrutiny due to the nature or location of the acquired business, products, technologies, or other assets;
- incurring substantial expenses or assuming substantial liabilities, ongoing obligations, or other risks, particularly if we fail to identify or accurately estimate commitments, liabilities, deficiencies, or other risks associated with the acquired businesses or assets;
- difficulties retaining key personnel of the acquired company or integrating acquired operations, products, systems, technologies, and employee cultures;
- potential exposure to adverse tax consequences, substantial depreciation, impairment of goodwill or other intangible assets, or deferred compensation charges; or
- difficulties related to being required to adopt or modify accounting policies.

Strategic transactions are inherently risky, may not be successful, and may harm our business, operating results, and financial condition.

**Risks Related to Our Industry, Offerings, and Services**

***If the market for independent talent and the services they offer does not grow, our business, operating results, and financial condition could be adversely affected.***

The Upwork Marketplace connects businesses with on-demand access to highly skilled independent talent worldwide. The market for online independent talent and the services they offer is relatively new, rapidly evolving, and unproven, and it is difficult to predict the size, growth rate, and expansion of this market. Our future success will depend in large part on the continued growth and expansion of this market. The overall demand for independent talent will continue to be impacted by competition in the marketplace, technological developments (including AI), and macroeconomic, geopolitical, legal, and regulatory conditions. In addition, many businesses may be unwilling to engage independent talent for a

variety of reasons, including perceived negative connotations with outsourcing work, quality of work, fraud, privacy, or data security concerns, or the rapidly evolving regulation of independent contractor services more generally, as discussed elsewhere in these “Risk Factors.” Similarly, with the increased prevalence of remote work and increased flexibility in employment relationships in recent years, more skilled independent talent may choose traditional employment, reducing the number of qualified or desirable talent available on the Upwork Marketplace. If the market for independent talent and the services they offer does not grow, our business, operating results, and financial condition could be adversely affected.

***If we are not able to develop and release new offerings and services or successful enhancements to our existing offerings and services, our business could be adversely affected.***

The market for contingent work is characterized by rapid technological change, frequent product and service introductions and enhancements, changing customer demands, and evolving industry standards. We invest substantial resources in researching and developing new offerings and services and enhancing our platforms and other workforce solutions by incorporating additional features, improving functionality, modernizing our technology, and adding other improvements to meet our customers’ evolving demands in our increasingly highly competitive industry. For example, in August 2025, we launched Lifted, our enterprise-focused subsidiary offering a broader range of contingent work solutions for large enterprises, and we continue to invest in its development. The success of any enhancements to our platforms and other workforce solutions or any new offerings or services depends on several factors, including overall demand and market acceptance, competitive pricing, adequate quality testing, integration with our platforms and third-party partners’ technologies, and timely completion. We cannot be sure that we will succeed in delivering enhancements or any new offerings or services or that any enhancements or new offerings or services will be successful or cost effective. Even if we do introduce new offerings or services, we may experience a decline in revenue from our existing offerings that is not offset by revenue from the new offerings or services, and we may experience unintended negative effects from any modifications to our existing offerings, services, and features, including reduced client spend, diminished fill rates for client projects, errors and disruptions on our platforms, and customer dissatisfaction.

***If internet search engines’ methodologies or other channels that we utilize to direct traffic to our websites are modified to our disadvantage, or our search result page rankings decline for other reasons, our customer growth could decline.***

We depend in part on internet search engines and other channels to direct a significant amount of traffic to our websites and mobile applications. Our ability to maintain the number of visitors directed to our websites and mobile applications is not entirely within our control. For example, our competitors’ search engine optimization and other efforts such as paid search may result in their websites receiving a higher search result page ranking than ours, or we may make changes to our websites or mobile applications that adversely impact our search engine optimization rankings and traffic to comply with requirements imposed by regulators, our vendors or third-party partners, or for other reasons. As a result, links to our websites may not be prominent enough to drive sufficient traffic to our websites, and we may not be able to influence search engine results.

In addition, search engines and other channels that we use to drive customers to our websites and mobile applications periodically change their algorithms, policies, and technologies, sometimes in ways that cause traffic to our websites and mobile applications to decline. These changes can also result in an interruption in customers’ ability to access our websites or a misunderstanding among potential customers regarding the functionalities or purposes of our platforms. We may also be forced to significantly increase marketing expenditures in the event that market prices for online advertising and paid listings escalate or our organic ranking decreases. Any of these changes could have an adverse impact on our customer acquisition, business, operating results, and financial condition.

***We face intense competition and could lose market share to our competitors, which could adversely affect our business, operating results, and financial condition.***

The market for contingent talent and the clients that engage them is highly competitive, rapidly evolving, fragmented, and subject to changing technology, shifting needs, and frequent introductions of new competitors as well as new offerings and services. We compete with a number of online and offline platforms and services domestically and internationally, as well as traditional staffing firms. Our main competitors fall into the following categories:

- traditional contingent workforce and staffing service providers and other outsourcing providers, such as The Adecco Group, Randstad, Recruit, Allegis Group, and Robert Half International;
- online freelancer platforms that serve either a diverse range of skill categories, such as Fiverr, Guru, and Freelancer.com, or specific skill categories;
- companies offering AI agents and tools that automate specific job functions, workflows, or knowledge work tasks;
- other online providers of products and services for individuals or businesses seeking work or to advertise their services, including personal and professional social networks, employment marketplaces, platforms providing compliance services, recruiting websites, and project-based deliverable providers;
- software and business services companies focused on talent acquisition, management, invoicing, or staffing management products and services;
- payment businesses that can facilitate payments to and from businesses and service providers;
- businesses that provide specialized professional services, including consulting, accounting, marketing, and information technology services; and
- online and offline job boards, classified ads, and other traditional means of finding work and service providers.

In addition, well-established internet companies, social media platforms, and businesses that operate driving, delivery, and other commoditized marketplaces, have entered or may decide to enter our market segment.

We also compete with companies that utilize emerging technologies and assets, such as AI and machine learning, blockchain, augmented reality, and cryptocurrency, to connect businesses with service providers or otherwise change the way that businesses engage or pay service providers or that service providers perform work.

Internationally, we compete against localized competitors that have greater brand recognition in other countries and a stronger understanding of local or regional culture and commerce. Some competitors also offer their products and services in local languages and currencies that we do not offer.

Many of our current and potential competitors enjoy substantial competitive advantages, such as: greater name recognition and brand reputation; pre-existing relationships with desirable clients; more experience with international operations and localization of their offerings; longer operating histories; greater financial, technical, and other resources; more customers; newer technologies; and, in some cases, the ability to rapidly combine online platforms with traditional staffing and contingent worker solutions. These companies may use these advantages to offer products and services similar to ours at a lower price, develop competitive products, or respond more quickly and effectively than we do to new or changing opportunities, technologies, standards, regulatory conditions, or customer preferences or requirements. In addition, in developing technology markets subject to dynamic and rapid technological change, varied business models, and frequent disruption by innovative online and offline entrants, businesses can easily and quickly launch online or mobile platforms and applications at nominal cost by using commercially available software or partnering with various established companies. For all of these reasons, we may not

be able to compete successfully against our current and future competitors, in which case our business, operating results, and financial condition would be adversely impacted.

***If we or our third-party partners experience a security breach, other hacking or phishing attack, ransomware or other malware attack, or other privacy or security incident, our platforms and other workforce solutions may be perceived as not being secure, our reputation may be harmed, demand for our offerings may be reduced, our operations may be disrupted, we may incur significant legal costs, fines, or liabilities, and our business could be adversely affected.***

Our business involves the storage, processing, and transmission of customers' proprietary, confidential, and personal information by us and our third-party partners and vendors. Our third-party partners and vendors also process certain proprietary and confidential information relating to our business and personal information of our personnel. Our systems, and the systems of our vendors and third-party partners, may be vulnerable to privacy or security incidents, such as computer viruses and other malicious software, physical or electronic break-ins, or vulnerabilities resulting from intentional or unintentional service provider actions, and similar disruptions that could make all or portions of our websites or applications unavailable for periods of time. Additionally, ransomware or other malware, viruses, social engineering (including business email compromise and related wire-transfer fraud), impersonation of our company and executives on social media, and general hacking in our industry have become more prevalent and more complex. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently and often are not foreseeable or recognized until launched against a target, we and our vendors and third-party partners may be unable to anticipate incidents or to implement adequate preventative measures. Data security breaches and other privacy and security incidents may also result from non-technical means, such as actions taken by employees or other service providers.

Any privacy or security incident experienced by us, our vendors, or our third-party partners could result in: unauthorized access to, misuse of, or unauthorized acquisition of our, our personnel's, or our customers' data; the loss, corruption, or alteration of data; interruptions in our operations; or damage to our computers or systems or those of our customers. Any of these could expose us to claims, litigation, fines, enforcement actions, other potential liability, and reputational harm. In addition, significant unavailability of our platforms and other workforce solutions due to security breaches or other privacy and security incidents could cause customers to decrease or cease their use of our platforms and other workforce solutions. Any of these effects could adversely impact our business, operating results, and financial condition.

We may also need to expend significant resources to protect against or remediate security breaches and other incidents. We cannot be certain that our cyber liability insurance coverage will extend to or be adequate for liabilities actually incurred, or that insurance will continue to be available to us on economically reasonable terms, at coverage limits we deem prudent, or at all.

Depending on the nature of the information compromised, in the event of a security breach or other privacy or security incident, we may also have obligations to notify affected individuals and entities and regulators and provide remedy, such as credit monitoring services. We may also face significant fines, reimbursement obligations, or class-action settlements (including under the California Consumer Privacy Act of 2018, which we refer to as the CCPA). Breach notification laws continue to evolve and may be inconsistent between jurisdictions. Complying with these obligations could cause us to incur substantial costs and harm our reputation.

***If we fail to maintain and enhance our brands and reputation, our business and financial condition may be adversely affected.***

The awareness and integrity of our brands and reputation are important to achieving widespread acceptance and use of our platforms and other workforce solutions and attracting and retaining customers. Successful and efficient promotion and positioning of our brands and businesses depend on, among other things, the effectiveness of our marketing efforts and brand messaging and our ability to provide reliable, trustworthy, and useful platforms and other workforce solutions at competitive prices. Our

marketing programs may not be successful or cost effective, particularly during early phases of new offerings or expansion into new segments or lines of business, such as the launch of Lifted. Additionally, as more jurisdictions adopt expansive data privacy regulations, an increasing number of customers and website visitors will have the right to opt-out of sharing their personal information for purposes of specific types of online advertising. This may lead to diminished efficacy of our marketing and brand positioning efforts, diminished visitor-to-customer conversions, and increased costs of maintaining compliance. Further, any negative publicity and news coverage relating to us, fraud or other illegal activity conducted by bad actors on our platforms or other workforce solutions, or decisions we make relating to geopolitical or social matters may undermine our brand promotion efforts or harm our reputation. If we fail to promote and maintain our brands successfully, our business, operating results, and financial condition may be adversely affected.

***Business or system errors, defects, or disruptions could diminish demand, adversely impact our business, operating results, and financial condition, and subject us to liability.***

Our systems and operations and those of our customers and third-party service providers and partners have experienced from time to time, and may experience in the future, errors, defects, and disruptions from a variety of causes, including undetected hardware and software errors or defects, natural disasters such as an earthquake, blizzard, hurricane, fire, or flood, and other catastrophic events, including public health events and pandemics, man-made problems such as warfare or terrorism, human error, cybersecurity attacks, power losses, telecommunications or other technological failures, and similar events or circumstances. In particular, catastrophic events in geographical areas where our employees or customers are concentrated could have more severe impacts on our business, and the effects of climate change may increase the frequency and intensity of such events. For example, our corporate headquarters and many key personnel are located in the San Francisco Bay Area, a region known for seismic activity and catastrophic fires.

As we expand, we will need an increasing amount of technical infrastructure and continued infrastructure modernization, including network capacity, computing power, and improvements to how we process and store data and transaction information. We also rely on third-party service providers and infrastructure, including the internet, to provide our platforms and other workforce solutions. For example, we currently host the Upwork Marketplace, serve its customers, and support its operations using AWS, a provider of cloud infrastructure services. We do not have control over the operations or the facilities of our third-party service providers, which are subject to risks of errors, defects, and disruptions. In addition, these third parties generally do not have an obligation to renew their agreements with us on commercially reasonable terms, or at all, and we may not be able to switch to another third-party service provider easily or without incremental costs. Any interruption in the provision of services to us by these third parties for any reason or other unanticipated problems could result in interruptions to our platforms and other workforce solutions, and our and these third parties' business continuity and disaster recovery plans may prove to be inadequate.

Our platforms enable customers to manage important aspects of their businesses, and any errors, defects, disruptions in service, or other performance or availability problems with our platforms or other workforce solutions, or our inability to adequately prevent or timely detect or remedy errors, defects, or disruptions in service, could harm our brands and reputation, result in security breaches or the loss of critical data, adversely impact our business and our customers, impair or jeopardize our partner relationships, result in delays in invoicing of clients or payment to us or talent, negatively impact our ability to obtain or maintain important licenses, or result in claims by customers for losses sustained by them or investigation or corrective action by regulatory agencies. In any such event, we may expend additional resources to attempt to resolve the issue. Moreover, we may not carry sufficient business interruption insurance to cover losses that may occur as a result of any such events, and we cannot be certain that insurance will continue to be available to us on economically reasonable terms, or at all. Accordingly, any errors, defects, or disruptions in our platforms or other workforce solutions could diminish demand, subject us to liability, and adversely impact our business, operating results, and financial condition.

***Our ability to attract and retain customers depends in part on the quality of our customer support, and any failure to offer high-quality support could adversely impact our business, operating results, and financial condition.***

Our ability to attract and retain customers is dependent in part on the ease of use, trustworthiness, and reliability of our platforms and other workforce solutions, including our ability to provide high-quality support. Our customers depend on our support organization to enforce our terms of service against bad actors, resolve any issues relating to our platforms and other workforce solutions, communicate effectively about their accounts, and assist in their use of our platforms and other workforce solutions, especially large clients, which expect higher levels of support. In addition, customers of our Enterprise business's Managed Services offering depend on its support organization to manage their projects and reach satisfactory project outcomes. Our ability to provide effective support is largely dependent on our ability to attract, resource, and retain service providers who are both qualified and well versed in our business. The incorporation of AI into our support tools, either by us or our third-party support partners, may lead to inconsistent quality of experience as these tools are integrated and refined. As we seek to continue to grow our international customer base, our support organization will face additional challenges, including those associated with delivering support and documentation in additional languages. Any failure to maintain high-quality support or effectively communicate with our customers, or any market perception that we do not maintain high-quality support or act professionally, fairly, or effectively in our communications and actions, could harm our reputation and customer demand, and adversely impact our business, operating results, and financial condition.

***Our customer growth and engagement on mobile devices depend upon third parties maintaining open application marketplaces and effective operation with mobile operating systems, networks, and standards that we do not control.***

A significant and growing portion of our customers access our platforms through mobile devices and applications. Our mobile applications rely on third-party open application store platforms, including the Apple App Store and Google Play, which may change their policies, impose additional fees or requirements to support our applications, or stop supporting our applications altogether. These changes may increase our costs or adversely affect customer experience. Additionally, mobile operating systems, such as Android and iOS, could stop supporting our platforms or the ability to make payments on our platforms at all or on commercially reasonable terms or make changes that degrade the customer experience on our platforms. To deliver high-quality mobile offerings, it is important that our offerings are designed effectively and work well with a range of mobile devices, technologies, systems, networks, and standards that are beyond our control. In the event that it is inconvenient or impossible for our customers to access and use our platforms on their mobile devices or our competitors develop offerings and services that are perceived to operate more effectively on mobile devices, our business, operating results, and financial condition could be adversely impacted.

#### **Risks Related to Legal and Regulatory Matters**

***Our business is subject to extensive government regulation and oversight. Any failure to comply with the extensive, complex, overlapping, and frequently changing laws and regulations, both in the United States and internationally, could adversely impact our business, operating results, and financial condition.***

We and our customers are subject to a wide variety of foreign and domestic laws and regulations governing issues that may affect our business, including worker classification, employment, worker health, payments, worker confidentiality obligations and whistleblowing, intellectual property, consumer protection, taxation, privacy, and data security. These laws and regulations are often complex and subject to varying and evolving interpretations, resulting in shifting enforcement and application over time. Many of these laws were adopted prior to certain technological developments and do not contemplate or address the unique issues of such technologies. At the same time, regulatory scrutiny on large companies, technology companies, and companies engaged in dealings with independent contractors, payments, or personal information and data has increased significantly and may continue to increase.

New and existing laws and regulations (or changes in interpretation of existing laws and regulations) may be adopted, implemented, or interpreted to apply to our business or our customers, including as a result of new lines of business, products or features we may introduce or international expansion of our business. In addition, these laws and regulations affect our customers and may affect demand for our platforms and other workforce solutions. If we determine additional legal or regulatory requirements apply to our business, we may expend resources to comply or obtain licenses, and such efforts may delay the launch of new offerings or features, distract management, or require adverse changes to the manner in which we conduct our business and may themselves cause regulatory agencies to scrutinize our business, including past practices. It is also possible that certain provisions in agreements with our customers or service providers, or between talent and clients, or the fees we charge, may be found to be unenforceable or not compliant with applicable law.

In addition, because our websites are generally accessible by customers worldwide, we have received and may continue to receive notices from jurisdictions claiming that we or our customers are required to comply with their laws and regulations. Laws and regulations outside of the United States that could be interpreted to apply to our business often provide greater rights to competitors, customers, and other third parties than those in the United States. Compliance with international laws and regulations may be more costly than expected, may require us to change our business practices or restrict or modify our offerings or obtain certain licenses, and such changes or licensure may not be possible on a reasonable timeline or at all. As a result, the imposition of any such laws or regulations on us, our customers, or third parties that we or our customers utilize to provide or use our services, may adversely impact our business, operating results, and financial condition. In addition, we may be subject to multiple complex overlapping legal or regulatory regimes that impose conflicting requirements, including with respect to data protection and privacy, which could lead to additional compliance costs and enhanced legal risks.

Although we have implemented policies and procedures designed to analyze and support compliance with applicable laws and regulations, there can be no assurance that we will maintain compliance, that our interpretations are or will remain correct, or that all of our employees, contractors, partners, customers, and agents will comply. We have in the past been, and may in the future be, subject to administrative inquiries and audits concerning our compliance with applicable laws and regulations, including the taxation and classification of our workers and customers. Any failure or alleged failure by us or our employees, contractors, partners, customers, or agents to comply with applicable laws and regulations creates risk for our business and our employees, partners, contractors, and customers and could result in enforcement actions or other proceedings, criminal or civil fines and penalties or other actions, civil lawsuits, forfeiture of significant assets, the limitation or suspension of our ability to operate our business or certain services in a particular jurisdiction, damages, interest, loss of export privileges, costs and fees (including legal fees), injunctions, loss of intellectual property rights, whistleblower complaints, termination of agreements by our partners, the diversion of management's attention and resources, or reputational harm and adverse media coverage. Certain of these claims may not be covered by our insurance, and we cannot be certain that our insurance coverage will cover liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all. Any of the foregoing could, individually or in the aggregate, harm our reputation, reduce demand for our platforms and other workforce solutions, and adversely affect our business, operating results, and financial condition, and we could be required to make costly and burdensome changes to our business practices or compliance programs.

### ***Worker Classification***

Our clients are generally responsible for properly classifying the talent they engage through the Upwork Marketplace. Some clients opt to classify talent as employees for certain work, while talent in many other cases are classified as independent contractors. We also use the Upwork Marketplace to find and engage talent to provide services for us and for our outcomes-based delivery offerings, which may result in disputes or claims from such talent arising from the services performed or the working relationship.

We offer an optional service to customers of our premium offerings through which Lifted helps classify talent as employees of its subsidiaries or third-party staffing providers or as independent contractors. For

clients of these services, subject to applicable law and the terms of our agreement with the client, we indemnify clients from misclassification risk and make certain warranties to the client, such as to compliance with applicable laws. In addition, we offer other premium offerings where we provide increased assistance to customers to find and contract with one another, which could increase employment-related risks. The failure of staffing providers that employ talent classified as employees to comply with all legal and tax requirements could adversely affect our business.

There is significant uncertainty and unpredictability in the worker classification regulatory landscape and the application of worker classification laws, which are highly fact-sensitive, subject to divergent interpretations by various authorities, and regularly subject to further regulation, amendment, or re-interpretation. As a result, there is risk to us and our customers that independent contractors could be deemed to be misclassified under applicable law, including as a result of changes in our offerings or brand positioning that we may introduce. For example, in California, Assembly Bill 5 is widely viewed as expanding the scope of the definition of “employee” for most purposes under California law. However, following the law’s effectiveness in January 2020 and subsequent amendments and challenges, there is little guidance from the courts or the regulatory authorities charged with its enforcement and there remains a degree of uncertainty regarding its application. Further, in January 2024, the U.S. Department of Labor published a final rule regarding the classification of workers as independent contractors or employees under the Fair Labor Standards Act. In February 2026, the U.S. Department of Labor released a Notice of Proposed Rulemaking proposing to rescind the 2024 final rule. However, disparate standards that may apply in private litigation and under state law, and the continued regulatory uncertainty, may contribute to confusion and complicate compliance efforts for our customers. Other federal agencies, U.S. states, or jurisdictions outside the United States may enact similar legislation or rules.

Even if any new regulations do not directly impact our business, public perception may result in confusion about the standards to be applied when making an employment determination and cause clients to explore alternative arrangements to meet their talent needs. In addition, any developments or changes in the regulatory environment impacting worker classification and independent contractors may reduce the demand for independent contractors in one or more jurisdictions and have an adverse effect on our business, operating results, and financial condition.

### ***Privacy and Data Protection***

We receive, collect, store, process, transfer, and use personal information and other customer data. There are numerous federal, state, local, and international laws and regulations regarding privacy, data protection, information security, and the collection, storing, sharing, use, processing, transfer, disclosure, and protection of personal information and other data. We are also subject to the terms of our privacy policies and legal and contractual obligations to third parties related to privacy, data protection, and information security. The regulatory framework for privacy and data protection worldwide is uncertain and complex, and it is possible that the laws and regulations may be interpreted and applied in a manner that we do not anticipate, that is inconsistent from one jurisdiction to another, or that conflicts with other rules or our practices.

We expect that there will continue to be new laws, regulations, and industry standards concerning privacy, data protection, automated processing, and information security. For example, Europe’s General Data Protection Regulation, which we refer to as the GDPR, the UK General Data Protection Regulation, and Europe’s Digital Services Act impose stringent data protection and data handling compliance requirements and provide for significant penalties for noncompliance. In California, the CCPA, as amended by the California Privacy Rights Act, requires, among other things, covered companies to provide certain disclosures to California consumers and affords such consumers certain rights, including the right to opt-out of certain sales of personal data. The CCPA also provides for civil penalties for violations as well as a private right of action for data breaches that may increase data breach litigation. A growing number of U.S. states have enacted similar or other data protection legislation that have or will go into staggered effect in the near future, and several other states and countries are considering expanding or passing privacy laws in the near term.

The enactment of more restrictive laws, rules, or regulations, the loss of existing cross-border data transfer frameworks such as the EU-US Data Privacy Framework, or future enforcement actions or investigations could increase our costs, require us to materially modify our services and features, which we may be unable to complete in a cost-effective manner, or at all, and may limit our ability to store and process customer data or develop new services and features, any of which could adversely impact our business, operating results, and financial condition.

### ***Artificial Intelligence***

The legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain, including in the areas of consumer protection, intellectual property, cybersecurity, and privacy and data protection. Compliance with new and emerging laws, regulations, and industry standards relating to AI in the United States and internationally, such as U.S. state regulations and the E.U. AI Act, may impose significant operational costs and may limit our, our vendors', or our customers' ability to develop, deploy, or use existing or future AI technologies. Furthermore, the interplay between AI laws and regulations and those governing data protection is complex, jurisdiction-specific, and continuing to evolve. Our use of data, including customer data, in connection with developing, training, or improving our AI technologies may be subject to evolving legal requirements and customer expectations, and any perceived or actual misuse of such data could result in reputational harm, reduced customer trust, regulatory scrutiny, or legal liability. As a result, our ability to adapt our existing platforms and offerings or develop new offerings, services, and features using AI may be limited or restricted, and demand for AI-related work may decline, which could adversely impact our business, operating results, and financial condition.

### ***Payments***

We maintain a subsidiary licensed as an internet escrow agent under California's Escrow Law that is subject to regulations applicable to internet escrow agents promulgated by the DFPI. Although we believe that our operations comply with existing U.S. federal, state, and international laws and regulatory requirements related to escrow, generating interest from customer funds held in escrow, money transmission, and the handling or moving of money, developments in the laws and regulations or their interpretations, and changes in our operations and offerings may result in the application of new or different regulatory requirements to our business. As a result, we could be required, or choose, to become licensed as an escrow agent or a money transmitter (or other similar licensee) in other states or jurisdictions or as a money services business. It is also possible that we could become subject to regulatory enforcement or other proceedings in states or other jurisdictions with escrow, money transmission, electronic money, or other similar statutes or regulatory requirements related to the handling, storing, or moving of money, and such risk may increase if we are required or choose to pursue additional or different licenses, which could in turn have a significant impact on our business. We may also be required, or choose, to become licensed as a payment institution (or obtain a similar license) under the European Payment Services Directive or other international laws and regulations or may choose to obtain such a license even if not required or to support new products or services.

Any developments in the laws or regulations related to escrow, money transmission, or the handling, storing, or moving of money; material changes to the mandate, purview or regulatory approach at the DFPI; or increased scrutiny of our business may lead to additional compliance costs and administrative overhead. Moreover, to the extent that holding or pursuing escrow, money transmitter, or similar licenses involves complying with other regulatory frameworks, such as GDPR or CCPA, we may experience increased enforcement or other proceedings.

### ***Anti-Corruption, Anti-Money Laundering, and Sanctions***

We have voluntarily implemented an anti-money laundering compliance program designed to address the risk of our platforms and other workforce solutions being used to facilitate money laundering, terrorist financing, or other illegal activity. However, our program may not be sufficient to prevent our platforms and other workforce solutions from being used to improperly move money or may not satisfy the expectations of our partners or regulators.

We also have policies, procedures, and technology designed to allow us to comply with U.S. economic sanctions laws and prevent our platforms and other workforce solutions from being used to facilitate business in countries, regions, or with persons or entities included on designated lists promulgated by the U.S. Department of the Treasury's Office of Foreign Assets Control, which we refer to as OFAC, and equivalent foreign authorities. Our efforts to comply with OFAC regulations may not be effective, our partners or regulators may determine they are insufficient, or we may be required to comply with new sanctions laws and regulations, which may require us to further revise or expand our compliance program. Given the technical limitations in developing controls to prevent, among other things, the ability of customers to publish on our platforms false or deliberately misleading information or to develop sanctions-evasion methods, it is possible that we may inadvertently and unknowingly provide services to individuals or entities that are subject to sanctions or are located in a country subject to an embargo.

We are also subject to the U.S. Foreign Corrupt Practices Act, which we refer to as the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, and the UK Bribery Act 2010, and may be subject to other anti-bribery laws in countries in which we conduct activities or have customers. We face significant risks if we fail to comply with the FCPA and other anti-corruption laws. Local customs in international jurisdictions may involve practices that are prohibited by the FCPA or other applicable laws and regulations. We may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities, and we may be held liable for the corrupt or other illegal activities of third-party intermediaries, our employees, representatives, contractors, partners, and agents, even if we prohibit or do not explicitly authorize such activities. We have implemented an anti-corruption compliance policy, but we cannot ensure that all of our employees, contractors, customers, and agents will comply with our policy and applicable law, for which we may be ultimately held responsible.

Even if we maintain proper controls and remain in compliance with applicable anti-corruption, anti-money laundering, and sanctions laws or regulations, should any of our competitors not implement sufficient controls and be found to have violated such laws or regulations, customer perception of contingent work platforms in general may decrease and our business, operating results, and financial condition may be adversely affected.

### ***Export Controls***

We may be subject to export controls and similar regulations that prohibit the shipment or provision of certain products and services to certain countries, governments, and persons, and new export controls and similar regulations are promulgated from time to time. While we take precautions to prevent aspects of our platforms from being exported in violation of export controls, we cannot guarantee that these precautions will prevent violations of export controls and similar regulations. In addition, our customers may be subject to export control laws, and any violations by our customers could harm our reputation and they could seek to hold us responsible for any monetary losses.

In addition, various countries regulate the import and export of certain encryption and other technology, including imposing import and export permitting and licensing requirements, and have enacted and may enact laws that could limit our ability to distribute aspects of our platforms or could limit our customers' ability to access our platforms in those countries. Any change in import or export regulations or related legislation, or change in the countries, governments, persons, or technologies targeted by such regulations, could result in decreased use of our platforms and other workforce solutions by customers with international operations and adversely impact our business, operating results, and financial condition.

### ***We are vulnerable to intellectual property infringement claims and challenges to our intellectual property rights brought against us by third parties.***

We operate in a highly competitive industry, and there has been considerable activity in our industry to develop and enforce intellectual property rights. Intellectual property infringement claims against us or our customers or third-party partners could result in monetary liability or a material disruption to our business. We cannot be certain that aspects of our platforms and other workforce solutions, content, and brand names do not or will not infringe valid patents, trademarks, copyrights, or other intellectual property rights

held by third parties, including our competitors. Also, we are in the ordinary course of our business subject to legal proceedings and claims relating to the intellectual property of others, including our competitors. The likelihood of intellectual property-related litigation and disputes may increase as platforms like ours gain more prominence. In addition, the improper use of AI by customers may lead to additional claims of intellectual property infringement. Our competitors and other third parties have in the past challenged, and may in the future challenge, our registration or use of our trademarks, including “Upwork,” and other intellectual property rights, and such a challenge, even if unsuccessful, could adversely affect our brands and business. We may also be obligated to indemnify certain clients or strategic partners or others in connection with such infringement claims, or to obtain licenses from third parties.

Any litigation or other disputes relating to allegations of intellectual property infringement could divert management attention and resources, subject us to significant legal costs and liability for damages or new licenses, invalidate our proprietary rights, or require us to alter our platforms, or marketing strategy or other aspects of our business.

***Failure to protect our intellectual property could adversely affect our business.***

Our success depends in large part on our proprietary technology and data. We rely on various intellectual property rights, including patents, copyrights, trademarks, and trade secrets, as well as confidentiality provisions and contractual arrangements, to protect our proprietary rights and prevent third parties from infringing upon or misappropriating our intellectual property, copying our platforms and other workforce solutions, and using information that we regard as proprietary to create products and services that compete with ours. Despite the precautions that we take, our intellectual property is vulnerable to unauthorized access through employee or third-party error or actions, theft, cybersecurity incidents, private or public economic espionage, and other security breaches and incidents.

We may not pursue or file patent applications or apply for registration of copyrights or trademarks in the United States and foreign jurisdictions in which we have an online presence with respect to our potentially patentable inventions, works of authorship, and marks and logos for a variety of reasons, including the cost or ability to procure such rights and the uncertainty involved in obtaining adequate protection. In addition, the applications for patents or for registration of copyrights or trademarks that we do pursue or file may not be successful and we may be required to change how we market any impacted offerings. Moreover, changes to intellectual property laws and regulations, including U.S. and foreign patent or trademark law, may affect our ability to protect and enforce our intellectual property rights or defend against or offensively assert infringement claims.

The laws of some countries do not provide the same level of protection for our intellectual property as the laws of the United States, and effective intellectual property protection may not be available to us in every country in which our platforms and other workforce solutions are available. In addition, many countries limit the enforceability of patents or other intellectual property rights against certain third parties, including government agencies or government contractors. Further, certain countries impose additional conditions on the transfer of intellectual property rights from individuals to companies, which may make it more difficult for us to secure and maintain intellectual property protection.

We also rely on trade secrets as an important aspect of our intellectual property program and to cover much of our technology and know-how. We seek to protect our trade secrets and obtain rights in intellectual property developed by service providers through confidentiality and invention assignment or intellectual property ownership agreements with our employees, contractors, and other parties, as well as through implementing acceptable use policies, limiting access to our information and data through technological means, and monitoring and limiting the dissemination of our information and data outside of company-owned information systems. These agreements and terms may not be enforceable or compliant with applicable law, and these agreements and other measures may not effectively protect our trade secrets and intellectual property rights. Most of our employees and all of the contractors with which we work are remote, which may make it more difficult to control use of confidential materials, increasing the risk that our source code or other confidential or trade secret information may be exposed.

If we do not protect and enforce our intellectual property rights or our proprietary technology and data successfully or cost-effectively, our competitive position and brand may suffer, which would adversely impact our business, operating results, and financial condition.

***The use of open source software could restrict our ability to market or operate our platforms and could negatively affect our business.***

Our platforms incorporate certain open source software. An open source license typically permits the use, modification, and distribution of software in source code form subject to certain conditions. These conditions may require that any person who distributes a modification or derivative work of open source software make the modified version subject to the same open source license. This could lead to a requirement that certain aspects of our platforms be distributed or made available in source code form. Although we do not believe that we have used open source software in such a manner, the interpretation of open source licenses is complex and, despite our efforts, it is possible that we may be liable for copyright infringement, breach of contract, or other claims if our use of open source software is found non-compliant with the applicable open source licenses.

Moreover, we cannot ensure that our processes for controlling our use of open source software in our platforms will be effective. If we have not complied with the terms of an applicable open source software license, we may need to seek licenses from third parties to continue offering a platform and the terms on which such licenses are available may not be economically feasible, and may be required to re-engineer a platform to remove or replace the open source software, discontinue offering the platform, pay monetary damages, or make available the source code for aspects of our proprietary technology, any of which could adversely affect our business, operating results, and financial condition.

In addition, the use of open source software can involve greater risks and require greater efforts to ensure legal and regulatory compliance compared to the use of third-party commercial software, as open source licensors generally do not provide warranties or assurances of title, performance, or non-infringement, nor do they control the origin of the software. There is typically no support available for open source software and no assurance that updates will be made to address security risks. Many of the risks associated with the use of open source software cannot be eliminated and could negatively affect our business.

***Litigation could have a material adverse impact on our operating results and financial condition.***

From time to time, we are involved in litigation and other legal proceedings and make and receive demands and claims threatening possible legal proceedings. The outcome of any litigation or other legal proceeding (including class actions and individual lawsuits or arbitration), regardless of its merits, is inherently uncertain. Regardless of the merits or ultimate outcome of any claims, pending or future legal proceedings could result in a diversion of management's attention and resources and reputational harm and cause us to incur significant expenses and liabilities. We may determine that the most cost-effective and efficient way to resolve a dispute is via settlement, and terms of any settlement agreements are increasingly limited by legislation. Where we can make a reasonable estimate of the liability relating to a pending proceeding and determine that it is probable, we record a related liability. As additional information becomes available, we assess the potential liability and revise estimates as appropriate. However, the amount of our estimates could be incorrect. In addition, while we maintain insurance with respect to many claims, certain claims may not be covered by our insurance, and there can be no assurance that our insurance will cover liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all.

In particular, Lifted's Enterprise offerings include its subsidiaries employing talent on a temporary basis and placing such individuals in clients' workplaces. Lifted and its subsidiaries' ability to control the workplace environment is limited. As the employer of record of temporary employees, Lifted subsidiaries incur a risk of liability to their temporary employees for various workplace events, including claims of physical injury, discrimination, harassment, or failure to protect confidential personal information. In addition, the talent engaged through Lifted may access client workspaces from their personal devices through cloud-based systems. If cybersecurity incidents were to occur as a result, Lifted may face legal and contractual liability, reputational damage, loss of business, and other expenses. Lifted also incurs a

risk of liability to clients resulting from allegations of damages caused by talent acting on phishing emails, cyberattacks, and other errors, omissions, or theft, or allegations of compromise of client confidential information. In some cases, Lifted or a Lifted subsidiary has agreed to indemnify clients in respect of these types of claims.

Any adverse determination related to a legal proceeding or adverse terms contained in a settlement agreement could require us to change our technology or our business practices in costly ways, prevent us from offering certain offerings or services, require us to pay monetary damages, fines, or penalties, or require us to enter into royalty or licensing arrangements, and could adversely affect our reputation, business, operating results, and financial condition.

***If we are deemed to be an investment company under the Investment Company Act of 1940, our results of operations could be harmed.***

Under Sections 3(a)(1)(A) and (C) of the Investment Company Act of 1940, as amended, which we refer to as the Investment Company Act, absent an applicable exemption, a company generally will be deemed to be an “investment company” for purposes of the Investment Company Act if (i) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting, or trading in securities or (ii) it is engaged, or proposes to engage, in the business of investing, reinvesting, owning, holding, or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We do not believe that we are an “investment company,” as such term is defined in either of these sections of the Investment Company Act, including as a result of both the exemption set forth in Section 3(b)(1) of the Investment Company Act and the safe harbor set forth in Rule 3a-8 of the Investment Company Act. Section 3(b)(1) of the Investment Company Act provides that a company that would otherwise fit within the definition of an “investment company” under Section 3(a)(1)(C) of the Investment Company Act will not be required to register as an “investment company” if “it is primarily engaged, directly or through a wholly owned subsidiary or subsidiaries, in a business or businesses other than that of investing, reinvesting, owning, holding, or trading in securities.” We believe that we are and hold ourselves out as being engaged primarily in the operation of an online work marketplace, and our historical development, public representations of policy, the activity of our officers and directors, the nature of our present assets, the sources of our present income, and the public perception of the nature of our business all support the conclusion that we are an operating company and not an investment company. Rule 3a-8 under the Investment Company Act provides a nonexclusive safe harbor from the definition of “investment company” for certain research and development companies. We are currently a research and development company and comply with the safe harbor requirements of Rule 3a-8 under the Investment Company Act. As set forth above, we currently conduct, and intend to continue to conduct, our operations so that neither we, nor any of our subsidiaries, is required to register as an “investment company” under the Investment Company Act. If we were obligated to register as an “investment company,” we would have to comply with a variety of substantive requirements under the Investment Company Act that impose, among other things, limitations on capital structure, restrictions on specified investments, prohibitions on transactions with affiliates, and compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would increase our operating and compliance costs, could make it impractical for us to continue our business as contemplated, and could have a material adverse effect on our business.

#### **Risks Related to Finance, Accounting, and Tax Matters**

***We have a history of net losses, may increase our operating expenses in the future, and may not be able to sustain profitability.***

We have incurred net losses in the past, and as of December 31, 2024, we had an accumulated deficit of \$78.5 million. While we were in a retained earnings position as of March 31, 2026, we have made, and expect to continue to make in the future, significant expenditures related to the development and expansion of our business, including the launch and ongoing development of Lifted. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently, or at all, to offset these higher expenses. While our GSV and revenue have grown in recent

years, we may not be able to sustain the same level of growth in future periods, or at all. For example, GSV was relatively flat and total revenue increased 1% for the three months ended March 31, 2026, compared to the same period in 2025. In addition, although our profitability has improved in recent periods, if our revenue declines or fails to grow at a rate faster than increases in our operating expenses, we will not be able to maintain profitability in future periods and the trading price of our common stock could decline.

***Our operating results and performance metrics may fluctuate from period to period, which makes our future results difficult to predict.***

Our operating results and performance metrics have fluctuated in the past and may fluctuate in the future, particularly in periods of macroeconomic uncertainty, elevated interest rates and inflation. Our operating results and performance metrics in any given period can be influenced by numerous factors, many of which are unpredictable or are outside of our control, including those described elsewhere in this “Risk Factors” section as well as the following:

- uncertainty regarding macroeconomic and political conditions and demand for our business;
- our ability to maintain and grow our community of customers;
- our ability to respond to competitive developments and other market and technological dynamics, such as the emergence of AI, and introduce new offerings and services or enhance existing offerings;
- changes to our pricing model and fee structure, including any resulting changes to our revenue recognition practices;
- changes in the spending patterns of clients or the mix of products and services that clients demand;
- the impact of reductions in our workforce or involuntary or voluntary separations, including claims against us from departing employees or others;
- fluctuations in gross margin and revenue, including as a result of fluctuations in the use of our Enterprise business’s Managed Services offering due to our recognition of the entire GSV from the Managed Services offering as revenue, including the amounts paid to talent;
- the productivity, effectiveness, and efficiency of our sales force and the length and complexity of our sales cycles;
- the impact of changing, consolidating, or terminating offerings and services;
- losses from clients failing to pay invoices, particularly in instances where we advance payments to talent for invoiced services on behalf of the client;
- the disbursement methods chosen by talent and changes in the mix of disbursement methods offered;
- fluctuations in the prices that talent charge clients on the Upwork Marketplace;
- seasonality in the labor market and spending patterns by clients and the number of business days and the number of Sundays (i.e., the day we have the contractual right to bill and recognize revenue for the majority of our talent service fees each week) in any given period, as well as local, national, or international holidays;
- fluctuations in transaction losses;
- fluctuations in the mix of payment provider costs and the revenue generated from payment providers;
- changes to financial accounting standards and the interpretation of those standards that may affect the way we recognize and report our financial results; and

- fluctuations in currency exchange rates, particularly if we are unable to fully offset the adverse financial effects of unfavorable movements in foreign exchange rates through derivative instruments designed to hedge against certain exposures to such fluctuations.

The impact of one or more of the foregoing and other factors may cause our operating results and performance metrics to vary significantly. As such, we believe that period-to-period comparisons of our operating results and performance metrics may not be meaningful and you should not rely upon past performance as an indicator of future performance.

***The applicability of sales, use, and other tax laws or regulations on our business could subject us or our customers to additional tax liability and related interest and penalties, and adversely impact our business.***

We are subject to numerous taxes and tax collection obligations in the U.S. and other foreign jurisdictions. Significant judgment is required to evaluate applicable tax obligations and in many cases the ultimate tax determination is uncertain because it is not clear how new and existing statutes might apply to our business. As a result, we may recognize additional tax expense and be subject to additional tax liabilities, including other liabilities for tax collection obligations due to changes in federal, state, and international tax laws, statutes, rules, regulations, or ordinances; changes to our business operations; changes in taxing jurisdictions and administrative interpretations and applications; results of tax examinations, settlements, or judicial decisions; or changes in accounting principles. Moreover, a number of countries and intergovernmental organizations have recently proposed, recommended, or enacted new laws or changes to existing laws that could impact our tax and reporting obligations or add new compliance costs to our business to administer, assess, collect, and remit those taxes, and countries may propose or enact new laws that tax our or our customers' activities in response to the imposition of new trade barriers. These changes may happen with little or no advance notice or implementation time, which can increase various short term costs of compliance. The impact and burden of these regulations and proposed regulations on our business and the businesses of our customers is uncertain and may have a negative impact on our business.

Any changes to our business operations, including international expansions, internal reorganizations, and transfer pricing could impact our tax liabilities. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for pricing intercompany transactions or disagree with our determinations as to the income and expenses attributable to specific jurisdictions or specific affiliates. If such a challenge or disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest, and penalties.

At any given time we may be subject to tax audits by various taxing authorities, in multiple jurisdictions, throughout the world. While we believe our income and other tax liabilities are reasonably estimated, an adverse result from one or more of these tax audits or investigations could have a significant adverse impact on our financial results. In addition, our future effective tax rates could be affected by changes in tax rates, changes in the valuation of our deferred tax assets or liabilities, the effectiveness of our tax planning strategies, or changes in tax laws or their interpretation. Such changes could have an adverse impact on our operating results and financial condition.

***We track certain performance metrics with internal tools and do not independently verify such metrics. Certain of our performance metrics may not accurately reflect certain details of our business, are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.***

We track certain performance metrics, including active clients and GSV per active client, GSV, and Marketplace take rate, with internal tools that are not independently verified by any third party. Our internal tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in inaccurate or unexpected changes to our metrics. If the internal tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. Our performance metrics are also impacted by illegal or improper activity on the Upwork Marketplace, including fraud, spam, and fake accounts. We are unable to

prevent all fraudulent activity from being reflected in the performance metrics that we report. Accordingly, our performance metrics may not accurately reflect activity on and the performance of our platforms and other workforce solutions. In addition, limitations or errors with respect to how we measure data, or the accuracy of the data that we measure, may affect our understanding of certain details of our business, which could affect our longer-term strategies and our ability to respond to business trends that may negatively impact our performance. If our performance metrics are not accurate representations of our business, customer base, or activity on our platforms and other workforce solutions; if we discover material inaccuracies in our metrics; or if the metrics we rely on to track our performance do not provide an accurate measurement of our business, our reputation may be harmed, we may be subject to legal or regulatory actions, and our operating and financial results could be adversely affected.

***If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable laws and regulations could be impaired.***

Effective internal controls are necessary for us to provide reliable and accurate financial statements and to effectively prevent fraud. We devote significant resources and time to comply with the internal control over financial reporting requirements of the Sarbanes-Oxley Act of 2002. However, we cannot be certain that we will be able to prevent future significant deficiencies or material weaknesses. If we are unable to assert that our internal control over financial reporting is effective, material weaknesses are identified, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our common stock to decline, and we may be subject to investigation or sanctions by the SEC. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on The Nasdaq Global Select Market.

In addition, regulators are increasingly focusing on environmental, social, and governance matters and related disclosures. If our related data, processes, and reporting are incomplete or inaccurate, or if we fail to achieve progress with our stated goals on a timely basis, our business, operating results, and financial condition could be adversely impacted.

***Our ability to use our net operating loss carryforwards and certain other tax attributes is limited.***

As of December 31, 2025, we had net operating loss, which we refer to as NOL, carryforwards for U.S. federal income tax purposes and California state income tax purposes of \$2.0 million and \$90.9 million, respectively, available to offset future taxable income. The federal NOL carryforwards of \$2.0 million generated after December 31, 2017 can be carried forward indefinitely with utilization in any year limited to 80% of our taxable income or any limitation under Section 382 of the Internal Revenue Code of 1986, as amended, which we refer to as the Code. The California state NOL carryforward amounts will begin to expire in 2032 if not utilized.

Realization of these NOL carryforwards depends on future income, and there is a risk that our existing carryforwards could expire unused and be unavailable to offset future income tax liabilities. In addition, under Section 382 of the Code, a corporation that undergoes an “ownership change,” generally defined as a greater than 50% change (by value) in its equity ownership over a three-year period, is subject to limitations on its ability to utilize its pre-change NOL carryforwards to offset future taxable income. As of December 31, 2025, we have experienced ownership changes that will result in limitations in our ability to use certain NOLs and tax credit carryforwards. In addition, other factors outside our control could further limit our ability to utilize NOLs to offset future U.S. federal and state taxable income, including further changes in the ownership of our stock and regulatory changes. Any such material limitation or expiration of our NOLs may harm our future operating results by effectively increasing our future tax obligations.

***We may require additional capital to fund our business and support our growth, and any inability to generate or obtain such capital may adversely affect our business, operating results, and financial condition.***

To support our growth and business strategy, such as developing new features or enhancements to our platforms and other workforce solutions and improving our infrastructure, we have made and expect to

continue to make significant financial investments in our business. In addition, we may, from time to time, seek to acquire or strategically invest in other complementary products, technologies, or businesses, or repurchase outstanding shares of our common stock or the Notes. For example, during the three months ended March 31, 2026, we repurchased \$107.9 million of our common stock under the Share Repurchase Authorizations. As of March 31, 2026, we had no remaining balance under the 2025 Share Repurchase Authorization and \$256.1 million available under the 2026 Share Repurchase Authorization for repurchases of our common stock. We may need to engage in equity or debt financings to obtain the funds required for these investments, acquisitions, and other business endeavors. If we raise additional funds through equity or convertible debt issuances, our existing stockholders may suffer significant dilution and these securities could have rights, preferences, and privileges that are superior to those of holders of our common stock. If we obtain additional funds through debt financing, we may not be able to obtain such financing on terms favorable to us. Such terms may involve additional restrictive covenants making it difficult to engage in capital raising activities and pursue business opportunities, including potential acquisitions and strategic investments. If we are unable to obtain adequate financing on terms satisfactory to us or at all, our ability to continue to support our business growth and business strategy could be significantly impaired and our business, operating results, and financial condition may be adversely affected.

### **Risks Related to Ownership of Our Common Stock**

***The stock price of our common stock has been and may continue to be volatile, and you could lose all or part of your investment.***

The market price of our common stock has been and may continue to be volatile, particularly in periods of broader stock market fluctuations and macroeconomic uncertainty. The market price of our common stock may fluctuate significantly in response to numerous factors, many of which are unpredictable or are outside of our control, including those described elsewhere in this “Risk Factors” section as well as the following:

- actual or anticipated fluctuations in our operating results and performance metrics, particularly any failure to meet the estimates of securities analysts or the expectations of investors;
- the financial projections we provide to the public or our lowering of or failure to meet these projections;
- the economy or equity markets as a whole and market conditions in our industry, including as a result of tariffs and trade wars;
- negative publicity related to the trustworthiness, quality, or security of our platforms and other workforce solutions;
- changes in our board of directors, management or key personnel;
- failure of securities analysts to initiate or maintain coverage of us, inaccurate or unfavorable research by analysts, or changes in financial estimates by any securities analysts who follow our company;
- repurchases by us of any of our outstanding shares of common stock or the Notes;
- speculative trading practices by stockholders and other market participants;
- rumors and market speculation involving us or other companies in our industry and/or other industries;
- legal and regulatory claims, litigation, or pre-litigation disputes and other proceedings;
- announcements by us or our competitors of significant new or terminated products or services, technical innovations, or acquisitions, strategic partnerships, joint ventures, or capital commitments;

- sales or expected sales of shares of our common stock by us, our officers, directors, employees or stockholders;
- changes in the legal or regulatory landscape applicable to us or our customers, including worker classification and tax laws; and
- geopolitical changes or events, including those resulting from war and incidents of terrorism.

In addition, stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many technology companies. In the past, stockholders have instituted securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business, and adversely affect our business.

***We cannot guarantee that the 2026 Share Repurchase Authorization will be fully consummated or that share repurchases will enhance long-term stockholder value. Share repurchases could also increase the volatility of the trading price of our common stock and diminish our cash reserves.***

During the three months ended March 31, 2026, we repurchased and subsequently retired 8.1 million shares of our common stock for an aggregate amount of \$107.9 million under the Share Repurchase Authorizations, and we had \$256.1 million available for repurchases under the 2026 Share Repurchase Authorization as of March 31, 2026. The actual timing and amount of any repurchases under the 2026 Share Repurchase Authorization will depend on a variety of factors, including stock price, trading volume, market and business conditions, regulatory requirements, and other considerations, all of which may be impacted by factors outside of our control. The 2026 Share Repurchase Authorization could affect the trading price of our common stock, increase volatility, and diminish our cash and cash equivalents and marketable securities available to fund working capital, repayment of debt, capital expenditures, strategic acquisitions, investments, or business opportunities, and other general corporate purposes. The 2026 Share Repurchase Authorization may be suspended, terminated, or modified at any time for any reason, and we cannot guarantee that any share repurchase authorization will be fully consummated, or at all, or that it will enhance long-term stockholder value.

***Sales of substantial amounts of our common stock in the public markets, particularly sales by our directors, executive officers, and significant stockholders, or the perception that these sales could occur, could cause the market price of our common stock to decline and may make it more difficult for you to sell your common stock at a time and price that you deem appropriate.***

The market price of our common stock could decline as a result of sales of a large number of shares of our common stock in the market, or the perception that such sales could occur, particularly sales by our directors, executive officers, and significant stockholders. The perception that these sales might occur may also cause the market price of our common stock to decline. All shares of our common stock are freely tradable, generally without restrictions or further registration under the Securities Act of 1933, as amended, which we refer to as the Securities Act, subject to certain exceptions for shares held by our “affiliates” as defined in Rule 144 under the Securities Act. In addition, the shares issued upon exercise of outstanding stock options or settlement of outstanding restricted stock units will be available for immediate resale in the United States on the open market. Moreover, we may also issue shares of common stock, securities convertible into shares of our common stock, or preferred stock with preferences over our common stock from time to time in connection with a financing, an acquisition, investments, or otherwise. Any such issuances could result in substantial dilution to our existing stockholders and cause the market price of our common stock to decline.

***We do not intend to pay dividends for the foreseeable future.***

We have never declared or paid any cash dividends on our common stock and do not intend to pay any cash dividends in the foreseeable future. We anticipate that for the foreseeable future we will retain all of our future earnings for use in the development of our business, for repurchases under our 2026 Share Repurchase Authorization, and for general corporate purposes. Accordingly, investors must rely on sales

of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

***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, limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees, and limit the market price of our common stock.***

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

- classify our board of directors into three classes of directors with staggered three-year terms;
- permit the board of directors to establish the number of directors and fill any vacancies and newly created directorships;
- require super-majority voting to amend certain provisions in our restated certificate of incorporation and amended and restated bylaws;
- authorize the issuance of “blank check” preferred stock that our board of directors could use to implement a stockholder rights plan (also known as a “poison pill”);
- provide that only the chairperson of our board of directors, our chief executive officer, president, lead independent director, or a majority of our board of directors are authorized to call a special meeting of stockholders;
- prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders;
- provide that the board of directors is expressly authorized to make, alter, or repeal our amended and restated 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.

In addition, our restated certificate of incorporation provides that the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware) is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, which we refer to as the DGCL, our restated certificate of incorporation, or our amended and restated bylaws, any action asserting a claim against us that is governed by the internal affairs doctrine, or any action asserting an “internal corporate claim” as that term is defined in Section 115 of the DGCL. Our amended and restated bylaws also provide that the federal district courts of the United States would be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to this provision. We note, however, that there is uncertainty as to whether a court would enforce this provision. These choice of forum provisions may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees.

Moreover, Section 203 of the DGCL may discourage, delay, or prevent a change of control of our company. Section 203 imposes certain restrictions on mergers, business combinations, and other transactions between us and holders of 15% or more of our common stock.

#### **Risks Related to Our Convertible Senior Notes**

***Our indebtedness could limit the cash flow available for our operations and expose us to risks that could adversely affect our business, operating results, and financial condition.***

In August 2021, we issued the Notes. The Notes are senior, unsecured obligations and bear interest at a rate of 0.25% per year. The Notes will mature on August 15, 2026, unless earlier redeemed, repurchased, or converted in accordance with the terms of the Notes. In March 2023, we repurchased a portion of the outstanding Notes, and, as of March 31, 2026, \$361.0 million aggregate principal amount of the Notes remained outstanding. We may also incur additional indebtedness to meet future financing needs. Our indebtedness could have significant negative consequences for our stockholders and our business, operating results, and financial condition by, among other things:

- increasing our vulnerability to adverse economic and industry conditions;
- limiting our ability to obtain additional financing;
- requiring the dedication of a substantial portion of our cash flow from operations to service our indebtedness, which will reduce the amount of cash available for other purposes;
- limiting our flexibility to plan for, or react to, changes in our business;
- diluting the interests of our existing stockholders as a result of issuing shares of our common stock upon conversion of the Notes; and
- placing us at a possible competitive disadvantage with competitors that are less leveraged than us or have better access to capital.

Our business may not generate sufficient funds, and we may otherwise be unable to maintain sufficient cash reserves, to pay amounts due under our indebtedness, and our cash needs may increase in the future.

***The capped call transactions may affect the value of our common stock.***

In connection with the Notes, we entered into the privately negotiated Capped Calls with various financial institutions, which we refer to as the option counterparties. The Capped Calls remain in effect notwithstanding the March 2023 repurchase of a portion of the Notes. The Capped Calls are expected generally to reduce the potential dilution to our common stock upon any conversion of the Notes and/or offset any potential cash payments we are required to make in excess of the principal amount upon conversion of any Notes, with such reduction and/or offset subject to a cap.

In addition, the option counterparties and/or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to our common stock and/or purchasing or selling our common stock in secondary market transactions (and are likely to do so following any conversion of Notes, any repurchase of the Notes by us on any fundamental change repurchase date, any redemption date, or any other date on which the Notes are retired by us). This activity could also cause or avoid an increase or a decrease in the market price of our common stock.

The potential effect, if any, of these transactions and activities on the market price of our common stock will depend in part on market conditions and cannot be ascertained at this time. Any of these activities could adversely affect the value of our common stock.

## **General Risks**

***Adverse or changing economic conditions may negatively impact our business.***

Our business depends on the overall demand for labor and on the economic health of current and prospective clients. Any significant weakening of the economy in the United States or Europe or of the global economy, including a continued rise in inflation, higher tariffs, trade wars, hiring freezes, layoffs, more limited availability of credit, a reduction in business confidence and activity, decreased government or business spending, government shutdowns, economic and political uncertainty, heightened geopolitical tensions, financial turmoil or instability affecting the banking system or financial markets, sanctions, global or regional public health events or conditions, a more limited market for contingent service providers or information technology services, shifts away from remote work, and other adverse economic or market conditions may adversely impact our business and operating results. These adverse conditions have resulted, and may again result, in reductions in revenue, increased operating expenses, longer sales

cycles, and increased competition. There is also a risk that when overall global economic conditions are positive, our business could be negatively impacted by a decreased demand for talent as businesses utilize more direct, full-time employees relative to their use of contingent workers. We cannot predict the timing, strength, or duration of any economic slowdown, or any subsequent recovery generally. If the conditions in the general economy deteriorate, our business, operating results, and financial condition could be adversely affected.

## Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities.

### Issuer Purchases of Equity Securities

Share repurchases of our common stock under the Share Repurchase Authorizations for the three months ended March 31, 2026 were as follows (in thousands, except share and per share amounts):

Period	Total Number of Shares Purchased <sup>(1)</sup>	Average Price Paid Per Share <sup>(2)</sup>	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup>	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(3)</sup>
January 1, 2026 - January 31, 2026	269,909	\$ 19.77	269,909	\$ 58,705
February 1, 2026 - February 28, 2026	4,137,120	13.65	4,137,120	302,222
March 1, 2026 - March 31, 2026	3,714,711	12.40	3,714,711	256,149
Total	8,121,740	\$ 13.28	8,121,740	\$ 256,149

<sup>(1)</sup> Shares purchased are as of trade date.

<sup>(2)</sup> Average price paid per share is calculated on the trade date and excludes any excise tax that we accrue on our share repurchases as a result of the Inflation Reduction Act of 2022.

<sup>(3)</sup> In September 2025, we announced that our board of directors authorized the 2025 Share Repurchase Authorization to purchase up to \$100.0 million of our common stock. In February 2026, we announced that our board of directors authorized the 2026 Share Repurchase Authorization to purchase up to \$300.0 million of our common stock. As of March 31, 2026, we had no remaining balance available for repurchases of our common stock under the 2025 Share Repurchase Authorization and had \$256.1 million available for repurchases of our common stock under the 2026 Share Repurchase Authorization. The 2026 Share Repurchase Authorization does not have a fixed expiration date and does not obligate us to acquire any dollar amount or specific number of shares. Repurchases of our common stock under the 2026 Share Repurchase Authorization may be made from time to time on the open market (including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act), in privately negotiated transactions, or by other methods, at our discretion, and in accordance with applicable securities laws and other restrictions.

### Item 3. Defaults Upon Senior Securities.

None.

### Item 4. Mine Safety Disclosures.

Not applicable.

### Item 5. Other Information.

#### Insider Trading Arrangements

During the three months ended March 31, 2026, one of our officers (as defined in Section 16a-1(f) under the Exchange Act) adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K, intended to satisfy

the affirmative defense of Rule 10b5-1(c) under the Exchange Act, which is referred to as the Sales Plan, as set forth in the table below.

The Sales Plan included a representation from Ms. Mekhalfa to the broker administering the plan that she was not in possession of any material nonpublic information regarding Upwork or the Upwork securities subject to the Sales Plan. A similar representation was made to us in connection with the adoption of the Sales Plan under our Insider Trading Policy. Those representations were made as of the date of adoption of the Sales Plan and speak only as of that date. In making those representations, there is no assurance with respect to any material nonpublic information of which Ms. Mekhalfa was unaware, or with respect to any material nonpublic information acquired by her or us after the date of the representation.

<b>Name and Position</b>	<b>Action</b>	<b>Date</b>	<b>Type of Trading Arrangement</b>	<b>Maximum Number of Shares of Common Stock Eligible for Sale</b>	<b>Expiration Date<sup>(1)</sup></b>
Sabrina Mekhalfa <i>Chief Accounting Officer</i>	Adoption	March 5, 2026	Rule 10b5-1	See footnote 2	March 31, 2027

<sup>(1)</sup> The trading arrangement will be in effect until the earlier of (i) the expiration date set forth in the table and (ii) the date on which the maximum number of shares of our common stock subject to the Sales Plan have been sold thereunder.

<sup>(2)</sup> Includes up to 8,942 shares issuable upon the vesting of restricted stock units, which we refer to as RSUs, previously granted to Ms. Mekhalfa that will vest and be released to Ms. Mekhalfa on or prior to the expiration date, subject to Ms. Mekhalfa's continued service on each vesting date and less the number of shares sold upon the vesting of the RSUs covered by the Sales Plan to satisfy tax withholding obligations pursuant to Upwork's non-discretionary "sell to cover" requirement.

## Item 6. Exhibits.

Exhibit Number	Exhibit Title	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing date	
3.2	<a href="#">Amended and Restated Bylaws (as amended and restated on February 3, 2026).</a>	8-K	001-38678	3.1	2/9/2026	
3.3	<a href="#">Certificate of Change of Registered Agent.</a>					X
10.1#	<a href="#">Upwork Amended and Restated Global Performance Bonus Plan.</a>					X
10.2#	<a href="#">Transition and Separation Agreement, dated as of March 17, 2026, by and between Upwork Global LLC and David T. Bottoms.</a>					X
31.1	<a href="#">Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>					X
31.2	<a href="#">Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>					X
32.1*	<a href="#">Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
32.2*	<a href="#">Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					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.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.					X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).					X

# Indicates a management contract or compensatory plan.

\* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Form 10-Q and are not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.



STATE OF DELAWARE  
CERTIFICATE OF CHANGE OF REGISTERED AGENT  
AND/OR REGISTERED OFFICE

The corporation organized and existing under the General Corporation Law of the State of Delaware, hereby certifies as follows:

1. The name of the corporation is Upwork Inc.
2. The Registered Office of the corporation in the State of Delaware is changed to 251 Little Falls Drive (street), in the City of Wilmington, DE, County of New Castle Zip Code 19808. The name of the Registered Agent at such address upon whom process against this Corporation may be served is Corporation Service Company.
3. The foregoing change to the registered office/agent was adopted by a resolution of the Board of Directors of the corporation.

By: /s/ Jacob McQuown  
Authorized Officer

Name: Jacob McQuown  
Print or Type

**UPWORK**

**AMENDED AND RESTATED GLOBAL PERFORMANCE BONUS PLAN**

## UPWORK

### AMENDED AND RESTATED GLOBAL PERFORMANCE BONUS PLAN

(adopted February 5, 2019)  
(amended and restated August 18, 2025)  
(further amended and restated April 23, 2026)

#### Preamble

This document sets forth the terms of the Upwork Global Performance Bonus Plan (the “**Plan**”). The purpose of the Plan is to advance the interests of Upwork and its subsidiaries (collectively, the “**Company**”) by motivating selected employees to contribute to the growth and profitability of the Company by keying a portion of their compensation to the Company’s performance and for their individual contributions to the success of the Company. The Plan was originally effective as of January 1, 2019, was amended and restated August 18, 2025, was further amended and restated April 23, 2026, and, following such amendment and restatement, is effective for fiscal year 2026 and for each fiscal year thereafter (each, an “**Eligibility Period**”), unless otherwise amended or terminated in accordance with the Plan. Any other bonus plans applicable to Participants (as defined below) previously approved by the Company are hereby terminated effective as of the first date of the initial Eligibility Period, and the Plan supersedes all such prior plans and any written or verbal representations regarding the subject matter of the Plan effective as of such date.

#### ARTICLE 1 Definitions

For the purposes of the Plan, unless otherwise clearly apparent from the context, the following capitalized phrases or terms shall have the following indicated meanings:

- 1.1. “**Affiliate**” means any corporation or other entity (including, but not limited to, partnerships and joint ventures) that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, Upwork (where, for purposes of this definition, the term “*control*” (including the terms *controlled by* and *under common control with*) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such corporation or other entity, whether through the ownership of voting securities, by contract, or otherwise).
- 1.2. “**Award**” has the meaning set forth in the Equity Incentive Plan.
- 1.3. “**Award Agreement**” has the meaning set forth in the Equity Incentive Plan.
- 1.4. “**Base Salary**” means with respect to each Participant eligible for a Bonus, the amount of base salary or base fees and overtime pay actually earned by Participant during the applicable Eligibility Period determined on a daily basis based on the Participant’s base

salary and overtime pay rates in effect on each day during the applicable Eligibility Period (on a pre-tax basis), excluding (i) bonuses, commissions, holiday allowances, or the value of any equity securities, or any employee benefits or other compensation paid to Participant (e.g., 401(k) plan employer match or vesting cash awards), and (ii) any compensation paid to Participant in respect of any inactive employment by the Company (e.g., a leave of absence from the Company) unless otherwise required by applicable law.

- 1.5. “**Board of Directors**” means the Board of Directors of Upwork.
- 1.6. “**Bonus**” means any bonus payment made to a Participant pursuant to the Plan.
- 1.7. “**Bonus Pool**” means the aggregate amount allocable for Bonuses under the Plan for a given Eligibility Period.
- 1.8. “**Code**” means the United States Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder will include such section or regulation, any regulation promulgated thereunder, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.
- 1.9. “**Committee**” means the Board of Directors or Compensation Committee of the Board of Directors.
- 1.10. “**Equity Incentive Plan**” means Upwork’s 2018 Equity Incentive Plan, as amended or amended and restated from time to time.
- 1.11. “**Participant**” means a full-time or part-time regular employee of the Company who (i) has been designated by the Company in writing as one who will participate in the Plan and (ii) is not covered by any other bonus, commission, sales compensation or other incentive plan (unless otherwise determined by the Committee or such other bonus, commission, sales compensation or other incentive plan expressly permits concurrent participation in the Plan) (each, an “**Eligible Employee**”); notwithstanding the foregoing, the foregoing prong (ii) shall not apply to participation in the Upwork Inc. 2018 Equity Incentive Plan or the Upwork Inc. 2024 Long-Term Incentive Plan (or any successor plans thereto). The Plan excludes persons who are not expressly classified by the Company as “regular,” including but not limited to, interns, temporary employees or leased employees unless otherwise required by applicable law. Notwithstanding the foregoing, “Eligible Employee” may also include an individual, continuously providing services to the Company through any of Upwork’s subsidiaries that the Committee or the officers of Upwork designate from time to time as eligible for its employees to participate in the Plan.
- 1.12. “**Performance Criteria**” are performance goals applicable to a Bonus, including Company performance goals and individual performance goals, which may be selected from the Performance Factors (as defined in the Equity Incentive Plan) or otherwise as determined by the Committee.

1.13. “**Upwork**” means Upwork Inc., a Delaware corporation.

**ARTICLE 2**  
**Payments**

- 2.1. **Eligibility for Payment and Earning.** Unless otherwise required under applicable law, a person will earn and be eligible to receive a Bonus pursuant to the Plan only if (i) subject to Section 5.1, he or she continues to be designated by the Company in writing as one who will participate in the Plan at the time of payment of such Bonus as specified in Section 2.5 and (ii) he or she is an Eligible Employee at the time of payment of such Bonus as specified in Section 2.5.
- 2.2. **Bonus Pool.** Each Eligibility Period, the Committee, in its sole discretion, will establish a Bonus Pool, which may be established before, during or after the applicable Eligibility Period. Bonuses will be allocated from the Bonus Pool.
- 2.3. **Discretion to Determine Performance Criteria.** The Committee will, in its sole discretion, determine the Performance Criteria applicable to any Bonus. The Performance Criteria may be on the basis of any such factors the Committee determines relevant, and may be on an individual, divisional, business unit, subsidiary or Company-wide basis. Performance Criteria may be measured over the period of time determined by the Committee in its sole discretion. An Eligibility Period may be divided into one or more shorter periods if, for example, but not by way of limitation, the Committee desires to measure some Performance Criteria over twelve (12) months and other Performance Criteria over fewer months. The Performance Criteria may differ from Participant to Participant and from Bonus to Bonus. Failure to meet the Performance Criteria will result in a failure to earn the Bonus, except as otherwise determined by the Committee. As determined by the Committee, the Performance Criteria may be based on GAAP or non-GAAP results and any actual results may be adjusted by the Committee for one-time items, unbudgeted or unexpected items, acquisition-related activities or changes in applicable accounting rules when determining whether the Performance Criteria have been met, and any such adjustments shall not be deemed adverse to any Participant. It is within the sole discretion of the Committee to make or not make any such equitable adjustments.
- 2.4. **Bonus Payments.** Each Bonus will be paid in cash and/or in the form of an Award, as determined by the Committee, in a single lump sum or a fully vested Award, as applicable, unless otherwise determined by the Committee. The Bonus target is the percentage of Base Salary to be paid out at 100% achievement of the applicable Performance Criteria. Bonuses may be weighted based on individual performance and Company performance. Bonuses can provide for payout above target for performance in excess of the applicable Performance Criteria or below target for performance below the applicable Performance Criteria. To the extent a Bonus is made in the form of an Award, such Bonus shall, in addition to the terms and conditions set forth in the Plan, be subject to the terms and conditions of the Award Agreement covering such Award.

- 2.5. **Time of Payment.** Any Bonus payment (including, in the case of an Award, settlement of such Award, if applicable) shall be made during an open trading window in the first quarter of the fiscal year following the fiscal year in which the applicable bonus is earned (but no later than March 15 of the year following the year in which the applicable Bonus is earned) unless otherwise required under applicable law.
- 2.6. **Taxes.** All payments made under the Plan shall be subject to applicable income, FICA, and other employment taxes and tax withholding requirements.
- 2.7. **Restriction on Payments.** Unless otherwise required under applicable law, notwithstanding anything to the contrary set forth herein, no Bonus shall be made to any Participant if such payments would result in the Company's breach of or default under any terms of any loan agreement, credit agreement, promissory note, bond or debenture to which the Upwork or a subsidiary thereof is a party.

### **ARTICLE 3**

#### **Amendment, Suspension, Termination**

- 3.1 **Amendment, Suspension, or Termination.** The Committee, in its sole discretion, may amend or terminate the Plan, or any part thereof, at any time and for any reason to the full extent permissible under applicable law. Subject to applicable law, the amendment, suspension or termination of the Plan will not, without the consent of the Participant, alter or impair any rights or obligations under any Bonus theretofore earned by such Participant; provided that notwithstanding the foregoing, any adjustment by the Committee for one-time items, unbudgeted or unexpected items, acquisition-related activities, any significant impacts due to the adoption of the new accounting guidance, or changes in applicable accounting rules when determining whether the Performance Criteria have been met will not be deemed to be an alteration or impairment of the rights or obligations under any Bonus theretofore earned by any Participant. Unless otherwise required under applicable law, no Bonus may be granted during any period of suspension or after termination of the Plan.

### **ARTICLE 4**

#### **Administration**

- 4.1. **Committee Duties.** The Plan shall be administered by the Committee. No provision of the Plan shall be construed as imposing on the Committee any fiduciary duty under any law.
- 4.2. **Committee Authority.** The Committee shall enforce the Plan in accordance with its terms, shall be charged with the general administration of the Plan, and shall have all powers necessary to accomplish its purposes, including, but not by way of limitation, the following:
- a) To construe and interpret the terms and provisions of the Plan;
  - b) To determine which Eligible Employees will be granted Bonuses;

- c) To adopt such procedures and subplans as are necessary or appropriate to permit participation in the Plan by Participants who are foreign nationals or perform services outside of the United States;
  - d) To compute and certify to the Performance Criteria applicable to any Bonus;
  - e) To compute each Participant's Bonus; and
  - f) To maintain all records that may be necessary for the administration of the Plan.
- 4.3. **Binding Effect of Decisions.** The decision or action of the Committee with respect to any question arising out of or in connection with the administration, interpretation, computation and application of the Plan and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan and shall be given the maximum deference permitted by law.
- 4.4. **Delegation by Committee.** The Committee, in its sole discretion and on such terms and conditions as it may provide, but subject to the terms and conditions of the Plan, may delegate all or part of its authority and powers under the Plan to one or more directors and/or officers of the Company (the "**Delegate Administrators**"). Any action that requires the approval of the Delegate Administrators must be approved unanimously, and any action that requires the approval of the Delegate Administrators may instead also be approved by the Committee.
- 4.5. **Section 162(m).** For covered employees within the meaning of Code Section 162(m), the Committee may choose to take applicable actions in conformance with the requirements of Code Section 162(m).

**ARTICLE 5**  
**Miscellaneous**

- 5.1. **Transfers.** Participants who transfer to or from a position not covered by the Plan and instead covered by another bonus, commission, sales compensation or other incentive plan may be considered for a Bonus calculated based on a pro rata basis (as determined based on the number of full months worked in the applicable position(s) covered by the Plan during the applicable Eligibility Period and the applicable Bonus Salary earned during such prorated period). The Committee will coordinate and administer the Plan with the other bonus, sales, or incentive plan and its determinations shall be final and binding.
- 5.2. **Status of Plan.** The Plan is intended to be a plan that is an unfunded bonus arrangement for Participants and is intended to be a "bonus program" as defined under U.S. Department of Labor regulation 2510.3-2(c). The Plan shall be construed and administered in accordance with such intent.
- 5.3. **No Acquired Right.** Nothing in this Plan may be construed to give any Participant any right to be paid any amount other than under the terms of this Plan. Any payments under this Plan, including the method of calculating such payments, does not create any contractual or other acquired right to participate in a similar plan, receive any similar

payments (or benefits in lieu), or continue to participate in the Plan or have the Participant's payments calculated in a certain way in the future. This Plan does not constitute a contract of employment.

- 5.4. **Unsecured General Creditor.** The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Company to pay money in the future, and the rights of the Participants shall be no greater than those of unsecured general creditors. Participants and their heirs, successors, and assigns shall have no legal or equitable rights, claims, or interest in any specific property or assets of the Company. No assets of the Company shall be held under any trust or held in any way as collateral security for the fulfilling of the obligations of the Company under the Plan. Any and all of the Company's assets shall be, and remain, the general unpledged, unrestricted assets of the Company.
- 5.5. **Participant's Liability.** The Company's liability for the payment of benefits shall be defined only by the Plan. The Company shall have no obligation to a Participant under the Plan except as expressly provided in the Plan.
- 5.6. **Nonassignability.** A Participant shall have no right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate, alienate or convey in advance of actual receipt, the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be, unassignable and non-transferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure, attachment, garnishment (except to the extent the Company may be required to garnish amounts from payments due under the Plan pursuant to applicable law) or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency or be transferable to a spouse as a result of a property settlement or otherwise.
- 5.7. **Not a Contract of Employment.** The terms and conditions of the Plan shall not be deemed to constitute a contract of employment or continued engagement between the Company or any of its Affiliates and the Participant. Nothing in the Plan shall be deemed to give a Participant the right to be retained in the service of the Company or any of its Affiliates or to interfere with the right of the Company or any of its Affiliates to discipline or discharge the Participant at any time in accordance with applicable law. For Participants providing services in the United States, the Participant's employment (if applicable) with the Company or any of its Affiliates remains at will (subject to applicable law).
- 5.8. **Section 409A.** To the extent any payment under the Plan may be classified as a "short-term deferral" within the meaning of Section 409A of the Code ("**Section 409A**"), such payment shall be deemed a short-term deferral, even if it may also qualify for another exemption from Section 409A. To the extent that any provision of the Plan is ambiguous as to its exemption from or compliance with Section 409A, the provision will be read in such a manner that the applicable payments hereunder are exempt from Section 409A to

the maximum permissible extent, and for any payments where such construction is not tenable, that those payments comply with Section 409A to the maximum permissible extent. Each Participant acknowledges and agrees that Upwork and its Affiliates make no representations with respect to the application of Code Section 409A to any Bonus and other tax consequences to any payments under the Plan and, by the acceptance of any Bonus, the Participant agrees to accept the potential application of Code Section 409A and the other tax consequences of any payments made pursuant to the Plan.

- 5.9. **Clawback or Recoupment.** To the fullest extent permissible under applicable law, all Bonuses paid pursuant to the Plan shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board of Directors or required by law during the term of a Participant's employment or other service with the Company that is applicable to such Participant, and in addition to any other remedies available under such policy and applicable law, may require forfeiture of earned Bonuses and the recoupment of any Bonuses paid pursuant to the Plan.
- 5.10. **Terms.** Whenever any words are used herein in the masculine, they shall be construed as though they were in the feminine in all cases where they would so apply; and whenever any words are used herein in the singular or in the plural, they shall be construed as though they were used in the plural or the singular, as the case may be, in all cases where they would so apply.
- 5.11. **Captions.** The captions of the articles, sections and paragraphs of the Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- 5.12. **Governing Law.** This Plan shall be construed, administered and enforced in accordance with the laws of the jurisdiction in which the Participant resides and provides services for the Company based on the Company's records; *provided*, that, for Participants residing and providing services for the Company in the United States, this Plan shall be construed, administered and enforced in accordance with the laws of the State of California without regard to its conflicts of laws principles.
- 5.13. **Successors.** The provisions of the Plan shall bind and inure to the benefit of the Company, all Participants, and their successors in interest.
- 5.14. **Validity.** In case any provision of the Plan shall be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but the Plan shall be construed and enforced as if such illegal or invalid provision had never been inserted herein.
- 5.15. **Beneficiary Designations.** If permitted by the Committee, a Participant under the Plan may name a beneficiary or beneficiaries to whom any earned but unpaid award will be paid in the event of the Participant's death. Each such designation will revoke all prior designations by the Participant and will be effective only if given in a form and manner acceptable to the Committee. In the absence of any such designation, any vested benefits

remaining unpaid at the Participant's death will be paid to the Participant's estate, or as otherwise required by applicable law.

- 5.16. **Language.** The Participant acknowledges and represents that he or she is sufficiently proficient in the English language or has consulted with an advisor who is sufficiently proficient in English, to enable the Participant to understand the terms of the Plan and any other documents related to the Plan. If the Participant has received the Plan or any other document related to the Plan translated into a language other than English, and if the meaning of the translated version differs from the English version, the English version shall prevail.

**Acknowledgment & Agreement**

By signing below, the Participant acknowledges that the Participant has carefully received, read and understood the Plan and any exhibits hereto, and the Participant acknowledges and accepts the terms contained therein. The Participant further acknowledges that the Plan and any exhibits contain the entire agreement between the Participant and the Company on the subjects addressed herein, and supersede any and all other compensation plans, representations, agreements or arrangements concerning the subject of bonus compensation. The Participant and Company agree (i) that the Plan and exhibits may be signed using electronic signatures, and (ii) to conduct communications regarding the Plan electronically.

**IN WITNESS WHEREOF**, the parties have executed this Plan as of the date last written below.

**UPWORK INC.**

By: \_\_\_\_\_

Name:

Title:

**PARTICIPANT**

By: \_\_\_\_\_

March 17, 2026

Dave Bottoms

Re: Terms of Separation

Dear Dave:

Thank you for your service to Upwork Global LLC (the “**Company**”) and for your tenure as GM, Marketplace. You and the Company have mutually agreed to end your employment relationship with the Company effective as of April 3, 2026 (the “**Separation Date**”).

Accordingly, this letter confirms the agreement (“**Agreement**”) between you and the Company concerning the terms of your separation and offers you certain benefits, conditioned upon your provision of a general release of claims and covenant not to sue as provided herein. If you agree to the terms outlined herein, please sign and return this Agreement to me in the timeframe outlined below.

1. Separation from Employment: In exchange for your agreement to the general release and waiver of claims and covenant not to sue set forth below, the Company agrees to continue your employment on the following terms. Your last day of employment with the Company will be the Separation Date. Effective as of the Separation Date, you hereby resign from any and all officer, director and manager positions of each of the Company’s subsidiaries. Between the date of this letter and the Separation Date (the “**Transition Period**”), (a) you will continue to be employed by the Company in an “at will” capacity, (b) you will receive your base salary as in effect as of the date of this Agreement through the Transition Period, (c) your outstanding Awards (as defined below) will continue to vest in accordance with the Company’s 2018 Equity Incentive Plan and the Award Agreements (as defined below), as described in the Awards section below, and (d) you will be eligible for continued participation the Company’s employee benefit plans. You and the Company acknowledge and agree that you will no longer be eligible to receive an annual bonus or any other incentive compensation, including under the Company’s 2026 Performance Bonus Plan.

2. Final Paycheck; Payment of Wages: As soon as administratively practicable on or after the Separation Date, the Company will pay you in a single cash lump-sum all accrued but unpaid base salary subject to standard payroll deductions and withholdings. You will be deemed to have withdrawn from any participation in the Company’s 2018 Employee Stock Purchase Plan (the “**ESPP**”), effective as of your Separation Date, and any contributions collected on your behalf with respect to any ongoing purchase period under the ESPP as of such date will be refunded to you in accordance with the terms of the ESPP. You acknowledge and agree that you have not accrued any paid time off under the Company’s Unlimited Time Off policy since its effective date and you are not eligible for the payment of any compensation under that policy.

3. Release Consideration: In exchange for your execution of this Agreement and delivery of an effective general release and waiver of claims and covenant not to sue in the form attached hereto as **Exhibit A** (the “**Release**”), to be signed no earlier than the Separation Date and within the time period specified therein following your Separation Date, the Company agrees to provide you with the following:

(i) The Company agrees to pay you an amount equal to twelve months of your monthly base salary in a cash lump-sum payment (the “**Severance Payment**”) in accordance with the Company’s standard payroll procedures as soon as administratively practicable following the date the Release becomes effective and in any event, no later than the 60th day following the Separation Date.

(ii) Following the Separation Date, contingent on your timely election to continue your existing medical, dental, and vision benefits under the Consolidated Omnibus Budget Reconciliation Act (“**COBRA**”), and consistent with the terms of COBRA and the Company’s health insurance plan, the Company will pay the full amount of the insurance premiums to continue your existing health benefits, for you and your covered dependents, until the earlier of (x) the effective date on which you become covered by a substantially equivalent health insurance plan of a subsequent employer, (y) twelve months following your last day of employment with the Company, and (z) the date you are no longer eligible for COBRA benefits.

(iii) The Company agrees to transfer ownership to you of your Company-issued laptop on the condition that, upon the end of the Transition Period, you will submit the laptop to the Company (including electronically) for inspection and the Company’s full and complete removal of any and all Company-related data.

By signing below, you acknowledge that you are receiving the release consideration outlined in this section in consideration for waiving your rights to claims referred to in this Agreement and the Release and that you would not otherwise be entitled to the release consideration.

4. Business Expenses Reimbursement; No Further Amounts Due: To the extent you have any unreimbursed business expenses as of the end of the Transition Period, you will need to submit such expenses within two weeks of the end of your Transition Period with supporting documentation, and the Company will reimburse you for all approved expenses in accordance with its business expense reimbursement policy. By signing below, you acknowledge that the Company does not owe you any other amounts, except as otherwise may become payable under the Agreement.

5. Return of Company Property: You hereby warrant to the Company that, other than as permitted in compliance with Section 3(iii) above, on or before your Separation Date, you will return to the Company all property or data of the Company of any type whatsoever that has been in your possession or control.

6. Proprietary Information: As a condition of your employment with the Company, you were required to execute and abide by the attached Employee Invention Assignment and Confidentiality Agreement (**Exhibit B** hereto). You hereby acknowledge that you are bound by **Exhibit B** and that as a result of your employment with the Company and your prior employment with Upwork Inc., the sole member of the Company (“**Parent**”), you have had access to Proprietary Information (as defined in the agreement), that you will hold all Proprietary Information in strictest confidence and that you will not make use of such Proprietary Information on behalf of anyone. You further confirm that on or prior to your Separation Date you will deliver to the Company all documents and data of any nature containing or pertaining to such Proprietary Information, that you will permanently delete any electronic copies thereof in your possession, custody, or control, and that you will not take with you any such documents or data or any reproduction thereof.

7. Awards. You were granted restricted stock units and performance stock units (such awards, the “**Awards**”) pursuant to the Restricted Stock Unit Agreements and Performance Stock Unit Agreements covering the Awards granted on September 18, 2022, February 18, 2023, March 18, 2024, March 18, 2025, and February 18, 2026, as applicable, and the Company’s 2018 Equity Incentive Plan (hereafter collectively referred to as the “**Award Agreements**”). Because your employment is terminating on the Separation Date, none of the portions of the Awards that are unvested as of the Separation Date can ever vest and shall be terminated and canceled in accordance with the terms of the Award Agreements.

8. General Release and Waiver of Claims:

(a) The payments and promises set forth in this Agreement are in full satisfaction of all accrued salary, vacation pay, bonus pay, profit-sharing, stock, stock options or other ownership interest in the Company and Parent, including, without limitation, such termination benefits and compensation described in the Amended and Restated Change in Control and Severance Agreement between you, Parent, and the Company, dated August 18, 2025 (the "**Severance Agreement**"), the Amended and Restated Offer Letter, dated November 14, 2024, by and between you and Parent, as amended by the Amendment to November 14, 2024 Offer Letter, dated August 18, 2025, by and between you, Parent, and the Company (the "**Offer Letter**"), and such other termination benefits or other compensation to which you may be entitled by virtue of your employment with the Company, the end of your employment with the Company, or your prior employment with Parent. To the fullest extent permitted by law, you hereby release and waive any claims you may have against the Company and its owners, agents, officers, shareholders, employees, directors, attorneys, subscribers, subsidiaries, affiliates, successors and assigns (collectively "**Releasees**"), whether known or not known, including, without limitation, claims under any employment laws, including, but not limited to, claims of unlawful discharge, breach of contract, breach of the covenant of good faith and fair dealing, fraud, violation of public policy, defamation, physical injury, emotional distress, claims for additional compensation or benefits arising out of your employment or the end of your employment, claims under the Worker Adjustment and Retraining Notification Act, claims under Title VII of the 1964 Civil Rights Act, as amended, and any other laws and/or regulations relating to employment or employment discrimination, including, without limitation, claims based on age or under the Age Discrimination in Employment Act ("**ADEA**") and claims based on disability or under the Americans with Disabilities Act. By signing this Agreement, you are not releasing or waiving any claims under the California Fair Employment and Housing Act; however, for the avoidance of doubt, you will release and waive such claims once you sign the Release.

(b) By signing below, you expressly waive any benefits of Section 1542 of the Civil Code of the State of California, which provides 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."

(c) You and the Company do not intend to release claims that you may not release as a matter of law, including but not limited to claims for indemnity under California Labor Code Section 2802, or any claims for enforcement of this Agreement. You also acknowledge that you have been advised by this writing that the release of claims does not apply to any rights or claims that arise after the date you sign this Agreement. To the fullest extent permitted by law, any dispute regarding the scope of this general release shall be determined by an arbitrator under the procedures set forth in the arbitration clause below.

9. Covenant Not to Sue:

(a) To the fullest extent permitted by law, at no time subsequent to the execution of this Agreement will you pursue, or cause or knowingly permit the prosecution, in any state, federal or foreign court, or before any local, state, federal or foreign administrative agency, or any other tribunal, of any charge, claim or action of any kind, nature and character whatsoever, known or unknown, which you may

now have, have ever had, or may in the future have against Releasees, which is based in whole or in part on any matter released by this Agreement.

(b) Nothing in this section shall prohibit or impair you complying with all applicable laws, nor shall this Agreement be construed to obligate either party to commit (or aid or abet in the commission of) any unlawful act.

(c) Notwithstanding this Covenant Not to Sue, you may bring a claim against the Company to enforce this Agreement or to challenge the validity of your agreement to waive and release ADEA claims consistent with the Older Workers Benefit Protection Act (“**OWBPA**”).

10. **Protected Rights:** You understand that nothing in the General Release and Waiver of Claims, Covenant Not to Sue, Non-disparagement and Confidentiality sections contained herein, or otherwise in this Agreement, limits, impedes or restricts your ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local government agency or commission (“**Government Agencies**”). You further understand that this Agreement does not limit your ability to communicate with any Government Agencies or otherwise participate and/or assist in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information (including this Agreement), without notice to the Company. This Agreement does not limit your right to receive an award for information provided to any Government Agencies. Further, nothing in the Agreement prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful or waives your right to testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of the Company, or on the part of the agents or employees of the Company, when you have been required or requested to attend such a proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature.

11. **Non-Disclosure, Forfeiture and Clawback; Mutual Non-Disparagement:** Subject to the Protected Rights section above, you agree that, both during and at all times following the Transition Period, you will not communicate with any members of the investor community (including any actual or potential investors in the Company, any investment analysts, advisors, or otherwise) regarding the Company and/or its products, services, directors, officers, employees, and affiliated entities; *provided, however*, that the foregoing shall not prevent you from discussing your employment experience with prospective future employers or recruiters, and any such discussions shall not constitute a violation of this Section 11. You further agree that, both during and at all times following the Transition Period, you will not disparage Releasees or their products, services, agents, representatives, directors, officers, shareholders, attorneys, employees, vendors, affiliates, successors or assigns, or any person acting by, through, under or in concert with any of them, with any written or oral statement. Parent agrees that, both during and at all times following the Transition Period, Parent and its directors and executive officers will not disparage you or your professional reputation with respect to your service with Parent or the Company with any written or oral statement. Nothing in this section shall prohibit you or Parent or the Company from providing truthful information in response to a subpoena or other legal process. If you violate this Section 11, you will immediately forfeit your right to receive the Severance Payment, the Company will have no further obligation to pay the Severance Payment to you, and, if the Severance Payment has already been paid to you, you will be obligated to repay the Severance Payment to the Company to the maximum extent permitted by applicable law. You acknowledge and agree that the release consideration outlined in Section 3(ii) and (iii) of this Agreement is sufficient consideration for waiving your rights to

claims referred to in this Agreement and the Release and, therefore, your forfeiture of, or obligation to repay, the Severance Payment pursuant to this Section 11 (if applicable) shall not impact the effectiveness of such waivers.

12. Dispute Resolution:

(a) To ensure rapid and economical resolution of any and all disputes that might arise in connection with this Agreement, you and the Company agree that any and all disputes, claims, and causes of action, in law or equity, arising from or relating to this Agreement or its enforcement, performance, breach, or interpretation, or your employment or separation therefrom, will be resolved solely and exclusively by final, binding, and confidential arbitration, by a single arbitrator, in Santa Clara County, and conducted by Judicial Arbitration & Mediation Services, Inc. (“**JAMS**”) under its then-existing employment rules and procedures (“**JAMS Rules**”). This Dispute Resolution provision is intended to be as broad as legally permissible. Notwithstanding the foregoing agreement to resolve disputes in arbitration either party may obtain injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Each party shall be responsible for the payment of its own attorneys’ fees.

(b) You and the Company also agree to bring any claim or dispute in arbitration on an individual basis only, and not as a class or collective action, and there will be no right or authority for any claim or dispute to be brought, heard or arbitrated as a class or collective action (“**Class Action Waiver**”). Regardless of anything else in this Agreement and/or the JAMS Rules, or any amendments and/or modifications to those rules, any claim that all or part of the Class Action Waiver is invalid, unenforceable, unconscionable, void or voidable, may be determined only by a court of competent jurisdiction and not by an arbitrator.

(c) The Company and you agree to arbitrate Private Attorney General Act (“**PAGA**”) claims on an individual basis only. Therefore, any claim by you under PAGA to recover unpaid wages, civil penalties, or any other individual relief must be arbitrated under this Agreement. The Company and you also agree your non-individual PAGA claims will be stayed and you will not pursue any such claims in Court until after the arbitrator, and not any court, issues a final and written determination as to your status as an “aggrieved employee.” The arbitrator is without authority to preside over any PAGA claim by you on behalf of any other person or joined by or consolidated with another person’s PAGA claim. This PAGA Individual Action Requirement clause will be severable from this Agreement if there is a final judicial determination that it is invalid, unenforceable, unconscionable, void or voidable. In such case, the PAGA action must be litigated in a civil court of competent jurisdiction—not in arbitration—but the portion of the PAGA Individual Action Requirement that is enforceable will be enforced in arbitration.

13. Attorneys’ Fees: If any action is brought to enforce the terms of this Agreement, the prevailing party will be entitled to recover its reasonable attorneys’ fees, costs, and expenses from the other party, in addition to any other relief to which the prevailing party may be entitled. This Section 13 does not apply to any action to challenge the validity of your agreement to waive and release ADEA claims consistent with the OWBPA.

14. No Admission of Liability: This Agreement is not and shall not be construed or contended by you to be an admission or evidence of any wrongdoing or liability on the part of Releasees, their representatives, heirs, executors, attorneys, agents, partners, officers, shareholders, directors, employees, subsidiaries, affiliates, divisions, successors or assigns. This Agreement shall be afforded the

maximum protection allowable under California Evidence Code Section 1152 and/or any other state or federal provisions of similar effect.

15. Confidentiality: Subject to the Protected Rights section above, and otherwise to the fullest extent permitted by applicable law, the contents, terms and conditions of this Agreement must be kept confidential by you and may not be disclosed except to your immediate family, accountant or attorneys or pursuant to subpoena or court order.

16. Complete and Voluntary Agreement: This Agreement, together with **Exhibits A-B** hereto, constitute the entire agreement between you and Releasees with respect to the subject matter hereof and supersede all prior negotiations and agreements, whether written or oral, relating to such subject matter. You acknowledge that neither Releasees nor their agents or attorneys have made any promise, representation or warranty whatsoever, either express or implied, written or oral, which is not contained in this Agreement for the purpose of inducing you to execute the Agreement, and you acknowledge that you have executed this Agreement in reliance only upon such promises, representations and warranties as are contained herein, and that you are executing this Agreement voluntarily, free of any duress, coercion, undue pressure or influence, harassment or intimidation. For the avoidance of doubt, nothing in this Agreement shall limit, waive, or terminate your rights to indemnification and advancement of expenses pursuant to the Indemnity Agreement, dated April 19, 2024, by and between you and Parent, or coverage available to you under Parent's directors' and officers' liability insurance with respect to acts or omissions occurring during your service to Parent or the Company.

17. Severability: The provisions of this Agreement are severable, and if any part of it is found to be invalid or unenforceable, the other parts shall remain fully valid and enforceable. Specifically, should a court, arbitrator, or government agency conclude that a particular claim may not be released as a matter of law, it is the intention of the parties that the general release, the waiver of unknown claims and the covenant not to sue above shall otherwise remain effective to release any and all other claims.

18. Modification; Counterparts; Facsimile/PDF Signatures: It is expressly agreed that this Agreement may not be altered, amended, modified, or otherwise changed in any respect except by another written agreement that specifically refers to this Agreement, executed by authorized representatives of each of the parties to this Agreement. This Agreement may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. Execution of a facsimile or PDF copy shall have the same force and effect as execution of an original, and a copy of a signature will be equally admissible in any legal proceeding as if an original.

19. 409A: To the extent that any provision of this Agreement is ambiguous as to its exemption or compliance with Section 409A of the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated thereunder ("**Section 409A**"), the provision will be read in such a manner so that all payments hereunder are exempt from Section 409A to the maximum permissible extent, and for any payments where such construction is not tenable, that those payments comply with Section 409A to the maximum permissible extent. To the extent any payment under this Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A.

20. Review of this Agreement: You understand that you may take up to twenty-one (21) days to consider this Agreement and, by signing below, affirm that you were advised to consult with an attorney prior to signing this Agreement and the Release. You also agree that any amendments to this

Agreement, whether or not material, will not re-start the twenty-one (21) day consideration period. You also understand you may revoke this Agreement within seven (7) days of signing this document by providing written notice to the Company (to the attention of Lucas Deloach, Counsel, Upwork Services LLC at ELG@upwork.com), that this Agreement will not become effective or enforceable until the date set forth in Section 22 below, and that the consideration period to be provided to you pursuant to Section 3 will be provided only at the end of that seven (7) day-revocation period.

21. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California, except that Paragraph 12 shall be governed by the Federal Arbitration Act.

22. Effective Date: This Agreement is effective on the eighth (8<sup>th</sup>) day after you sign it provided you have not revoked the Agreement as of that date.

If you agree to abide by the terms outlined in this letter, please sign this letter below return it to me within the timeframe noted above. I wish you the best in your future endeavors.

*[Signature page follows]*

Sincerely,

Upwork Global LLC

By: Upwork Inc., its sole member

By: /s/ Jacob McQuown

Jacob McQuown

Chief Legal Officer

READ, UNDERSTOOD AND AGREED

/s/ Dave Bottoms

Dave Bottoms

Date: 3/17/2026

## EXHIBIT A

### GENERAL RELEASE OF ALL CLAIMS AND COVENANT NOT TO SUE

This General Release of All Claims and Covenant Not to Sue (the “**Release**”) is entered into between Dave Bottoms (“**Executive**”) and Upwork Global LLC (the “**Company**”) (collectively, “**the parties**”).

**WHEREAS**, on March 17, 2026, Executive and the Company entered into an agreement regarding Executive’s resignation of employment (the “**Separation Agreement**,” to which this Release is attached as **Exhibit A**);

**WHEREAS**, the Transition Period (as set forth in the Separation Agreement) has ended;

**WHEREAS**, this agreement serves as the Release, pursuant to the Separation Agreement; and

**NOW THEREFORE**, in consideration for the mutual promises and undertakings of the parties as set forth below, Executive and the Company hereby enter into this Release.

1. Business Expense Reimbursement; No Further Amounts Due: To the extent Executive has any unreimbursed business expenses, Executive will need to submit such expenses within two weeks of the end of the Transition Period (as defined in the Separation Agreement) with supporting documentation, and the Company will reimburse Executive for all approved expenses in accordance with its business expense reimbursement policy. By Executive’s signature below, Executive acknowledges that the Company does not owe Executive any other amounts, except as otherwise may become payable under the Separation Agreement contingent upon the effectiveness of this Release.

2. Return and Permanent Deletion of Company Property: Executive hereby warrants to the Company that Executive has returned to the Company all property or data of the Company of any type whatsoever that has been in Executive’s possession, custody, or control and that any electronic copies thereof have been permanently deleted (other than as permitted in compliance with Section 3(iii) of the Separation Agreement).

3. Consideration: In exchange for Executive’s agreement to this Release and Executive’s other promises in the Separation Agreement and herein, the Company agrees to provide Executive with the consideration set forth in Section 3 of the Separation Agreement upon effectiveness of this Release. By signing below, Executive acknowledges that Executive is receiving the consideration in exchange for waiving Executive’s rights to claims referred to in this Release and Executive would not otherwise be entitled to the consideration.

4. General Release and Waiver of Claims:

(a) The payments and promises set forth in this Release are in full satisfaction of all accrued salary, vacation pay, bonus and commission pay, profit-sharing, stock, stock options or other ownership interest in the Company and Parent (as defined in the Separation Agreement), including, without limitation, such termination benefits and compensation described in the Severance Agreement (as defined in the Separation Agreement), the Offer Letter (as defined in the Separation Agreement), and such other termination benefits or other compensation to which Executive may be entitled by virtue of Executive’s employment with the Company, Executive’s separation from the Company, and Executive’s prior employment with Parent. To the fullest extent permitted by law, Executive hereby releases and waives

any claims Executive may have against the Company and its owners, agents, officers, shareholders, employees, directors, attorneys, subscribers, subsidiaries, affiliates, successors and assigns (collectively "**Releasees**"), whether known or not known, including, without limitation, claims under any employment laws, including, but not limited to, claims of unlawful discharge, breach of contract, breach of the covenant of good faith and fair dealing, fraud, violation of public policy, defamation, physical injury, emotional distress, claims for additional compensation or benefits arising out of Executive's employment or end of employment, claims under the Worker Adjustment and Retraining Notification Act, claims under Title VII of the 1964 Civil Rights Act, as amended, the California Fair Employment and Housing Act, and any other laws and/or regulations relating to employment or employment discrimination, including, without limitation, claims based on age or under the Age Discrimination in Employment Act ("**ADEA**"), and/or claims based on disability or under the Americans with Disabilities Act.

(b) By signing below, Executive expressly waives any benefits of Section 1542 of the Civil Code of the State of California, which provides 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."

(c) Executive and the Company do not intend to release claims that may not be released as a matter of law, including but not limited to claims for indemnity under California Labor Code Section 2802, or any claims for enforcement of this Release. Executive also acknowledges that Executive has been advised by this writing that the release of claims does not apply to any rights or claims that arise after the date Executive signs this Release. To the fullest extent permitted by law, any dispute regarding the scope of this general release shall be determined by an arbitrator under the procedures set forth in the arbitration clause in the Separation Agreement.

5. Covenant Not to Sue:

(a) To the fullest extent permitted by law, at no time subsequent to the execution of this Release will Executive pursue, or cause or knowingly permit the prosecution, in any state, federal or foreign court, or before any local, state, federal or foreign administrative agency, or any other tribunal, of any charge, claim or action of any kind, nature and character whatsoever, known or unknown, (i) which Executive may now have, have ever had, or may in the future have against Releasees, and (ii) which is based in whole or in part on any matter released by this Release.

(b) Nothing in this paragraph shall prohibit or impair the Company or Executive from complying with all applicable laws, nor shall this Release be construed to obligate either party to commit (or aid or abet in the commission of) any unlawful act.

(c) Notwithstanding this Covenant Not to Sue, you may bring a claim against the Company to enforce this Release or to challenge the validity of your agreement to waive and release ADEA claims consistent with the Older Workers Benefit Protection Act ("**OWBPA**").

6. Protected Rights: Executive understands that nothing in the General Release and Waiver of Claims and Covenant Not to Sue sections above, or otherwise in this Release, limits, impedes, or restricts Executive's ability to file a charge or complaint with the Equal Employment Opportunity

Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local government agency or commission (“**Government Agencies**”). Executive further understands that this Release does not limit Executive’s ability to communicate with any Government Agencies or otherwise participate and/or assist in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information (including this Agreement), without notice to the Company. This Release does not limit Executive’s right to receive an award for information provided to any Government Agencies or prohibit Executive from providing truthful information in response to a subpoena or other legal process. Further, nothing in the Release prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful or waives your right to testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of the Company, or on the part of the agents or employees of the Company, when you have been required or requested to attend such a proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature.

7. Review of Release: Executive understands that Executive has had more than twenty-one (21) days to consider this Release and, by signing below, affirms that Executive was advised to consult with an attorney prior to signing this Release. The offer set forth in this Release and in Section 3 of the Separation Agreement, if not accepted by Executive within thirty (30) days following the Separation Date (as defined in the Separation Agreement), will automatically expire. Executive also understands that Executive may revoke this Release within seven (7) days of signing this document by providing written notice to the Company (to the attention of Lucas Deloach, Counsel, Upwork Services LLC at ELG@upwork.com), that this Release will not become effective or enforceable until the date set forth in Section 8 below, and that the consideration to be provided to Executive pursuant to Section 3 of the Separation Agreement will be provided no earlier than after the expiration of that seven (7) day revocation period.

8. Effective Date: This Release is effective on the eighth (8th) day after Executive signs it, provided Executive has not revoked it as of that time.

9. Other Terms of Separation Agreement Incorporated Herein: All other terms of the Separation Agreement to the extent not inconsistent with the terms of this Release are hereby incorporated in this Release as though fully stated herein and apply with equal force to this Release, including, without limitation, the provisions on Non-Disclosure; Forfeiture and Clawback, Arbitration, Governing Law, and Attorneys’ Fees.

[Signature page follows]

Upwork Global LLC

By: Upwork Inc., its sole member

Dated: \_\_\_\_\_

\_\_\_\_\_  
Jacob McQuown  
Chief Legal Officer

Dated: \_\_\_\_\_

\_\_\_\_\_  
Dave Bottoms

(not valid if signed before the Separation Date)

**EXHIBIT B**

**EMPLOYEE INVENTION ASSIGNMENT AND CONFIDENTIALITY AGREEMENT**

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Hayden Brown, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Upwork 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: May 7, 2026

/s/ Hayden Brown  
\_\_\_\_\_  
Hayden Brown  
*Chief Executive Officer*  
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED  
PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Erica Gessert, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Upwork 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: May 7, 2026

/s/ Erica Gessert

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Erica Gessert  
*Chief Financial Officer*  
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Hayden Brown, Chief Executive Officer of Upwork Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: May 7, 2026

/s/ Hayden Brown

Hayden Brown

*Chief Executive Officer*

(Principal Executive Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Erica Gessert, Chief Financial Officer of Upwork Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: May 7, 2026

/s/ Erica Gessert  
\_\_\_\_\_  
Erica Gessert  
*Chief Financial Officer*  
(Principal Financial Officer)