

**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 September 30, 2025

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 October 30, 2025, there were 130,654,883 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.

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, 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, competitive position, technological and market trends, industry environment, the economy, our plans with respect to share repurchases, the expected impact and timing of strategic initiatives, including the launch of Lifted, the Company's 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)

(In thousands, except share and per share data)

	September 30, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	\$ 260,838	\$ 305,757
Marketable securities	382,259	316,344
Funds held in escrow, including funds in transit	211,373	195,736
Trade and client receivables – net of allowance of \$6,485 and \$4,646 as of September 30, 2025 and December 31, 2024, respectively	76,433	75,490
Prepaid expenses and other current assets	18,048	17,727
Total current assets	948,951	911,054
Property and equipment, net	40,373	30,056
Goodwill	150,471	121,064
Intangible assets, net	39,656	12,989
Operating lease asset	5,188	5,752
Deferred tax asset	125,065	128,779
Other assets, noncurrent	1,505	1,919
Total assets	\$ 1,311,209	\$ 1,211,613
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 8,514	\$ 6,128
Escrow funds payable	211,373	195,736
Debt, current	359,310	—
Accrued expenses and other current liabilities	73,336	59,300
Deferred revenue	7,943	7,269
Total current liabilities	660,476	268,433
Debt, noncurrent	—	357,928
Operating lease liability, noncurrent	10,131	9,567
Other liabilities, noncurrent	12,476	308
Total liabilities	683,083	636,236
Commitments and contingencies (Note 7)		
Stockholders' equity		
Common stock, \$0.0001 par value; 490,000,000 shares authorized as of September 30, 2025 and December 31, 2024; 131,393,994 and 135,348,453 shares issued and outstanding as of September 30, 2025 and December 31, 2024, respectively	13	14
Additional paid-in capital	605,931	653,575
Accumulated and other comprehensive income	867	264
Retained earnings (accumulated deficit)	21,315	(78,476)
Total stockholders' equity	628,126	575,377
Total liabilities and stockholders' equity	\$ 1,311,209	\$ 1,211,613

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
<i>(In thousands, except per share data)</i>				
Revenue	\$ 201,730	\$ 193,776	\$ 589,375	\$ 577,842
Cost of revenue	45,843	43,408	131,081	131,453
Gross profit	155,887	150,368	458,294	446,389
Operating expenses				
Research and development	47,494	50,411	138,489	155,792
Sales and marketing	34,985	46,093	107,407	141,277
General and administrative	41,257	31,276	104,964	93,201
Provision for transaction losses	2,393	1,795	6,421	4,496
Total operating expenses	126,129	129,575	357,281	394,766
Income from operations	29,758	20,793	101,013	51,623
Other income, net	5,917	8,091	18,112	20,433
Income before income taxes	35,675	28,884	119,125	72,056
Income tax provision	(6,340)	(1,126)	(19,334)	(3,636)
Net income	\$ 29,335	\$ 27,758	\$ 99,791	\$ 68,420
Net income per share:				
Basic	\$ 0.22	\$ 0.21	\$ 0.75	\$ 0.51
Diluted	\$ 0.21	\$ 0.20	\$ 0.72	\$ 0.50
Weighted-average shares used to compute net income per share:				
Basic	131,987	132,603	133,114	133,404
Diluted	139,666	139,294	140,910	140,552
Other comprehensive income, net of tax:				
Net unrealized holding gain on marketable securities, net	\$ 143	\$ 1,751	\$ 603	\$ 1,017
Total comprehensive income	\$ 29,478	\$ 29,509	\$ 100,394	\$ 69,437

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)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity
	Shares	Amount				
Three Months Ended September 30, 2025						
Balances as of June 30, 2025	132,506,031	\$ 13	\$ 615,937	\$ 724	\$ (8,020)	\$ 608,654
Issuance of common stock upon exercise of stock options and common stock warrants	44,903	—	75	—	—	75
Stock-based compensation expense	—	—	20,880	—	—	20,880
Issuance of common stock for settlement of RSUs	945,053	—	—	—	—	—
Tides Foundation common stock warrant expense	—	—	188	—	—	188
Repurchase of common stock, including excise tax	(2,101,993)	—	(31,149)	—	—	(31,149)
Unrealized gain on marketable securities	—	—	—	143	—	143
Net income	—	—	—	—	29,335	29,335
Balances as of September 30, 2025	131,393,994	\$ 13	\$ 605,931	\$ 867	\$ 21,315	\$ 628,126

(In thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Three Months Ended September 30, 2024						
Balances as of June 30, 2024	132,006,676	\$ 13	\$ 615,012	\$ (529)	\$ (253,400)	\$ 361,096
Issuance of common stock upon exercise of stock options	316,558	—	1,165	—	—	1,165
Stock-based compensation expense	—	—	19,093	—	—	19,093
Issuance of common stock for settlement of RSUs	1,174,043	—	—	—	—	—
Tides Foundation common stock warrant expense	—	—	188	—	—	188
Share repurchase excise tax	—	—	120	—	—	120
Unrealized gain on marketable securities	—	—	—	1,751	—	1,751
Net income	—	—	—	—	27,758	27,758
Balances as of September 30, 2024	133,497,277	\$ 13	\$ 635,578	\$ 1,222	\$ (225,642)	\$ 411,171

(In thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity
	Shares	Amount				
Nine Months Ended September 30, 2025						
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 and common stock warrants	208,398	—	729	—	—	729
Stock-based compensation expense	—	—	51,290	—	—	51,290
Issuance of common stock for settlement of RSUs	2,903,878	—	—	—	—	—
Tides Foundation common stock warrant expense	—	—	563	—	—	563
Issuance of common stock in connection with employee stock purchase plan	279,537	—	2,199	—	—	2,199
Repurchase of common stock, including excise tax	(7,346,272)	(1)	(102,425)	—	—	(102,426)
Unrealized gain on marketable securities	—	—	—	603	—	603
Net income	—	—	—	—	99,791	99,791
Balances as of September 30, 2025	131,393,994	\$ 13	\$ 605,931	\$ 867	\$ 21,315	\$ 628,126

(In thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Nine Months Ended September 30, 2024						
Balances as of December 31, 2023	137,272,754	\$ 14	\$ 674,918	\$ 205	\$ (294,062)	\$ 381,075
Issuance of common stock upon exercise of stock options and common stock warrants	514,115	—	1,935	—	—	1,935
Stock-based compensation expense	—	—	55,856	—	—	55,856
Issuance of common stock for settlement of RSUs	3,372,975	—	—	—	—	—
Tides Foundation common stock warrant expense	—	—	563	—	—	563
Issuance of common stock in connection with employee stock purchase plan	414,159	—	2,917	—	—	2,917
Repurchase of common stock, including excise tax	(8,076,726)	(1)	(100,611)	—	—	(100,612)
Unrealized gain on marketable securities	—	—	—	1,017	—	1,017
Net income	—	—	—	—	68,420	68,420
Balances as of September 30, 2024	133,497,277	\$ 13	\$ 635,578	\$ 1,222	\$ (225,642)	\$ 411,171

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

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

(In thousands)	Nine Months Ended September 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 99,791	\$ 68,420
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for transaction losses	5,707	3,533
Depreciation and amortization	18,686	10,443
Amortization of debt issuance costs	1,381	1,381
Accretion of discount on purchases of marketable securities, net	(5,699)	(10,431)
Amortization of operating lease asset	564	2,428
Tides Foundation common stock warrant expense	563	563
Stock-based compensation expense	48,038	54,758
Deferred taxes	(399)	—
Changes in operating assets and liabilities:		
Trade and client receivables ⁽¹⁾	(1,654)	(236)
Prepaid expenses and other assets	40	(2,468)
Operating lease liability	600	(4,215)
Accounts payable	(504)	541
Accrued expenses and other liabilities	16,777	(367)
Deferred revenue	667	(9,369)
Net cash provided by operating activities	184,558	114,981
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of marketable securities	(365,939)	(234,504)
Proceeds from maturities of marketable securities	302,725	365,269
Proceeds from sale of marketable securities	3,601	38,421
Acquisition of business, net of cash acquired	(59,846)	—
Purchases of property and equipment	(5,335)	(1,979)
Internal-use software and platform development costs	(13,376)	(8,600)
Net cash (used in) provided by investing activities	(138,170)	158,607
CASH FLOWS FROM FINANCING ACTIVITIES:		
Change in escrow funds payable, net ⁽¹⁾	23,025	32,008
Proceeds from exercises of stock options and common stock warrants	729	1,935
Proceeds from employee stock purchase plan	2,199	2,917
Repurchase of common stock	(101,923)	(100,000)
Net cash used in financing activities	(75,970)	(63,140)
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(29,582)	210,448
Cash, cash equivalents, and restricted cash—beginning of period	505,593	296,418
Cash, cash equivalents, and restricted cash—end of period	\$ 476,011	\$ 506,866
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for income taxes	\$ 10,368	\$ 3,178
Cash paid for interest	899	920
SUPPLEMENTAL DISCLOSURES OF NON-CASH ACTIVITIES:		
Right-of-use asset recognized	\$ —	\$ 4,436
Property and equipment purchased but not yet paid	54	310
Internal-use software and platform development costs incurred but not yet paid	479	256

⁽¹⁾ Refer to "Note 2—Basis of Presentation and Summary of Significant Accounting Policies" for discussion of the change in the current period presentation.

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, fractional, and payrolled. The Company's portfolio of platforms and other workforce solutions includes the Upwork Marketplace, the world's human and AI-powered 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. The Company defines talent as those who deliver services on either the Upwork Marketplace or Lifted platforms or through the Company's other workforce solutions.

The Company defines clients as customers that seek and engage with talent through the Upwork Marketplace or Lifted platforms or the Company's other workforce solutions. Talent includes independent professionals and agencies of varying sizes, while clients range from small businesses and entrepreneurs to large enterprises.

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, 2024, which is referred to as the Annual Report, filed with the SEC on February 13, 2025.

The condensed consolidated balance sheet as of December 31, 2024, 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, 2025. Prior period presentation has been revised to conform to the current period presentation as of September 30, 2025.

Changes in Presentation

In 2024, the Company elected to change the presentation of certain cash flows on its Consolidated Statement of Cash Flows. The change in Trade and client receivables relating to amounts received on behalf of talent to fund their escrow accounts was reclassified from operating activities to financing activities, reflected within the caption Change in escrow funds payable, net. Prior period comparative

amounts have been recast to conform to the current period presentation. This change had the impact of decreasing cash flow provided by operating activities by \$30.1 million for the nine months ended September 30, 2024, and a corresponding offset in cash used in financing activities. This reclassification did not affect the previously reported total cash balances on the Consolidated Statement of Cash Flows. Additionally, these reclassifications had no impact on the Consolidated Statements of Operation and Comprehensive Income, Consolidated Balance Sheets, or Consolidated Statements of Shareholders' Equity.

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.

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 nine months ended September 30, 2025, and concluded they were either not applicable or not expected to have a material impact on the Company's condensed consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which is referred to as ASU 2023-09. ASU 2023-09 requires public entities to provide annual disclosures of specific categories in the rate reconciliation and to disclose income taxes paid, disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact that ASU 2023-09 will have on its consolidated financial statements and accompanying footnotes and currently expects that the adoption of ASU 2023-09 will result in additional disclosures in the Company's Annual Report on Form 10-K for the fiscal year ending December 31, 2025, but will not have a material impact on the Company's 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 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 the option to elect a practical expedient to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when developing a reasonable and supportable forecast as part of estimating expected credit losses on these assets. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim reporting 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, particularly as it relates to its accounts receivable.

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 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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(In thousands)				
Marketplace	\$ 174,572	\$ 167,337	\$ 511,525	\$ 498,453
Enterprise	27,158	26,439	77,850	79,389
Total revenue	\$ 201,730	\$ 193,776	\$ 589,375	\$ 577,842

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

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Talent				
United States	\$ 29,075	\$ 28,604	\$ 84,659	\$ 84,744
Philippines	14,550	14,738	43,703	44,058
India	13,633	14,408	40,900	43,577
Pakistan ⁽¹⁾	12,048	10,144	33,643	29,033
Rest of world ⁽¹⁾⁽²⁾	43,816	42,960	128,284	130,970
Total talent	113,122	110,854	331,189	332,382
Clients				
United States	57,121	60,332	178,077	179,614
Rest of world ⁽²⁾	31,487	22,590	80,109	65,846
Total clients	88,608	82,922	258,186	245,460
Total revenue	\$ 201,730	\$ 193,776	\$ 589,375	\$ 577,842

⁽¹⁾ For the three and nine months ended September 30, 2024, 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.

⁽²⁾ During each of the three and nine months ended September 30, 2025 and 2024, 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:

(In thousands)	September 30, 2025	December 31, 2024
Trade and client receivables, net of allowance	\$ 76,433	\$ 75,490
Contract liabilities		
Deferred revenue, current	7,943	7,269

During the three and nine months ended September 30, 2025, changes in the contract liabilities balances were primarily the result of normal business activity.

Revenue recognized during the three and nine months ended September 30, 2025 that was included in deferred revenue as of June 30, 2025 and December 31, 2024 was \$7.8 million and \$7.3 million, respectively. Revenue recognized during the three and nine months ended September 30, 2024 that was included in deferred revenue as of June 30, 2024 and December 31, 2023 was \$8.3 million and \$15.7 million, respectively.

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 September 30, 2025 and December 31, 2024. 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 September 30, 2025 and December 31, 2024:

<i>(In thousands)</i> September 30, 2025	Amortized Cost	Unrealized Gain	Unrealized Loss	Fair Value	Cash Equivalents	Marketable Securities
Level I						
Money market funds	\$ 89,384	\$ —	\$ —	\$ 89,384	\$ 89,384	\$ —
Treasury bills	239,118	38	(7)	239,149	23,848	215,301
U.S. government securities	41,474	116	—	41,590	—	41,590
Total Level I	369,976	154	(7)	370,123	113,232	256,891
Level II						
Corporate bonds	120,002	628	(6)	120,624	—	120,624
Foreign government and agency securities	4,727	18	(1)	4,744	—	4,744
Total Level II	124,729	646	(7)	125,368	—	125,368
Total	\$ 494,705	\$ 800	\$ (14)	\$ 495,491	\$ 113,232	\$ 382,259

<i>(In thousands)</i> December 31, 2024	Amortized Cost	Unrealized Gain	Unrealized Loss	Fair Value	Cash Equivalents	Marketable Securities
Level I						
Money market funds	\$ 193,481	\$ —	\$ —	\$ 193,481	\$ 193,481	\$ —
Treasury bills	131,022	40	—	131,062	—	131,062
U.S. government securities	32,625	22	(33)	32,614	—	32,614
Total Level I	357,128	62	(33)	357,157	193,481	163,676
Level II						
Commercial paper	16,233	—	—	16,233	—	16,233
Corporate bonds	126,395	431	(144)	126,682	—	126,682
Commercial deposits	4,121	—	—	4,121	—	4,121
Asset-backed securities	592	2	—	594	—	594
Foreign government and agency securities	5,036	14	(12)	5,038	—	5,038
Total Level II	152,377	447	(156)	152,668	—	152,668
Total	\$ 509,505	\$ 509	\$ (189)	\$ 509,825	\$ 193,481	\$ 316,344

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 September 30, 2025 and December 31, 2024, 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 following table summarizes the remaining contractual maturities of our cash equivalents and marketable securities as of September 30, 2025:

<i>(In thousands)</i>	Amortized Cost	Fair Value
Due within one year	\$ 332,468	\$ 332,504
Due after one year through five years	162,237	162,987
Total	\$ 494,705	\$ 495,491

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 September 30, 2025 and December 31, 2024, the decline in fair value of these securities was attributable to changes in interest rates and not due to credit-related factors. As of September 30, 2025 and December 31, 2024, 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 and nine months ended September 30, 2025 and 2024.

During the three months ended September 30, 2025 and 2024, interest income, net was \$6.8 million and \$7.7 million, respectively. During the nine months ended September 30, 2025 and 2024, interest income, net was \$20.6 million and \$21.6 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 September 30, 2025 and December 31, 2024 to the total of the same amounts shown in the condensed consolidated statement of cash flows for the nine months ended September 30, 2025:

<i>(In thousands)</i>	September 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 260,838	\$ 305,757
Restricted cash	3,800	4,100
Funds held in escrow, including funds in transit	211,373	195,736
Total cash, cash equivalents, and restricted cash as shown in the condensed consolidated statement of cash flows	<u>\$ 476,011</u>	<u>\$ 505,593</u>

Property and Equipment, Net

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

<i>(In thousands)</i>	September 30, 2025	December 31, 2024
Internal-use software and platform development	\$ 75,204	\$ 59,815
Computer equipment and software	7,342	6,817
Leasehold improvements	7,654	6,025
Office furniture and fixtures	1,076	1,755
Total property and equipment	91,276	74,412
Less: accumulated depreciation	(50,903)	(44,356)
Property and equipment, net	<u>\$ 40,373</u>	<u>\$ 30,056</u>

For each of the three months ended September 30, 2025 and 2024, depreciation expense related to property and equipment, excluding internal-use software and platform development, was \$0.7 million. For the nine months ended September 30, 2025 and 2024, depreciation expense related to property and equipment, excluding internal-use software and platform development, was \$1.5 million and \$2.0 million, respectively.

For the three months ended September 30, 2025 and 2024, the Company capitalized \$6.3 million and \$3.6 million of internal-use software and platform development costs, respectively. For the nine months ended September 30, 2025 and 2024, the Company capitalized \$16.7 million and \$9.7 million of internal-use software and platform development costs, respectively.

For the three months ended September 30, 2025 and 2024, amortization expense related to the capitalized internal-use software and platform development costs was \$3.8 million and \$2.6 million, respectively. For the nine months ended September 30, 2025 and 2024, amortization expense related to the capitalized internal-use software and platform development costs was \$10.2 million and \$7.3 million, respectively.

Goodwill and Net Intangibles Assets

Goodwill

The following table summarizes the change in the carrying value amount of goodwill as of September 30, 2025:

Balance at December 31, 2024	\$	121,064
Increase in goodwill related to business combinations		29,407
Balance at September 30, 2025	\$	150,471

Net Intangibles Assets

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

(In thousands)	September 30, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	\$ 34,600	\$ 4,807	\$ 29,793	\$ 11,000	\$ 305	\$ 10,695
Assembled workforce	3,188	2,922	266	3,188	1,727	1,461
Customer relationships	11,000	1,403	9,597	1,000	167	833
Total	\$ 48,788	\$ 9,132	\$ 39,656	\$ 15,188	\$ 2,199	\$ 12,989

Accrued Expenses and Other Current Liabilities

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

(In thousands)	September 30, 2025	December 31, 2024
Accrued compensation and related benefits	\$ 39,435	\$ 30,666
Accrued taxes	12,654	11,394
Accrued vendor expenses	11,864	9,485
Accrued payment processing fees	4,839	4,478
Operating lease liability, current	1,660	1,624
Accrued talent costs	1,657	801
Other	1,227	852
Total accrued expenses and other current liabilities	\$ 73,336	\$ 59,300

Stockholders' Equity

2025 PSU Awards

During the three months ended March 31, 2025, the compensation committee of the Company's board of directors, which is referred to as the compensation committee, approved the grant of performance stock unit awards, which are referred to as PSUs, to certain members of the Company's leadership team under the Company's 2018 Equity Incentive Plan, which awards are referred to as the 2025 PSU Awards. These awards were granted on March 18, 2025, which is referred to as the 2025 PSU Grant Date.

Up to 50% of the maximum number of shares subject to the 2025 PSU Awards are eligible to vest based on the Company's achievement of certain financial performance targets over the two-year performance period consisting of the Company's fiscal years ending December 31, 2025 and 2026, and up to the remaining 50% of the maximum number of shares subject to the 2025 PSU Awards are eligible to vest based on the Company's achievement of certain financial performance targets over the three-year performance period consisting of the Company's fiscal years ending December 31, 2025, 2026, and 2027.

For each performance period, the number of PSUs that become earned and eligible to vest is based on the Company's achievement of pre-established financial and market-based performance targets

established by the compensation committee at the time of grant, which is referred to as the PSU Performance Condition. Following the completion of a performance period, the compensation committee will certify the Company's achievement of the PSU Performance Condition with respect to such performance period. The dates on which such certifications take place are referred to as Certification Dates. In order for any PSUs to be earned and vest, a recipient must be in continuous service with the Company on the applicable Certification Date, which is referred to as the PSU Service Condition.

The Company classifies the 2025 PSU Awards as equity awards. Stock-based compensation expense related to the 2025 PSU Awards is 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 for the PSU Performance Condition and the PSU Service Condition, which is 23 months and 35 months for the shares eligible to vest under the 2025 PSU Awards based on performance in each of the performance periods ending December 31, 2026 and 2027, respectively. The grant date fair value of the 2025 PSU Awards was determined using valuation models that incorporate the impact of market-based conditions. At each reporting date prior to the Certification Dates, the number of 2025 PSU Awards that are probable of vesting will be reassessed and any changes are reflected in stock-based compensation expense for the period.

Share Repurchase Program

In October 2024, 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 2024 Share Repurchase Authorization.

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, and the 2025 Share Repurchase Authorization together with the 2024 Share Repurchase Authorization are together referred to as the Share Repurchase Authorizations. Repurchases of the Company's common stock under the Share Repurchase Authorizations 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 Share Repurchase Authorizations have no expiration date and will continue until otherwise suspended, terminated, or modified at any time for any reason. The Share Repurchase Authorizations do 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.

During the three and nine months ended September 30, 2025, the Company repurchased and subsequently retired 2.1 million and 7.3 million shares of its common stock for an aggregate amount of \$31.0 million and \$101.9 million at an average price of \$14.75 and \$13.87 per share, including fees associated with the repurchases and excluding excise tax, respectively, under the Share Repurchase Authorizations.

As of September 30, 2025, the Company had \$98.1 million available for repurchases under the 2025 Share Repurchase Authorization.

The Company repurchased \$100.0 million of its common stock under the 2024 Share Repurchase Authorization between February 2025 and September 2025, and the program was fully utilized as of September 30, 2025.

The Company previously repurchased \$100.0 million of its common stock under the share repurchase program authorized by the Company's board of directors in November 2023. These repurchases were completed between February 2024 and April 2024, and the program was fully utilized as of December 31, 2024.

Note 6—Business Combination

Bubty B.V.

On June 27, 2025, Lifted acquired 100% of the equity interests of Bubty B.V., a Netherlands-based platform supporting enterprise management of contingent workforce solutions, which is referred to as Bubty, 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 estimated 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 estimates of 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 Inc., a tech-enabled employer of record company specifically designed for the contingent labor space, which is referred to as Ascen, for total purchase price consideration of \$42.2 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 estimated 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		248
Total assets	\$	30,356
Accounts payable, accrued expenses and other liabilities	\$	7,243
Deferred tax liability		4,113
Total liabilities	\$	11,356
Net assets	\$	19,000
Goodwill		23,201
Total purchase price consideration	\$	42,201

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 Ascen's technology and operations with Lifted, the value of the assembled workforce, and the Company's expansion into employer or 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 estimates of 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
Total intangibles	\$ 15,000	

The purchase price allocations are preliminary and remain subject to change as the Company finalizes the valuation of intangible assets and related tax matters. The final purchase price allocations may result in adjustments to the fair values initially assigned, including adjustments to goodwill. The Company expects to finalize the purchase price allocations for the acquisitions of both Bubty and Ascen within the measurement period, which will not extend beyond one year from the respective acquisition dates, in accordance with ASC 805.

The Company incurred approximately \$1.9 million and \$4.4 million of transaction-related expenses in connection with these acquisitions for the three and nine months ended September 30, 2025, respectively. Such expenses were recorded in general and administrative expenses in the condensed consolidated statements of operations for the three and nine months ended September 30, 2025, respectively.

Pro forma financial information for the business acquisitions described above has not been presented, as the impact on the Company's consolidated financial results was not material, assuming the acquisitions

had occurred as of the beginning of the year prior to the acquisition dates. Revenue and earnings generated after the acquisition dates are included in the Company's consolidated financial statements and were not material for disclosure purposes.

As of September 30, 2025, acquisition-related compensation includes aggregate founders' holdback amounts of \$20.5 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 7—Commitments and Contingencies

Letters of Credit

In conjunction with the Company's operating lease agreements, as of September 30, 2025 and December 31, 2024, the Company had irrevocable letters of credit outstanding in the aggregate amount of \$0.3 million and \$0.6 million, respectively. 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 September 30, 2025 and December 31, 2024.

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 September 30, 2025 and December 31, 2024, 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 September 30, 2025 and December 31, 2024.

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 it agrees 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 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 8—Debt

The following table presents the carrying value of the Company's debt obligations as of September 30, 2025 and December 31, 2024:

<i>(In thousands)</i>	September 30, 2025	December 31, 2024
Convertible senior notes	\$ 360,998	\$ 360,998
Total debt	360,998	360,998
Less: unamortized debt issuance costs	(1,688)	(3,070)
Balance	\$ 359,310	\$ 357,928
Debt, current	359,310	—
Debt, noncurrent	—	357,928
Weighted-average interest rate	0.76 %	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 September 30, 2025 and December 31, 2024, \$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 from 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 September 30, 2025 and 2024, interest expense was \$0.2 million, and amortization of the issuance costs was \$0.5 million related to the Notes.

For each of the nine months ended September 30, 2025 and 2024, interest expense was \$0.7 million, and amortization of the issuance costs was \$1.4 million related to the Notes.

As of September 30, 2025 and December 31, 2024, the if-converted value of the Notes did not exceed the outstanding principal amount. As of September 30, 2025, the total estimated fair value of the Notes was \$350.1 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 9—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 September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
<i>(In thousands, except share and per share data)</i>				
Numerator:				
Basic: net income	\$ 29,335	\$ 27,758	\$ 99,791	\$ 68,420
Interest expense related to convertible senior notes, net of tax	575	652	1,724	1,954
Diluted	\$ 29,910	\$ 28,410	\$ 101,515	\$ 70,374
Denominator:				
Weighted-average shares used to compute net income per share, basic and diluted				
Basic	131,986,901	132,603,307	133,114,357	133,404,102
Options to purchase common stock	489,653	930,067	511,597	1,151,251
Common stock issuable upon vesting of restricted stock units and performance stock units	1,526,183	—	1,621,154	236,309
Common stock issuable upon exercise of common stock warrants	199,866	297,714	199,865	297,747
Common stock issuable in connection with convertible senior notes	5,463,045	5,463,045	5,463,045	5,463,045
Diluted	139,665,648	139,294,133	140,910,018	140,552,454
Net income per share:				
Basic	\$ 0.22	\$ 0.21	\$ 0.75	\$ 0.51
Diluted	\$ 0.21	\$ 0.20	\$ 0.72	\$ 0.50

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Options to purchase common stock	1,727,821	1,818,730	1,500,000	1,597,546
Common stock issuable upon vesting of restricted stock units and performance stock units	8,605,680	10,338,257	8,510,709	10,101,948
Common stock issuable in connection with employee stock purchase plan	632,851	885,161	632,851	885,161
Total	10,966,352	13,042,148	10,643,560	12,584,655

Note 10—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 September 30, 2025 and 2024, the Company's income tax provision was \$6.3 million and \$1.1 million, respectively. For the nine months ended September 30, 2025 and 2024, the Company's income tax provision was \$19.3 million and \$3.6 million, respectively.

The income tax provision for the three and nine months ended September 30, 2025, was primarily driven by income in the United States and non-deductible compensation, offset by the generation of research and development tax credits and the benefit from the Foreign-Derived Intangible Income deduction. The lower income tax provision for 2024 was primarily attributable to the valuation allowance recorded during that period.

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

Based on all available positive and negative evidence, having demonstrated sustained profitability, which is objective and verifiable, and taking into account anticipated future earnings, the Company concluded it is more likely than not that its U.S. federal and state deferred tax assets will be realizable.

The Company is subject to taxation in the United States and various other state and foreign jurisdictions. As of September 30, 2025, the Company's tax years 2001 to 2023 remain subject 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.

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 third quarter of 2025, and these impacts have been reflected in the Company's third quarter 2025 results.

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.

Note 11—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, 2024.

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 and nine months ended September 30, 2025 and 2024:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenue	\$ 201,730	\$ 193,776	\$ 589,375	\$ 577,842
Cost of revenue ⁽¹⁾	42,069	40,389	121,740	123,887
Research and development ⁽¹⁾	37,803	41,785	112,877	129,379
Sales and marketing ⁽¹⁾	32,967	42,859	101,381	131,696
General and administrative ⁽¹⁾⁽²⁾⁽³⁾	26,871	23,721	74,257	70,997
Provision for transaction losses	2,393	1,795	6,421	4,496
Stock-based compensation expense	19,789	18,578	48,038	54,758
Depreciation and amortization	7,946	3,668	18,686	10,443
Interest income	(6,802)	(7,710)	(20,622)	(21,568)
Interest expense	694	691	2,066	2,075
Income tax provision	6,340	1,126	19,334	3,636
Other segment items ⁽⁴⁾⁽⁵⁾	2,325	(884)	5,406	(377)
Segment net income	\$ 29,335	\$ 27,758	\$ 99,791	\$ 68,420

⁽¹⁾ 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.

⁽²⁾ 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.

⁽³⁾ For the three and nine months ended September 30, 2025, excludes acquisition-related costs.

⁽⁴⁾ For the three and nine months ended September 30, 2025 and 2024, the Company incurred \$0.2 million and \$0.6 million, respectively, of expenses related to the Tides Foundation Warrant.

⁽⁵⁾ For the three and nine months ended September 30, 2025, the Company incurred acquisition-related costs of \$1.9 million and \$4.4 million, respectively, in connection with the Company's business combinations. These costs primarily consist of legal, accounting, and other professional fees, and are recorded in general and administrative expenses in the condensed consolidated statements of operations.

There are no reconciling items or adjustments between segment net revenues, net income, total assets and consolidated net revenues, net income and total assets.

Substantially all of the Company's long-lived assets were located in the United States as of September 30, 2025 and December 31, 2024.

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, fractional, and payrolled. Our portfolio of platforms and other workforce solutions includes the Upwork Marketplace, the world's human and AI-powered 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 on either the Upwork Marketplace or Lifted platforms or our other workforce solutions. We define clients as customers that seek and engage with talent through the Upwork Marketplace or Lifted platforms or our 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, as well as other client and talent value-added services, such as AI-based solutions, purchases of Connects, 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 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, or 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 assistant, 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. These strategic initiatives contributed to Marketplace take rate expansion and revenue growth in the three and nine months ended September 30, 2025.

Marketplace revenue increased to \$174.6 million, or 4%, and \$511.5 million, or 3%, for the three and nine months ended September 30, 2025, respectively, as compared to \$167.3 million and \$498.5 million in the same periods in 2024, respectively.

Marketplace take rate increased to 18.9% and 18.6% for the three and nine months ended September 30, 2025, respectively, as compared to 18.3% and 18.0% in the same periods in 2024, respectively, reflecting

the growing contributions from ads and monetization products. We expect Marketplace take rate to remain relatively constant throughout the remainder of 2025.

Enterprise revenue increased to \$27.2 million, or 3%, for the three months ended September 30, 2025, as compared to \$26.4 million in the same period in 2024. Enterprise revenue decreased to \$77.9 million, or 2%, for the nine months ended September 30, 2025, as compared to \$79.4 million in the same period in 2024. Unless otherwise indicated, Enterprise results discussed herein include the results of Ascen and Bubby following the date that each was acquired by Lifted.

During the three months ended September 30, 2025, we generated net income of \$29.3 million and adjusted EBITDA of \$59.6 million, compared to net income of \$27.8 million and adjusted EBITDA of \$43.2 million during the same period in 2024. During the nine months ended September 30, 2025, we generated net income of \$99.8 million and adjusted EBITDA of \$172.7 million, as compared to net income of \$68.4 million and adjusted EBITDA of \$117.4 million during the same period in 2024. These changes are primarily due to cost-saving measures implemented in recent years, including reduced investments in brand marketing and vendor spend and workforce reductions. We expect these cost-saving measures will continue to positively impact net income and adjusted EBITDA throughout the remainder of 2025, as compared to 2024.

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.

Recent Developments

In August 2025, Lifted completed the acquisition of Ascen, acquiring 100% of Ascen’s outstanding equity for a total purchase price of \$42.2 million. For additional information, see “Note 6—Business Combination” of the notes to our consolidated financial statements included elsewhere in this Quarterly Report.

Key Financial and Operational Metrics

We monitor the following key financial and operational metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans, and make strategic decisions. As of and for the three and nine months ended September 30, 2025 and 2024, our key financial and operating metrics were as follows:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Change	2025	2024	Change
<i>(In thousands, except percentages and basis points)</i>						
GSV	\$ 1,017,680	\$ 998,268	2 %	\$ 3,008,054	\$ 3,015,331	— %
Marketplace revenue	\$ 174,572	\$ 167,337	4 %	\$ 511,525	\$ 498,453	3 %
Marketplace take rate	18.9 %	18.3 %	63 bps	18.6 %	18.0 %	60 bps
Net income	\$ 29,335	\$ 27,758	6 %	\$ 99,791	\$ 68,420	46 %
Adjusted EBITDA ⁽¹⁾	\$ 59,627	\$ 43,227	38 %	\$ 172,699	\$ 117,387	47 %

⁽¹⁾ 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 September 30,		% Change
	2025	2024	
<i>(Active clients are in thousands)</i>			
Active clients	794	855	(7)%
GSV per active client	\$ 5,036	\$ 4,781	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.

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 to a lesser extent, 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, Marketplace revenue.

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:

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 29,335	\$ 27,758	\$ 99,791	\$ 68,420
Add back (deduct):				
Stock-based compensation expense	19,789	18,578	48,038	54,758
Depreciation and amortization	7,946	3,668	18,686	10,443
Other income, net	(5,917)	(8,091)	(18,112)	(20,433)
Income tax provision	6,340	1,126	19,334	3,636
Other ⁽¹⁾⁽²⁾	2,134	188	4,962	563
Adjusted EBITDA	\$ 59,627	\$ 43,227	\$ 172,699	\$ 117,387

⁽¹⁾ For the three and nine months ended September 30, 2025 and 2024, we incurred \$0.2 million and \$0.6 million, respectively, 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.

⁽²⁾ For the three and nine months ended September 30, 2025, we incurred acquisition-related costs of \$1.9 million and \$4.4 million, respectively, in connection with business combinations. These costs primarily consist of legal, accounting, and other professional fees, and are recorded in general and administrative expenses in the condensed consolidated statements of operations. Beginning in the second quarter of 2025, we included acquisition-related costs as an add-back to net income in the reconciliation to adjusted EBITDA. Acquisition-related costs incurred in prior periods were deemed immaterial and therefore not included as an add-back to adjusted EBITDA.

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 to a lesser extent, 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 our 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, 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.

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

Our Enterprise Solutions offering includes access to additional product features, premium access to top talent, professional services, custom reporting, and flexible payment terms. Revenue from our Enterprise Solutions offering includes all client fees, subscriptions, and talent service fees. For our Enterprise Solutions offering, 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 offering can also subscribe to a compliance service that includes worker classification services for an additional fee and may also choose to use our Upwork Marketplace to engage talent that were not originally sourced through our 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 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, 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 (Expense), Net

Other income (expense), 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 monitor 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:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
<i>(In thousands)</i>				
Revenue				
Marketplace	\$ 174,572	\$ 167,337	\$ 511,525	\$ 498,453
Enterprise	27,158	26,439	77,850	79,389
Total revenue	201,730	193,776	589,375	577,842
Cost of revenue ⁽¹⁾	45,843	43,408	131,081	131,453
Gross profit	155,887	150,368	458,294	446,389
Operating expenses				
Research and development ⁽¹⁾	47,494	50,411	138,489	155,792
Sales and marketing ⁽¹⁾	34,985	46,093	107,407	141,277
General and administrative ⁽¹⁾	41,257	31,276	104,964	93,201
Provision for transaction losses	2,393	1,795	6,421	4,496
Total operating expenses	126,129	129,575	357,281	394,766
Income from operations	29,758	20,793	101,013	51,623
Other income, net	5,917	8,091	18,112	20,433
Income before income taxes	35,675	28,884	119,125	72,056
Income tax provision	(6,340)	(1,126)	(19,334)	(3,636)
Net income	\$ 29,335	\$ 27,758	\$ 99,791	\$ 68,420

⁽¹⁾ Includes stock-based compensation expense as follows:

<i>(In thousands)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Cost of revenue	\$ 193	\$ 361	\$ 580	\$ 1,324
Research and development	6,101	8,053	17,528	23,529
Sales and marketing	1,615	3,225	4,790	9,554
General and administrative	11,880	6,939	25,140	20,351
Total stock-based compensation	<u>\$ 19,789</u>	<u>\$ 18,578</u>	<u>\$ 48,038</u>	<u>\$ 54,758</u>

Comparison of the Three and Nine Months Ended September 30, 2025 and 2024

Revenue

<i>(In thousands, except percentages)</i>	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Change		2025	2024	Change	
Marketplace	\$ 174,572	\$ 167,337	\$ 7,235	4 %	\$ 511,525	\$ 498,453	\$ 13,072	3 %
Percentage of total revenue	87 %	86 %			87 %	86 %		
Enterprise	27,158	26,439	719	3 %	77,850	79,389	(1,539)	(2) %
Percentage of total revenue	13 %	14 %			13 %	14 %		
Total revenue	<u>\$ 201,730</u>	<u>\$ 193,776</u>	<u>\$ 7,954</u>	4 %	<u>\$ 589,375</u>	<u>\$ 577,842</u>	<u>\$ 11,533</u>	2 %

During the three months ended September 30, 2025, GSV increased 2% compared to the same period in 2024. During the nine months ended September 30, 2025, GSV remained flat compared to the same period in 2024. The increase in GSV for the three months ended September 30, 2025 was primarily driven by AI-related customer experience improvements, Enterprise, and SMB products.

The number of active clients decreased 7% as of September 30, 2025, compared to September 30, 2024, driven by slower growth in acquisition of new clients. By contrast, GSV per active client increased 5% as of September 30, 2025, compared to September 30, 2024, reflecting increased client engagement.

For the three and nine months ended September 30, 2025, total revenue was \$201.7 million and \$589.4 million, representing a 4% and 2% increase compared to the same periods in 2024, respectively.

For the three months ended September 30, 2025, Marketplace revenue increased by \$7.2 million, or 4%, compared to the same period in 2024. For the nine months ended September 30, 2025, Marketplace revenue increased by \$13.1 million, or 3%, compared to the same period in 2024. These increases were primarily due to higher revenue from ads and monetization products and client marketplace fees and were partially offset by a decrease in talent service fees resulting from our 2023 transition from a tiered service fee structure to a flat fee model. We expect Marketplace revenue to increase for the remainder of 2025 compared to the same periods in 2024, driven by a number of strategic initiatives intended to improve monetization and support long-term growth.

For the three months ended September 30, 2025, Enterprise revenue increased by \$0.7 million, or 3%, compared to the same period in 2024 primarily due to revenue generated by Ascen. For the nine months ended September 30, 2025, Enterprise revenue decreased by \$1.5 million, or 2% compared to the same period in 2024 primarily driven by lower revenue from our Managed Services offering as a result of a reduction in client spend. During the nine months ended September 30, 2025, we focused on supporting existing Enterprise clients, which contributed to stable active account trends and improved year-over-year spend per active Enterprise client. As we continue to refine our Enterprise strategy and the transition of Enterprise clients to the Lifted platform, we expect Enterprise revenue to decline in the fourth quarter of

2025 compared to the same period in 2024. This decline reflects the intentional slower pace of sales as we prioritize integration and the repositioning of our Enterprise offerings in anticipation of onboarding our first customers onto the new Lifted platform by early 2026. However, progress on Lifted's integration and growing client demand are expected to position the Enterprise business for growth beginning in 2026.

Cost of Revenue and Gross Margin

(In thousands, except percentages)	Three Months Ended September 30,			Nine Months Ended September 30,				
	2025	2024	Change	2025	2024	Change		
Cost of revenue	\$ 45,843	\$ 43,408	\$ 2,435	6 %	\$ 131,081	\$ 131,453	\$ (372)	— %
Total gross margin	77 %	78 %			78 %	77 %		

For the three months ended September 30, 2025, cost of revenue increased by \$2.4 million, or 6%, compared to the same period in 2024. The increase was primarily driven by a \$1.9 million increase in the cost of talent services to deliver Managed Services revenue, and a \$1.2 million increase in amortization expense related to internal-use software and platform development. These increases were partially offset by reductions in data center and customer support costs and lower costs associated with our Upwork Professional offering, reflecting hosting optimization efforts and workforce reductions.

For the nine months ended September 30, 2025, cost of revenue decreased slightly compared to the same period in 2024. The decrease was primarily due to reductions in data center and customer support costs totaling \$3.4 million and lower costs associated with our Upwork Professional offering of \$2.4 million, reflecting hosting optimization efforts and workforce reductions. These decreases were partially offset by a \$3.1 million increase in cost to deliver our Managed Services offering, primarily due to contract termination costs triggered by a reduction in work volume under a client contract, and a \$2.5 million increase in amortization expense related to internal-use software and platform development.

For the three months ended September 30, 2025, gross margin decreased to 77% compared to 78% in the same period in 2024, primarily driven by lower margins in the Company's Managed Services business and a decline in talent service fees, partially offset by growth in higher-margin Marketplace revenue components such as Connects and client marketplace fees.

For the nine months ended September 30, 2025, gross margin increased to 78% compared to 77% in the same period in 2024, primarily due to lower cost of revenue driven by cost-optimization efforts implemented in prior years, including workforce reductions and other cost-saving measures.

We expect cost of revenue to be higher in the fourth quarter of 2025 compared to the same period in 2024, primarily due to increased costs associated with Lifted's operations. On a full-year basis, total cost of revenue for 2025 is also expected to be higher than 2024, reflecting the impact of Lifted-related costs and higher amortization of capitalized internal-use software from continued investment in platform enhancements. Amounts paid to talent in connection with our Managed Services offering are tied to the volume of managed services used by our clients. The level and timing of these items could fluctuate and affect our cost of revenue in the future. We expect gross margin to remain consistent throughout the remainder of 2025.

Research and Development

(In thousands, except percentages)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Change		2025	2024	Change	
Research and development	\$ 47,494	\$ 50,411	\$ (2,917)	(6)%	\$ 138,489	\$ 155,792	\$ (17,303)	(11)%
Percentage of total revenue	24 %	26 %			23 %	27 %		

For the three and nine months ended September 30, 2025, research and development expense decreased by \$2.9 million, or 6%, and \$17.3 million, or 11%, respectively, compared to the same periods in 2024. These decreases were primarily driven by reductions in personnel-related costs of \$5.0 million and \$17.4 million, respectively, reflecting workforce reductions and other cost-saving measures implemented in 2024. In addition, we capitalized \$1.6 million and \$3.8 million of incremental internal-use software and platform development costs during the three and nine months ended September 30, 2025, respectively. These costs were partially offset by increases in amortization of intangible assets of \$2.7 million and \$4.5 million, respectively, compared to the same periods in 2024.

While we remain committed to ongoing innovation to further enhance our platform, building new features, with a focus on generative AI, we expect total research and development expenses to decrease throughout the remainder of 2025, compared to 2024.

Sales and Marketing

(In thousands, except percentages)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Change		2025	2024	Change	
Sales and marketing	\$ 34,985	\$ 46,093	\$ (11,108)	(24)%	\$ 107,407	\$ 141,277	\$ (33,870)	(24)%
Percentage of total revenue	17 %	24 %			18 %	24 %		

For the three and nine months ended September 30, 2025, sales and marketing expense decreased by \$11.1 million, or 24%, and \$33.9 million, or 24%, respectively, compared to the same periods in 2024. These decreases were primarily driven by cost-optimization efforts implemented in the prior year, including the realignment and streamlining of our sales and marketing workforce. As a result, personnel-related costs decreased by \$3.7 million and \$24.1 million, respectively, and marketing and advertising expense decreased by \$3.1 million and \$7.9 million, respectively, compared to the same periods in 2024.

We expect sales and marketing expense to continue to decrease throughout the remainder of 2025 compared to 2024, primarily due to the ongoing impact of workforce-related changes and other cost-saving initiatives implemented in 2024.

General and Administrative

(In thousands, except percentages)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2025	2024	Change		2025	2024	Change	
General and administrative	\$ 41,257	\$ 31,276	\$ 9,981	32 %	\$ 104,964	\$ 93,201	\$ 11,763	13 %
Percentage of total revenue	20 %	16 %			18 %	16 %		

For the three and nine months ended September 30, 2025, general and administrative expense increased by \$10.0 million, or 32%, and \$11.8 million, or 13%, respectively, compared to the same periods in 2024. The increases were primarily driven by higher personnel-related costs of \$5.9 million and \$7.0 million,

respectively, largely due to increased bonus expense based on 2025 financial performance, and higher consultant fees of \$2.6 million and \$3.0 million, primarily related to acquisition activities. In addition, for the nine months ended September 30, 2025, legal fees increased by \$1.6 million compared to the same period in 2024 due to acquisition activities.

We expect general and administrative expenses to increase for the remainder of 2025 compared to 2024, primarily due to an increase in stock-based compensation.

Provision for Transaction Losses

(In thousands, except percentages)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Change	2025	2024	Change
Provision for transaction losses	\$ 2,393	\$ 1,795	\$ 598 33 %	\$ 6,421	\$ 4,496	\$ 1,925 43 %
Percentage of total revenue	1.2 %	0.9 %		1.1 %	0.8 %	

For the three and nine months ended September 30, 2025, provision for transaction losses increased by \$0.6 million and \$1.9 million, respectively, compared to the same periods in 2024. The provision for each of the three and nine months ended September 30, 2024 was lower primarily due to better than expected collections during those periods. We expect provision for transaction losses to remain at a normalized level of approximately 1% of revenue for the remainder of 2025.

Other Income, Net

(In thousands, except percentages)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Change	2025	2024	Change
Other income, net	\$ 5,917	\$ 8,091	\$ (2,174) (27)%	\$ 18,112	\$ 20,433	\$ (2,321) (11)%

Other income, net, decreased by \$2.2 million, or 27%, and \$2.3 million, or 11%, for the three and nine months ended September 30, 2025, respectively, compared to the same periods in 2024. The decreases were primarily due to lower unrealized foreign currency gains due to reduced exposure and lower interest income on cash and investment balances.

Income Tax Provision

(In thousands, except percentages)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	Change	2025	2024	Change
Income tax provision	\$ (6,340)	\$ (1,126)	\$ 5,214 463 %	\$ (19,334)	\$ (3,636)	\$ 15,698 432%
Effective tax rate	17.8 %	3.9 %		16.2 %	5.0 %	

For the three and nine months ended September 30, 2025, our income tax provision increased by \$5.2 million and \$15.7 million, respectively, compared to the same periods in 2024. Our effective tax rates were 17.8% and 16.2% for the three and nine months ended September 30, 2025, respectively, compared to 3.9% and 5.0% for the same periods in 2024, respectively.

The increase in our effective tax rates for the three and nine months ended September 30, 2025, was primarily driven by the absence of a valuation allowance in the current periods, whereas the prior-year rates reflected lower tax expense due to the impact of a valuation allowance on our U.S. deferred tax assets.

Our income tax provision for the three and nine months ended September 30, 2025, was primarily driven by income in the United States and non-deductible compensation, partially offset by the generation of

research and development tax credits and the benefit from the Foreign-Derived Intangible Income deduction.

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 September 30, 2025 and December 31, 2024, we had \$260.8 million and \$305.8 million in cash and cash equivalents, respectively. As of September 30, 2025 and December 31, 2024, we had \$382.3 million and \$316.3 million in marketable securities, respectively.

We believe our existing cash and cash equivalents, marketable securities, and cash flow from operations (in periods in which we generate 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 September 30, 2025, our 0.25% convertible senior notes due 2026, which we refer to as the Notes, are classified as current liabilities since their maturity falls within 12 months of the balance sheet date, September 30, 2025. 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 expansion of sales and marketing activities, the timing and extent of spending to support research and development efforts, 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 (in periods in which we generate cash flow 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 \$0.7 million for the remainder of fiscal year 2025 and \$1.8 million in 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 for Cloud Infrastructure

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 September 30, 2025, we had remaining purchase commitments under this agreement of \$14.0 million.

Operating Leases for Office Space

There were no 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, 2024.

Share Repurchase Program

In October 2024, our board of directors authorized a share repurchase purchase program for the repurchase of up to \$100.0 million of shares of our outstanding common stock, which we refer to as the 2024 Share Repurchase Authorization.

In September 2025, our 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 we refer to as the 2025 Share Repurchase Authorization, and we refer to the 2025 Share Repurchase Authorization together with the 2024 Share Repurchase Authorization as the Share Repurchase Authorizations.

Repurchases of our common stock under the Share Repurchase Authorizations 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, which we refer to as the Exchange Act), in privately negotiated transactions, or by other methods, at our discretion, and in accordance with applicable securities laws and other restrictions. The Share Repurchase Authorizations have no expiration date and will continue until otherwise suspended, terminated, or modified at any time for any reason. The Share Repurchase Authorizations do 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.

During the three and nine months ended September 30, 2025, we repurchased and subsequently retired 2.1 million and 7.3 million shares of our common stock for an aggregate amount of \$31.0 million and \$101.9 million at an average price of \$14.75 and \$13.87 per share, including fees associated with the repurchases and excluding excise tax, respectively, under the Share Repurchase Authorizations. As of September 30, 2025, we had \$98.1 million available for repurchases under the 2025 Share Repurchase Authorization.

We repurchased \$100.0 million of our common stock under the 2024 Share Repurchase Authorization between February 2025 and September 2025, and the program was fully utilized as of September 30, 2025.

We previously repurchased \$100.0 million of our common stock pursuant to the share repurchase program authorized by our board of directors in November 2023, which we refer to as the 2023 Share Repurchase Authorization. The 2023 Share Repurchase Authorization was fully utilized as of December 31, 2024.

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 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 on the Upwork Marketplace 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 September 30, 2025 and December 31, 2024, funds held in escrow, including funds in transit, were \$211.4 million and \$195.7 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 September 30, 2025 and December 31, 2024, \$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 8—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:

<i>(In thousands)</i>	Nine Months Ended September 30,	
	2025	2024
Net cash provided by operating activities ⁽¹⁾	\$ 184,558	\$ 114,981
Net cash (used in) provided by investing activities	(138,170)	158,607
Net cash used in financing activities ⁽¹⁾	(75,970)	(63,140)
Net change in cash, cash equivalents, and restricted cash ⁽²⁾	\$ (29,582)	\$ 210,448

⁽¹⁾ The Company elected to change the presentation of certain cash flows on its condensed Consolidated Statement of Cash Flow, reclassifying the change in Trade and client receivables, related to amounts received on behalf of talent to fund their escrow account, from operating activities to financing activities. Prior period comparative amounts have been recast to conform to the current period presentation. For additional information, refer to "Note 2—Basis of Presentation and Summary of Significant Accounting Policies" of the notes to our condensed consolidated financial statement included elsewhere in this Quarterly Report.

⁽²⁾ Includes increases in funds held in escrow, including funds in transit of \$23.0 million and \$32.0 million during the nine months ended September 30, 2025 and 2024, 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 nine months ended September 30, 2025, net cash provided by operating activities was \$184.6 million, which resulted from net income of \$99.8 million, non-cash adjustments of \$68.8 million, and net cash inflows of \$15.9 million from changes in operating assets and liabilities.

For the nine months ended September 30, 2024, net cash provided by operating activities was \$115.0 million, which resulted from net income of \$68.4 million and non-cash adjustments of \$62.7 million, offset by net cash outflows of \$16.1 million from changes in operating assets and liabilities.

Investing Activities

For the nine months ended September 30, 2025, net cash used in investing activities was \$138.2 million, which was primarily a result of investing \$365.9 million in various marketable securities, \$59.8 million cash paid for the acquisitions of Bubty and Ascen, \$13.4 million in internal-use software and platform development costs, and \$5.3 million for purchases of property and equipment. These outflows were partially offset by \$302.7 million in proceeds from maturities of marketable securities and \$3.6 million in proceeds from the sale of marketable securities.

For the nine months ended September 30, 2024, net cash provided by investing activities was \$158.6 million, which was primarily a result of proceeds from maturities of marketable securities of \$365.3 million and proceeds from the sale of marketable securities of \$38.4 million, partially offset by investing \$234.5 million in various marketable securities, \$8.6 million of internal-use software and platform development costs that we paid during the period, and \$2.0 million paid in purchases of property and equipment.

Financing Activities

For the nine months ended September 30, 2025, net cash used in financing activities was \$76.0 million, which was driven by \$101.9 million cash paid for repurchases under the Share Repurchase Authorizations, partially offset by an increase in escrow funds payable of \$23.0 million, proceeds received from our 2018 Employee Stock Purchase Plan, which we refer to as the 2018 ESPP, of \$2.2 million, and cash received from stock option exercises of \$0.7 million.

For the nine months ended September 30, 2024, net cash used in financing activities was \$63.1 million, which was driven by \$100.0 million cash paid for repurchases under the 2023 Share Repurchase Authorization, partially offset by an increase in escrow funds payable of \$32.0 million, proceeds received from our 2018 ESPP of \$2.9 million, and cash received from stock option exercises of \$1.9 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, 2024.

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 September 30, 2025 and December 31, 2024, 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 have 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 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 September 30, 2025. 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 September 30, 2025, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

During the three months ended September 30, 2025, we completed the implementation of a new enterprise resource planning, or ERP system. As part of the implementation, we have designed new internal controls and modified and/or enhanced existing internal controls in order to align with the new system and business processes. We are continuing to perform post-implementation activities. These changes have been, and will continue to be, subject to our evaluation of the operating effectiveness of our internal control over financial reporting. Other than the ERP system implementation, there were no changes to our internal control over financial reporting that occurred during the quarter ended September 30, 2025 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 7—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.

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

- 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.
- 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 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 2025 Share Repurchase Authorization will be fully consummated or that repurchases made under our share repurchase authorizations 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.

Talent 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, including geopolitical events such as Russia's invasion of Ukraine in February 2022, which resulted in immediate reductions in activity from customers in the region.

Clients have similarly 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. Additionally, we had two clients that accounted for more than 10% of Trade and client receivables as of December 31, 2024. The loss of a key client could have an adverse effect on our business.

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 if macroeconomic uncertainty, elevated interest rates, and inflation persist. 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 is 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 the Upwork Marketplace 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 the Upwork Marketplace.

Customers circumvent the Upwork Marketplace, which adversely impacts our business.

The Upwork Marketplace depends on customers transacting through the platform. Despite our efforts to prevent them from doing so, customers circumvent the Upwork Marketplace 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 the Upwork Marketplace's pricing model, fees, offerings, services, and features may unintentionally cause customers to circumvent the platform. 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 of the Upwork Marketplace 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 the Upwork Marketplace, 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;
- compliance with laws designed to combat money laundering and the financing of terrorist activities;

- 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;
- 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, we continue to introduce and enhance AI features on the Upwork Marketplace aimed at improving customer experience and productivity. 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.

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;
- 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 provide automated alternatives to the talent available through our platforms and other workforce solutions, 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. In addition, our decision to suspend our business operations in Russia and Belarus in March 2022 may increase the risk that new competitors emerge in the region.

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 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.

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 Amazon Web Services, 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 the Upwork Marketplace 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 the Upwork Marketplace or the ability to make payments on the Upwork Marketplace at all or on commercially reasonable terms or make changes that degrade the customer experience on the platform. 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 the Upwork Marketplace 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.

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.

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 requirements apply to our business, we may expend resources to comply or obtain licenses, and such efforts may be a distraction to 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.

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 Upwork Marketplace 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 subjects us to additional misclassification risk.

We offer an optional service to customers of our premium offerings through which Lifted helps classify talent as employees of Ascen 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. This rule is currently under reconsideration by the U.S. Department of Labor, 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, or 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. 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. 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 and our subsidiaries 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 Ascen employing talent on a temporary basis and placing such individuals in clients' workplaces. Lifted and Ascen's ability to control the workplace environment is limited. As the employer of record of its temporary employees, Ascen incurs a risk of liability to its 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 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, cyber attacks, and other errors, omissions, or theft, or allegations of compromise of client confidential information. In some cases, Lifted or Ascen has agreed to indemnify its 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. We have made, and expect to continue to make in the future, significant expenditures related to the development and expansion of our business. 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, during the year ended December 31, 2024, macroeconomic conditions adversely impacted GSV, which declined 3% compared to 2023. 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 and 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;
- 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; and
- revenue recognition fluctuations for arrangements subject to our tiered pricing model for talent service fees.

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 in taxing jurisdictions and administrative interpretations and applications; results of tax examinations, settlements, or judicial decisions; changes in

accounting principles; or changes to our business operations. 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, 2024, 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 \$18.9 million and \$91.0 million, respectively, available to offset future taxable income. The federal NOL carryforwards of \$18.9 million generated after December 31, 2017 can be carried forward indefinitely with utilization in any year limited to 80% of our taxable income. 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 Internal Revenue Code of 1986, as amended, 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, 2024, 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 nine months ended September 30, 2025, we paid \$101.9 million to repurchase shares of our common stock under the Share Repurchase Authorizations, and as of September 30, 2025, we had \$98.1 million available for repurchases of our common stock under the 2025 Share Repurchase Authorization. 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 as a result of broader stock market fluctuations and in light of the current 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 2025 Share Repurchase Authorization will be fully consummated or that repurchases made under our share repurchase authorizations 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.

In September 2025, our board of directors authorized \$100.0 million for share repurchases under the 2025 Share Repurchase Authorization, and we had \$98.1 million available for repurchases under the 2025 Share Repurchase Authorization as of September 30, 2025. The actual timing and amount of any repurchases under the 2025 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 2025 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 2025 Share Repurchase Authorization may be suspended, terminated, or modified at any time for any reason, and we cannot guarantee that the 2025 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 2025 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 September 30, 2025, \$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, including the ongoing shutdown of the U.S. federal government, economic and political uncertainty, 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. In particular, while the tariffs announced to date in 2025 apply directly only to trade-in-goods as opposed to trade-in-services that are core to our business, higher tariffs and trade wars may harm the global economy and lead to reduced demand for talent, negatively impacting our business and operating results. Moreover, there can be no assurances that any future tariffs or similar levies, or responses to those tariffs or levies, will not directly impact our business and the services that talent provide to our clients. 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 continue to 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 September 30, 2025 were as follows (in thousands, except share and per share amounts):

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid Per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽³⁾
July 1, 2025 - July 31, 2025	—	\$ —	—	\$ 29,078
August 1, 2025 - August 31, 2025	1,527,552	14.18	1,527,552	7,424
September 1, 2025 - September 30, 2025	574,441	16.27	574,441	98,077
Total	2,101,993	\$ 14.75	2,101,993	\$ 98,077

⁽¹⁾ Shares purchased are as of trade date.

⁽²⁾ 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.

⁽³⁾ In November 2024, we announced that our board of directors authorized the 2024 Share Repurchase Authorization to purchase up to \$100.0 million of our common stock. 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. The Share Repurchase Authorizations do not have a fixed expiration date and do not obligate us to acquire any dollar amount or specific number of shares. Repurchases of our common stock under the Share Repurchase Authorizations 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. As of September 30, 2025, we had \$98.1 million available for repurchases of our common stock under the 2025 Share Repurchase Authorization.

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 September 30, 2025, none of our directors or 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 105b-1(c) under the Exchange Act.

Item 6. Exhibits.

Exhibit Number	Exhibit Title	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing date	
10.1#	Upwork Inc. Amended and Restated Performance Bonus Plan.					X
10.2#	Amendment to Offer Letter, effective August 18, 2025, by and among Upwork Inc., Upwork Global LLC and David T. Bottoms.					X
10.3#	Amended and Restated Change in Control and Severance Agreement, dated August 18, 2025, by and among Upwork Inc., Upwork Global LLC and David T. Bottoms.					X
31.1	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.					X
31.2	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.					X
32.1*	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.					X
32.2*	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.					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.*

UPWORK INC.

AMENDED AND RESTATED PERFORMANCE BONUS PLAN

UPWORK INC.

AMENDED AND RESTATED PERFORMANCE BONUS PLAN

(adopted February 5, 2019)
(amended and restated August 18, 2025)

Preamble

This document sets forth the terms of the Upwork Inc. Performance Bonus Plan (the “**Plan**”). The purpose of the Plan is to advance the interests of the Company and its subsidiaries 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, and, following such amendment and restatement, is effective for fiscal year 2025 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. “**Base Salary**” means with respect to each Participant eligible for a Bonus, the amount of base salary or base fees actually earned and paid to Participant during the applicable Eligibility Period, excluding (i) bonuses, commissions, overtime premium, or the value of any equity securities, or any employee benefits or other compensation paid to Participant (e.g., 401(k) plan employer match), 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).
- 1.2. “**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, the Company (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).
- 1.3. “**Award**” has the meaning set forth in the Equity Incentive Plan.

- 1.4. “**Award Agreement**” has the meaning set forth in the Equity Incentive Plan.
- 1.5. “**Board of Directors**” means the Board of Directors of the Company.
- 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 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. “**Company**” means Upwork Inc., a Delaware corporation.
- 1.11. “**Equity Incentive Plan**” means the Company’s 2018 Equity Incentive Plan, as amended or amended and restated from time to time.
- 1.12. “**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**”). 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. Notwithstanding the foregoing, “Eligible Employee” may also include an individual, continuously providing services to the Company through any of the Company’s subsidiaries that the Committee designates from time to time as eligible for its employees to participate in the Plan.
- 1.13. “**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.

ARTICLE 2

Payments

- 2.1. **Eligibility for Payment**. A person shall 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).
- 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.** 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 Company 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. 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. 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. **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.
- 5.4. **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.

- 5.5. **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.
- 5.6. **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 for any or no reason, with or without notice (subject to applicable law). The Participant's employment (if applicable) with the Company or any of its Affiliates remains at will (subject to applicable law).
- 5.7. **Section 409A.** To the extent any payment under the Plan 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 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 the Company 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.
- 5.8. **Clawback or Recoupment.** 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.
- 5.9. **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.

- 5.10. **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.
- 5.11. **Governing Law**. The provisions of the Plan shall be construed and interpreted according to the laws of the State of California without regard to its conflicts of laws principles.
- 5.12. **Successors**. The provisions of the Plan shall bind and inure to the benefit of the Company, all Participants, and their successors in interest.
- 5.13. **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.
- 5.14. **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.

Amendment to November 14, 2024 Offer Letter

This Amendment (“**Amendment**”) to the Amended and Restated Offer Letter, dated November 14, 2024 (“**Offer Letter**”), is entered into by and between **Upwork Inc.** (“**Parent**”), **Upwork Global LLC** (“**Subsidiary**”), and **Dave Bottoms** (“**Employee**”), effective as of August 18, 2025 (the “**Transfer Date**”). The Parent, Subsidiary, and Employee are collectively referred to herein as the “**Parties**.”

1. **Employment Transferred from Parent to Subsidiary.** The Offer Letter is hereby amended to substitute Subsidiary in place of Parent as the employer of Employee. Employee’s employment with Parent shall terminate on the day immediately preceding the Transfer Date, and Employee shall commence employment with Subsidiary on the Transfer Date. On the Transfer Date, Subsidiary agrees to assume all obligations of employment set forth in the Offer Letter through Subsidiary’s own compensation and benefits policies and plans. Employee agrees that Employee’s obligations under the Offer Letter, including his obligations under the Parent’s Employee Invention Assignment and Confidentiality Agreement and Dispute Resolution Agreement, remain in full force and effect after his employment is transferred to Subsidiary.
2. **Position.** Employee will be employed by Subsidiary in the position of General Manager, Marketplace.
3. **At-Will Employment.** Employee acknowledges and agrees that employment with Subsidiary is for no specific period of time. Employee’s employment with Subsidiary will be “at will,” meaning that either Employee or Subsidiary may terminate Employee’s employment at any time and for any reason, with or without cause. Any contrary representations, whether written or oral, that may have been made are superseded by this Amendment. This is the full and complete agreement between Employee and Subsidiary on this term. Although Employee’s job duties, title, compensation, and benefits, as well as Subsidiary’s personnel policies and procedures, may change from time to time, the “at will” nature of Employee’s employment may only be changed in an express written agreement signed by Employee and Parent’s Chief Executive Officer.
4. **Entire Agreement.** This Amendment modifies the Offer Letter, but only to the extent expressly stated herein. Except as expressly modified by this Amendment, all terms, conditions, and provisions of the Offer Letter shall remain in full force and effect and are hereby ratified and confirmed. In the event of any conflict between the terms of this Amendment and the Offer Letter, the terms of this Amendment shall control. This Amendment, together with the Offer Letter, constitutes the complete and exclusive agreement between the parties with respect to the subject matter herein, and supersedes all prior or contemporaneous written or oral agreements, representations, or understandings related to such subject matter.

[Signature Page Follows]

On behalf of Upwork Inc. and Upwork Global LLC,

By: /s/ Hayden Brown

Hayden Brown

President and Chief Executive Officer, Upwork Inc.

President and Chief Executive Officer, Upwork Global LLC

I accept the transfer of my employment from Parent to Subsidiary on the terms and conditions set forth in this Amendment to the Offer Letter. I understand and agree that my employment with Subsidiary is at will.

/s/ Dave Bottoms Date: 8/1/2025

Dave Bottoms

[Signature Page to Offer Letter Amendment]

AMENDED AND RESTATED CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This Amended and Restated Change in Control and Severance Agreement (this “**Agreement**”) is entered into by and between David T. Bottoms (the “**Executive**”), Upwork Inc., a Delaware corporation (the “**Company**”), and Upwork Global LLC, a California limited liability company and wholly owned subsidiary of the Company (the “**Employer**”), on August 18, 2025 (the “**Effective Date**”) and amends and restates that certain Change in Control and Severance Agreement, by and between the Executive and the Company, dated as of May 2, 2025 (the “**Prior Agreement**”), in its entirety.

RECITALS

WHEREAS, prior to the Effective Date, Executive was employed by the Company and, as of the Effective Date, Executive will be employed by the Employer (the “**Employment Change**”).

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein, the parties agree to amend and restate the Prior Agreement in its entirety as set forth below to reflect the Employment Change.

1. **Term of Agreement.**

Except to the extent renewed as set forth in this Section 1, this Agreement shall terminate the earlier of the third (3rd) anniversary of the Effective Date (the “**Expiration Date**”) or the date the Executive’s employment with the Employer terminates for a reason other than a Qualifying Termination or CIC Qualifying Termination; *provided however*, if a definitive agreement relating to a Change in Control has been signed by the Company on or before the Expiration Date, then this Agreement shall remain in effect through the earlier of:

- (a) The date the Executive’s employment with the Employer terminates for a reason other than a Qualifying Termination or CIC Qualifying Termination, or
- (b) The date each of the Company and the Employer, as applicable, has met all of its obligations under this Agreement following a termination of the Executive’s employment with the Employer due to a Qualifying Termination or CIC Qualifying Termination.

This Agreement shall renew automatically and continue in effect for three (3) year periods measured from the initial Expiration Date and each subsequent Expiration Date, unless the Company or the Employer provides Executive notice of non-renewal at least three (3) months prior to the date on which this Agreement would otherwise renew. For the avoidance of doubt, and notwithstanding anything to the contrary in Section 2 or 3 below, the Company’s or the Employer’s non-renewal of this Agreement shall not constitute a Qualifying Termination or CIC Qualifying Termination, as applicable.

2. **Qualifying Termination.** If the Executive is subject to a Qualifying Termination, then, subject to Sections 9 and 10 below and Executive’s satisfaction of the Release Conditions, Executive will be entitled to the following benefits:

- (a) **Severance Benefits.** The Employer shall pay the Executive twelve (12) months worth of his or her monthly base salary at the rate in effect at the time of the Separation. The Executive will receive his or her severance payment in a cash lump-sum in accordance with the Employer’s standard payroll procedures, which payment will be made no later than the first regular payroll date occurring after the sixtieth (60th) day following the Separation.
- (b) **Continued Employee Benefits.** If Executive timely elects continued coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“**COBRA**”), the Employer shall pay the full amount of Executive’s COBRA premiums on behalf of the

Executive for the Executive's continued coverage under the Employer's health, dental and vision plans, including coverage for the Executive's eligible dependents, for the same period that the Executive is paid severance benefits pursuant to Section 2(a) following the Executive's Separation or, if earlier, until Executive is eligible to be covered under Medicare or under another substantially equivalent medical insurance plan by a subsequent employer.

3. **CIC Qualifying Termination.** If the Executive is subject to a CIC Qualifying Termination, then, subject to Sections 9 and 10 below and Executive's satisfaction of the Release Conditions, Executive will be entitled to the following benefits:
- (a) **Severance Payments.** The Employer or its successor shall pay the Executive (i) twelve (12) months' worth of his or her monthly base salary at the rate in effect at the time of the Separation and (ii) the prorated portion of his or her then-current target bonus opportunity for the portion of the current year that Executive served prior to the Separation (calculated based on the number of full months to date in the bonus year multiplied by 1/12 of the annual target bonus opportunity) at the rate in effect at the time of the Separation. Such payment shall be paid in a cash lump sum payment in accordance with the Employer's standard payroll procedures, which payment will be made no later than the first regular payroll date occurring after the sixtieth (60th) day following the Separation.
 - (b) **Continued Employee Benefits.** Continuation of COBRA on the same terms as set forth in Section 2(b) above for the same period that the Executive is paid severance benefits pursuant to Section 3(a)(i) following the Executive's Separation or, if earlier, until Executive is eligible to be covered under another substantially equivalent medical insurance plan by a subsequent employer.
 - (c) **Equity.** Each of Executive's then outstanding Equity Awards shall accelerate and become vested and exercisable as to 100% of the shares subject to the Equity Award. Subject to satisfaction of the Release Conditions, the accelerated vesting described in this Section 3(c) shall be effective as of the Separation. For the avoidance of doubt, each of Executive's Equity Awards that are outstanding as of the Separation shall remain outstanding through the sixtieth (60th) day following the Separation and in the event the Release Conditions are not satisfied by the sixtieth (60) day following the Separation shall, to the extent unvested, be forfeited in their entirety.
 - (d) **LTIP Awards.** Each of Executive's then outstanding LTIP Awards shall accelerate and become vested as to 100% of the LTIP Awards; following such vesting, payment of the LTIP Awards shall be made in accordance with the Company's standard payroll procedures, which payment will be made no later than the first regular payroll date occurring after the sixtieth (60th) day following the Separation.
4. **General Release.** Any other provision of this Agreement notwithstanding, Executive is only eligible for the benefits under Section 2 and 3 if the Executive (i) has executed a general release of all known and unknown claims that he or she may then have against the Company and Employer or persons affiliated with the Company and the Employer and such release has become effective and (ii) has agreed not to prosecute any legal action or other proceeding based upon any of such claims. The release must be in the form prescribed by the Company or the Employer, without alterations (this document effecting the foregoing, the "**Release**"). The Company or Employer will deliver the form of Release to the Executive within ten (10) days after

the Executive's Separation. The Executive must execute and return the Release within the time period specified in the form.

5. **Accrued Compensation and Benefits.** Notwithstanding anything to the contrary in Section 2 and Section 3 above, in connection with any termination of employment (whether or not a Qualifying Termination or CIC Qualifying Termination), the Employer shall pay Executive's earned but unpaid base salary and other vested but unpaid cash entitlements for the period through and including the termination of employment, including unused earned vacation pay, if applicable, and unreimbursed documented business expenses incurred by Executive through and including the date of termination (collectively "**Accrued Compensation and Expenses**"), as required by law and the applicable Employer plan or policy. In addition, Executive shall be entitled to any other vested benefits earned by Executive for the period through and including the termination date of Executive's employment under any other employee benefit plans and arrangements maintained by the Employer, in accordance with the terms of such plans and arrangements, except as modified herein (collectively "**Accrued Benefits**"). Any Accrued Compensation and Expenses to which the Executive is entitled shall be paid to the Executive in cash as soon as administratively practicable after the termination and, in any event, no later than two and one-half (2-1/2) months after the end of the taxable year of the Executive in which the termination occurs or at such earlier time as may be required by Section 10 below or to such lesser extent as may be mandated by Section 9 below. Any Accrued Benefits to which the Executive is entitled shall be paid to the Executive as provided in the relevant plans and arrangements.

6. **Covenants.**

- (a) **Invention Assignment and Confidentiality Agreement.** The Executive agrees and acknowledges that the Executive is bound by the Employee Invention Assignment and Confidentiality Agreement entered into by and between the Executive and the Company, including but not limited to the Executive's confidentiality, non-competition and non-solicitation obligations thereunder.
- (b) **Non-Disparagement.** The Executive further agrees that, following his or her Separation, he or she shall not in any way or by any means disparage the Company or any affiliated entity, including the Employer, or their respective directors, managers, officers or employees.
- (c) Nothing in this Section 6 or any other agreement Executive may have with the Company or the Employer prohibits Executive from (i) communicating with Executive's legal counsel, (ii) filing a charge or complaint with, participating in an investigation or proceeding conducted by, reporting to, cooperating with, or providing information in good faith to law enforcement, self-regulatory organizations, or any federal, state, or local government agency or entity, including but not limited to the U.S. Department of Justice, the U.S. Securities and Exchange Commission, the U.S. Equal Employment Opportunity Commission, and the U.S. National Labor Relations board, with respect to violations of law, without notice to the Company or the Employer, (iii) making any other disclosure that is protected under the whistleblower protections of any law, or (iv) discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination based on a protected characteristic or any other conduct that Executive has reason to believe is unlawful. Additionally, Executive is hereby notified that the immunity provisions in Section 1833 of title 18 of the United States Code provide that an individual cannot be held criminally or civilly liable under any federal or state trade secret law for any disclosure of a trade secret that is made (1) in confidence to federal, state, or local government officials, either directly or indirectly, or to an attorney, and is solely for the purpose of reporting or investigating a suspected violation of the law, (2) under seal in

a complaint or other document filed in a lawsuit or other proceeding, or (3) to Executive's attorney in connection with a lawsuit for retaliation for reporting a suspected violation of law (and the trade secret may be used in the court proceedings for such lawsuit) as long as any document containing the trade secret is filed under seal and the trade secret is not disclosed except pursuant to court order.

7. **Definitions.**

- (a) **"Board"** means the Company's board of directors.
- (b) **"Cause"** means the Executive's (i) unauthorized use or disclosure of the Company's or the Employer's confidential information or trade secrets, which use or disclosure causes or is reasonably likely to cause material harm to the Company or the Employer, (ii) willful and material failure to comply with the Company's or the Employer's written policies or rules of which Executive has been made aware, (iii) conviction of, or plea of "guilty" or "no contest" to, a felony under the laws of the United States or any state, (iv) gross negligence or willful misconduct in connection with the performance of Executive's duties to the Employer, (v) willful and continuing failure to perform assigned duties after receiving written notification of the failure from the Chief Executive Officer or Board, or (vi) failure to cooperate in good faith with a governmental or internal investigation of the Company or the Employer or their respective directors, managers, officers or employees, if the Company or the Employer has requested the Executive's cooperation. The determination as to whether the Executive has been terminated for Cause shall be made in good faith by the Company and shall be final and binding on the Executive. For purposes of this Section 7(b), the term "Company" will be interpreted to include any affiliated entity of the Company, as appropriate.
- (c) **"Code"** means the Internal Revenue Code of 1986, as amended.
- (d) **"Change in Control"** means the occurrence of any of the following events, provided that the transaction (including any series of transactions) also qualifies as a change in control event under U.S. Treasury Regulation 1.409A-3(i)(5):
 - (i) any "Person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then-outstanding voting securities; provided, however, that for purposes of this subclause (i) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control;
 - (ii) the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
 - (iii) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such

surviving entity or its parent outstanding immediately after such merger or consolidation;

- (iv) any other transaction which qualifies as a “corporate transaction” under Section 424(a) of the Code wherein the stockholders of the Company give up all of their equity interest in the Company (except for the acquisition, sale or transfer of all or substantially all of the outstanding shares of the capital stock of the Company); or
- (v) a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (v), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control.

For purposes of this definition, Persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

- (e) “**CIC Qualifying Termination**” means a Separation (A) within twelve (12) months following a Change in Control or (B) within three (3) months preceding a Change in Control (but as to part (B), only if the Separation occurs after a Potential Change in Control) resulting, in either case (A) or (B), from (i) the Employer terminating the Executive’s employment for any reason other than Cause or (ii) the Executive resigning his or her employment for Good Reason. A termination or resignation due to the Executive’s death or disability shall not constitute a CIC Qualifying Termination. A “**Potential Change in Control**” means the date of execution of a legally binding and definitive agreement for a corporate transaction which, if consummated, would constitute the applicable Change in Control (which for the avoidance of doubt, would include, for example, a merger agreement, but not a term sheet for a merger agreement). In the case of a termination following a Potential Change in Control and before a Change in Control, solely for purposes of benefits under this Agreement, the date of Separation will be deemed the date the Change in Control is consummated.
- (f) “**Equity Awards**” means any and all options to purchase shares of Company common stock as well as any and all other stock-based awards granted to the Executive, including but not limited to stock bonus awards, restricted stock, restricted stock units or stock appreciation rights; provided, however, that “Equity Awards” expressly excludes any and all Performance Awards.
- (g) “**Good Reason**” means, without the Executive’s consent, (i) a material reduction in Executive’s title(s), duties, responsibilities or authority, (ii) a material reduction in Executive’s annual base salary or annual target bonus, or (iii) a requirement that Executive relocate Executive’s principal place of work to a location that increases Executive’s one-way commute by more than thirty-five (35) miles from Executive’s then-current work location. For the purpose of clause (i), solely in connection with a Change in Control, a change in responsibility shall not be deemed to occur (A) solely because Executive is part of a larger organization or (B) solely because of a change in title. For the Executive to receive the benefits under this Agreement as a result of a voluntary resignation under this subsection (g), all of the following requirements must be satisfied: (1) the Executive must provide notice to the Company of his or her intent to assert Good Reason within sixty (60) days of the initial existence of one or more of the conditions set

forth in subclauses (i) through (iii); (2) the Employer will have thirty (30) days (the “**Employer Cure Period**”) from the date of such notice to remedy the condition and, if it does so, the Executive may withdraw his or her resignation or may resign with no benefits under this Agreement; and (3) any termination of employment under this provision must occur within ten (10) days of the earlier of expiration of the Employer Cure Period or written notice from the Company or the Employer that the Employer will not undertake to cure the condition set forth in subclauses (i) through (iii). Should the Employer remedy the condition as set forth above and then one or more of the conditions arises again, the Executive may assert Good Reason again subject to all of the conditions set forth herein.

- (h) “**LTIP Awards**” means any and all cash-based awards granted to the Executive pursuant to the Company’s 2024 Long-Term Incentive Plan and any successor plan thereto or similar cash-based long-term incentive plans that the Company may adopt in the future.
- (i) “**Performance Awards**” means any and all stock-based awards that vest, in whole or in part, upon satisfaction of performance criteria.
- (j) “**Release Conditions**” mean the following conditions occurring within sixty (60) days following the Separation: (i) the Company and the Employer have received the Executive’s executed Release and (ii) any rescission or revocation period applicable to the Executive’s executed Release has expired without Executive rescinding or revoking the Release.
- (k) “**Qualifying Termination**” means a Separation that is not a CIC Qualifying Termination, but which results from the Employer terminating the Executive’s employment for any reason other than Cause. A termination or resignation due to the Executive’s death or disability shall not constitute a Qualifying Termination.
- (l) “**Separation**” means a “separation from service,” as defined in the regulations under Section 409A of the Code.

8. **Successors.**

- (a) **Company’s Successors.** The Company shall require any successor (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company’s business and/or assets, by an agreement in substance and form satisfactory to the Executive, to assume this Agreement and to agree expressly to perform this Agreement in the same manner and to the same extent as the Company and the Employer would be required to perform it in the absence of a succession. For all purposes under this Agreement, the term “Company” shall include any successor to the Company’s business and/or assets or which becomes bound by this Agreement by operation of law.
- (b) **Executive’s Successors.** This Agreement and all rights of the Executive hereunder shall inure to the benefit of, and be enforceable by, the Executive’s personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

9. **Golden Parachute Taxes.**

- (a) **Best After-Tax Result.** In the event that any payment or benefit received or to be received by Executive pursuant to this Agreement or otherwise (“**Payments**”) would (i) constitute a “parachute payment” within the meaning of Section 280G of the Code and (ii)

but for this subsection (a), be subject to the excise tax imposed by Section 4999 of the Code, any successor provisions, or any comparable federal, state, local or foreign excise tax ("**Excise Tax**"), then, subject to the provisions of Section 10, such Payments shall be either (A) provided in full pursuant to the terms of this Agreement or any other applicable agreement, or (B) provided as to such lesser extent which would result in the Payments being \$1.00 less than the amount at which any portion of the Payments would be subject to the Excise Tax ("**Reduced Amount**"), whichever of the foregoing amounts, taking into account the applicable federal, state, local and foreign income, employment and other taxes and the Excise Tax (including, without limitation, any interest or penalties on such taxes), results in the receipt by Executive, on an after-tax basis, of the greatest amount of payments and benefits provided for hereunder or otherwise, notwithstanding that all or some portion of such Payments may be subject to the Excise Tax. Unless the Company, the Employer, and Executive otherwise agree in writing, any determination required under this Section 9 shall be made by independent tax counsel designated by the Company and reasonably acceptable to Executive ("**Independent Tax Counsel**"), whose determination shall be conclusive and binding upon Executive, the Company, and the Employer for all purposes. For purposes of making the calculations required under this Section 9, Independent Tax Counsel may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code; provided that Independent Tax Counsel shall assume that Executive pays all taxes at the highest marginal rate. The Company, the Employer, and Executive shall furnish to Independent Tax Counsel such information and documents as Independent Tax Counsel may reasonably request in order to make a determination under this Section 9. The Company or the Employer, as applicable, shall bear all costs that Independent Tax Counsel may reasonably incur in connection with any calculations contemplated by this Section 9. In the event that Section 9(a)(ii)(B) above applies, then based on the information provided to Executive, the Company, and the Employer by Independent Tax Counsel, Executive may, in Executive's sole discretion and within thirty (30) days of the date on which Executive is provided with the information prepared by Independent Tax Counsel, determine which and how much of the Payments (including the accelerated vesting of equity compensation awards) to be otherwise received by Executive shall be eliminated or reduced (as long as after such determination the value (as calculated by Independent Tax Counsel in accordance with the provisions of Sections 280G and 4999 of the Code) of the amounts payable or distributable to Executive equals the Reduced Amount). If the Internal Revenue Service (the "**IRS**") determines that any Payment is subject to the Excise Tax, then Section 9(b) hereof shall apply, and the enforcement of Section 9(b) shall be the exclusive remedy to the Company or the Employer, as applicable.

- (b) **Adjustments.** If, notwithstanding any reduction described in Section 9(a) hereof (or in the absence of any such reduction), the IRS determines that Executive is liable for the Excise Tax as a result of the receipt of one or more Payments, then Executive shall be obligated to surrender or pay back to the Company or the Employer, as applicable, within one-hundred twenty (120) days after a final IRS determination, an amount of such payments or benefits equal to the "**Repayment Amount**." The Repayment Amount with respect to such Payments shall be the smallest such amount, if any, as shall be required to be surrendered or paid to the Company or the Employer, as applicable, so that Executive's net proceeds with respect to such Payments (after taking into account the payment of the Excise Tax imposed on such Payments) shall be maximized. Notwithstanding the foregoing, the Repayment Amount with respect to such Payments shall be zero (0) if a Repayment Amount of more than zero (0) would not eliminate the

Excise Tax imposed on such Payments or if a Repayment Amount of more than zero would not maximize the net amount received by Executive from the Payments. If the Excise Tax is not eliminated pursuant to this Section 9(b), Executive shall pay the Excise Tax.

10. **Miscellaneous Provisions.**

- (a) **Section 409A.** To the extent (i) any payments to which Executive becomes entitled under this Agreement, or any agreement or plan referenced herein, in connection with Executive's termination of employment with the Employer constitute deferred compensation subject to Section 409A of the Code and (ii) Executive is deemed at the time of such termination of employment to be a "specified" employee under Section 409A of the Code, then such payment or payments shall not be made or commence until the earlier of (i) the expiration of the six (6)-month period measured from the Executive's Separation; or (ii) the date of Executive's death following such Separation; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to Executive, including (without limitation) the additional twenty percent (20%) tax for which Executive would otherwise be liable under Section 409A(a)(1)(B) of the Code in the absence of such deferral. Upon the expiration of the applicable deferral period, any payments which would have otherwise been made during that period (whether in a single sum or in installments) in the absence of this paragraph shall be paid to Executive or Executive's beneficiary in one lump sum (without interest). Except as otherwise expressly provided herein, to the extent any expense reimbursement or the provision of any in-kind benefit under this Agreement (or otherwise referenced herein) is determined to be subject to (and not exempt from) Section 409A of the Code, the amount of any such expenses eligible for reimbursement, or the provision of any in-kind benefit, in one calendar year shall not affect the expenses eligible for reimbursement or in kind benefits to be provided in any other calendar year, in no event shall any expenses be reimbursed after the last day of the calendar year following the calendar year in which Executive incurred such expenses, and in no event shall any right to reimbursement or the provision of any in-kind benefit be subject to liquidation or exchange for another benefit. To the extent that any provision of this Agreement is ambiguous as to its exemption or compliance with 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. Payments pursuant to this Agreement (or referenced in this Agreement) are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the regulations under Section 409A.
- (b) **Other Arrangements.** This Agreement supersedes any and all cash severance arrangements and vesting acceleration arrangements under any agreement governing Equity Awards, LTIP Awards, severance and salary continuation arrangements, programs and plans which were previously offered by the Company or the Employer to the Executive, including the Prior Agreement which is hereby amended and restated in its entirety as set forth in and superseded by this Agreement and any change in control severance arrangements and vesting acceleration arrangements pursuant to an agreement governing Equity Awards and Executive hereby waives Executive's rights to such other benefits; provided that, for clarity, this Agreement shall not supersede, and

Executive does not hereby waive his or her rights to, the acceleration of vesting arrangements outside of a termination of employment that may be applicable to any Performance Awards. In no event shall any individual receive cash severance benefits under both this Agreement and any other severance pay or salary continuation program, plan or other arrangement with the Company, the Employer, or their affiliated entities. For the avoidance of doubt, in no event shall Executive receive payment under both Section 2 and Section 3 with respect to Executive's Separation.

- (c) **Dispute Resolution.** To ensure rapid and economical resolution of any and all disputes that might arise in connection with this Agreement, Executive, the Company, and the Employer 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, 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. 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.
- (d) **Notice.** Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid or deposited with Federal Express Corporation, with shipping charges prepaid. In the case of the Executive, mailed notices shall be addressed to him or her at the home address which he or she most recently communicated to the Employer or the Company in writing. In the case of the Company and the Employer, mailed notices shall be addressed to the Company's corporate headquarters, and all notices shall be directed to the attention of its Secretary.
- (e) **Waiver.**
 - (i) The parties acknowledge and agree that the Employment Change shall not constitute a “Separation” under the Prior Agreement or this Agreement, and shall not be deemed to trigger any payment or benefit entitlement thereunder or hereunder. Executive hereby irrevocably waives any right to any benefits that would otherwise be payable under the Prior Agreement in connection with the Employment Change.
 - (i) No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by the Executive, by the Chief Executive Officer of the Company, and by a duly authorized representative of the Employer other than Executive. No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.
- (f) **Withholding Taxes.** All payments made under this Agreement shall be subject to reduction to reflect taxes or other charges required to be withheld by law.
- (g) **Severability.** The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

- (h) **No Retention Rights.** Nothing in this Agreement shall confer upon the Executive any right to continue in service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company or the Employer or any subsidiary or parent of the Company or of the Employer or of the Executive, which rights are hereby expressly reserved by each, to terminate his or her service at any time and for any reason, with or without Cause.
- (i) **Choice of Law.** The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of California (other than its choice-of-law provisions).

[Signature page follows]

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of each of the Company and the Employer by its duly authorized officer, as of the day and year first above written.

EXECUTIVE

/s/ David T. Bottoms

David T. Bottoms

UPWORK INC.

/s/ Hayden Brown

By: Hayden Brown

Title: President and Chief Executive Officer

UPWORK GLOBAL LLC

/s/ Hayden Brown

By: Hayden Brown

Title: President and Chief Executive Officer

[Signature page to Amended and Restated Change in Control and Severance 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: November 4, 2025

/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: November 4, 2025

/s/ Erica Gessert

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 September 30, 2025 (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: November 4, 2025

/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 September 30, 2025 (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: November 4, 2025

/s/ Erica Gessert

Erica Gessert
Chief Financial Officer
(Principal Financial Officer)