

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

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**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934

(Amendment No. )

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Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12



**UPWORK INC.**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check all boxes that apply):

- No fee required.
- Fee paid previously with preliminary materials.
- Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a-6(i)(1) and 0-11.

# Supplemental Proxy Materials

May 2022

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This presentation, related materials, and the accompanying oral commentary (collectively, this "Presentation") contain "forward-looking" statements within the meaning of the federal securities laws based on the beliefs and assumptions of Upwork Inc. (the "Company") and on information currently available to the Company. Forward-looking statements include all statements other than statements of historical fact contained in this Presentation, including information or predictions concerning the future of the Company's business, future operating results and financial position, anticipated events and trends, potential growth opportunities, competitive position, technological and market trends, industry environment, business strategy and plans, potential growth or growth prospects, active clients, potential market opportunities, the economy and other future conditions. Words such as "believes", "may", "might", "will", "estimates", "potential", "continues", "anticipates", "intends", "expects", "could", "would", "projects", "plans", "targets", and variations of such words and similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements.

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# Executive Summary

Upwork's executive compensation program is thoughtfully designed to drive outperformance across key metrics that are aligned with our strategic objectives and ensure our compensation outcomes are aligned with stockholder experience

- Our CEO Hayden Brown has **demonstrated outstanding and exceptional capabilities**, including leading our company through significant stockholder value creation since she assumed the role in January 2020, prior to the recent market decline in technology stock prices
- The CEO Performance Award<sup>1</sup> granted in January 2021 **promotes her retention in a highly competitive market for this level of leadership capability** and incentivizes her to continue driving outperformance
- **Stock price is the sole performance metric for the award.** The award's performance criteria **directly align Ms. Brown's incentives with those of our stockholders**
- The award's value is **earned and vested only if Upwork achieves extremely rigorous stock hurdles and** if service/time-based vesting requirements are fulfilled

1. We define the CEO Performance Award as the performance-based option award granted to Ms. Brown in January 2021.

# Upwork: The World's Work Marketplace

## About Upwork

### For Freelancers

Access to **quality clients and secure and timely payments** while providing the freedom to run their own businesses, create their own schedules, and visibility into high-demand opportunities

### For Clients

**Fast, secure, and efficient access to high-quality talent** with over 10,000 skills

## Client Base

**30%+**

Of the Fortune 100  
use Upwork<sup>1</sup>



## Notable Clients

## Company History



1998

*Elance was  
founded*



2003

*oDesk was  
founded*



2014

*Combined as  
Elance-oDesk*



2015

*Rebranded as  
Upwork<sup>2</sup>*



2018

*Upwork became a publicly  
traded company*

1. As of March 31, 2022.

2. We were incorporated in 2013 in connection with the combination of Elance, Inc. and oDesk Corporation. As part of the combination, we changed our name to Elance-oDesk, Inc. in 2014, and then to Upwork Inc. in 2015.

# Strong Growth in User Metrics and Financial Performance

As of March 31, 2022

- **Active Clients: 793K**
- **GSV per Active Client: \$4,742**

## GSV

(\$ in millions)



## Revenue

(\$ in millions)



Note: GSV, Active Clients, and GSV per Active Client are defined in the Appendix of this Presentation.

# Responsiveness to Stockholder Feedback

Our Board and management team regularly engage with our largest stockholders on topics including corporate governance, executive compensation, and E&S practices









We reached out to stockholders representing **48%**  
of shares

We engaged with stockholders representing **42%**  
of shares

Areas of Focus	What We Heard From Stockholders	What We Did in Response
<b>CEO Performance Award</b>	<ul style="list-style-type: none"> <li>Stockholders were supportive of the structure and timing of the award, noting Upwork's strong performance and that the award drives alignment with stockholder interests</li> <li>Consider increasing disclosure, as stockholders review such awards closely</li> </ul>	<ul style="list-style-type: none"> <li>✓ Added a comprehensive overview of the award to the 2021 proxy statement</li> <li>✓ Included additional disclosure of the CEO performance award in the 2022 proxy</li> </ul>
<b>Long-Term Incentive Compensation (LTI)</b>	<ul style="list-style-type: none"> <li>Stockholders appreciated the introduction of PSUs into LTI</li> <li>Consider providing relevant disclosure in future proxy statements</li> </ul>	<ul style="list-style-type: none"> <li>✓ Included an overview of 2021 PSU awards in the 2021 proxy statement and provided additional details in this year's proxy</li> <li>✓ Increased the percentage allocation of PSUs that comprise NEOs' LTI compensation for 2022</li> </ul>
<b>ESG and Sustainability</b>	<ul style="list-style-type: none"> <li>Stockholders were enthusiastic about the progress to date, including the use of SASB and the disclosure of EEO-1 data</li> <li>Continue advancing ESG-related disclosures</li> </ul>	<ul style="list-style-type: none"> <li>✓ Continued to publish detailed information on ESG initiatives and efforts</li> <li>✓ Reported in alignment with TCFD recommendations and submitted our first CDP Climate Change Questionnaire in July 2021</li> </ul>
<b>Directors' Outside Board Commitments</b>	<ul style="list-style-type: none"> <li>Certain stockholders highlighted that one director was not in compliance with stockholders' overboarding policies</li> </ul>	<ul style="list-style-type: none"> <li>✓ In 2021, director in question reduced his board commitments, stepping down from two boards</li> </ul>
<b>Corporate Governance</b>	<ul style="list-style-type: none"> <li>Stockholders were supportive of Upwork's adoption of a majority voting standard and proxy access right</li> <li>Continue reviewing governance structures over time</li> </ul>	<ul style="list-style-type: none"> <li>✓ Continued to assess governance structures in the context of our business strategy and strong performance, as well as against market practices</li> </ul>

Source: Capital IQ; representing percentage of outstanding shares as of February 23, 2022, based on the latest 13F filings. Statistics for full year 2021.

# Qualified Board with Deep, Relevant Experience

 <p><b>Hayden Brown</b> President &amp; CEO Former Chief Marketing &amp; Product Officer, Upwork <b>Appointed 2019</b></p>	 <p><b>Thomas Layton</b> Independent Chairperson Former CEO, OpenTable</p>	 <p><b>Elizabeth Nelson</b> Former EVP and CFO, Macromedia</p>	 <p><b>Greg Gretsch</b> Founding Partner and Managing Director, Jackson Square Ventures</p>	 <p><b>Kevin Harvey</b> Founder and General Partner, Benchmark Capital</p>	 <p><b>Leela Srinivasan</b> CMO, Checkout.com <b>Appointed 2019</b></p>	 <p><b>Gary Steele</b> CEO, Splunk</p>	 <p><b>Anilu Vazquez-Ubarri</b> Board Member and CHRO, TPG <b>Appointed 2020</b></p>
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## Relevant Prior Professional Experience

  	  	 	 		     	     	  
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— = Indicates the 2022 Nominees to our Board

Note: As of May 2022.



# Board and Management Oversight of ESG Initiatives

Robust Board oversight and management accountability drives the implementation of our ESG strategies

## Board Oversight

- The Nominating and Governance Committee oversees all ESG functions
- The Nominating and Governance Committee receives periodic updates throughout the year on progress and ESG strategy
- Our Enterprise Risk Management (ERM) program—which includes ESG risks—is overseen by the Audit, Risk and Compliance Committee


## Management Accountability

- Our ESG Task Force is composed of personnel from various departments across the organization
- Task Force is responsible for leading and implementing ESG programs
- Each risk—including ESG risks—identified by the ERM program is assigned an internal owner and mitigation strategies are outlined with check-ins by the ERM team

**The Board also regularly evaluates our corporate governance practices and is committed to continuing the evolution of our corporate governance as we mature as a public company**

# Our Impact Priorities

Considering which issues we have the greatest potential to positively affect and which are critical to our ability to maintain trust in the market, we synthesized our ESG materiality assessment findings into the following priorities:

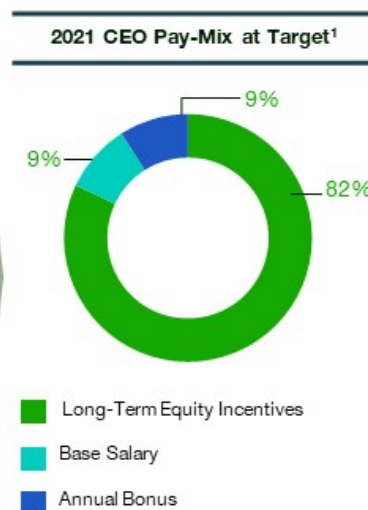
 <p><b>Economic Opportunity</b></p>	<p>We seek to help improve people's lives by promoting work-life balance, enabling flexibility, optimizing accessibility, and unlocking freelancers' access to clients and industries</p>	 <p><b>Environmental Sustainability</b></p>	<p>Because remote work reduces both work-related commutes and business travel, <b>Upwork is a natural ally in the fight against climate change.</b> In 2021, we adopted a new Global Environmental Policy that outlines our environmental commitments</p>
 <p><b>Health, Safety &amp; Human Rights</b></p>	<p>We empower people to connect and work with clients of their choosing on their terms. Along with building a safe, diverse, inclusive, and equitable workplace, we go above industry standards to ensure people have access to safe work environments that prioritize human rights</p>	 <p><b>Business Integrity</b></p>	<p><b>Integrity is the fiber of our business.</b> We uphold strong governance practices to ensure employees act ethically and that clients and talent are held accountable to one another</p>
 <p><b>Diversity, Inclusion &amp; Belonging</b></p>	<p>Belonging is a feeling, inclusion is a practice, and diversity is an outcome. Our initiatives radiate from within, focusing primarily on the impact we can make internally and extending outward to clients and talent on our work marketplace</p>	 <p><b>Supplier Engagement</b></p>	<p>We strive to work with suppliers that meet the needs of our business and align with our mission. In 2021, we created our Supplier Code of Conduct to clarify our expectations of our suppliers and strengthen our supply chain management</p>

We provide robust reporting on our impact priorities in our 2021 Impact Report

# 2021 Core Compensation

Our core compensation program is designed to retain, motivate, and attract exceptional talent while directly aligning pay with the achievement of long-term strategic and operational goals

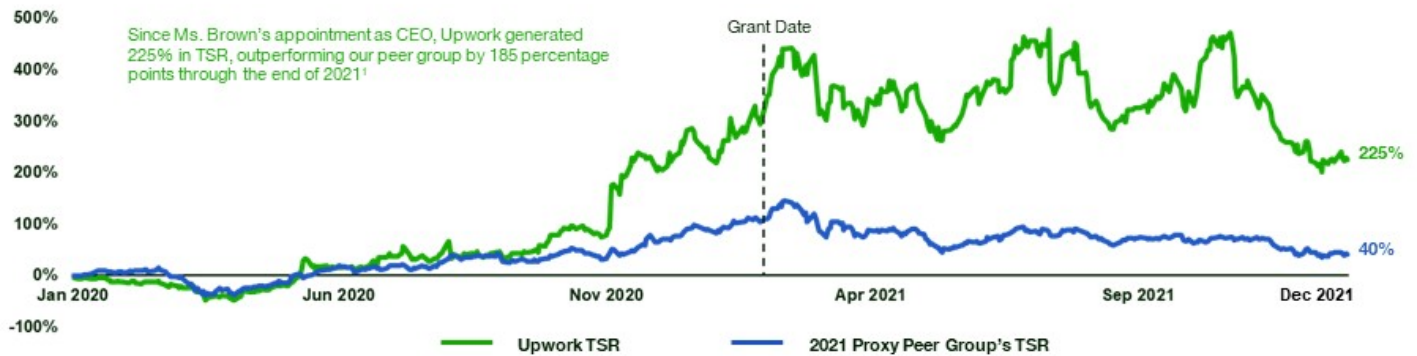
Compensation Elements	Key Components	Objective and Alignment to Strategy
<b>Base Salary</b>	<ul style="list-style-type: none"> <li>Fixed cash</li> </ul>	<ul style="list-style-type: none"> <li>Attract and retain top talent through market competitive levels</li> </ul>
<b>Annual Bonus</b>	<ul style="list-style-type: none"> <li>Variable payout based on performance against pre-established targets</li> </ul>	<ul style="list-style-type: none"> <li>Incentivize achievement of annual business objectives and reward short-term performance</li> <li>Revenue performance metric aligns compensation with strategic growth</li> </ul>
<b>Long-Term Equity Incentives</b>	<ul style="list-style-type: none"> <li>Performance-based PSUs                             <ul style="list-style-type: none"> <li>– 50% of LTI opportunity (at target and excluding CEO Performance Award)</li> </ul> </li> <li>Time-based RSUs                             <ul style="list-style-type: none"> <li>– 50% of LTI opportunity</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Payouts based on performance against annual revenue targets</li> <li>Subject to additional time-based vesting requirement</li> <li>4-year vesting period</li> <li>Promotes retention</li> </ul>



1. Reflects target bonus and target PSU, and RSU payout with equity components valued at fair market value on the grant date. Excludes 2021 CEO Performance Award.

## 2021 CEO Performance Award Context

- Our Board and the compensation committee determined that Ms. Brown decisively demonstrated outstanding and exceptional capabilities in her first year as President and CEO
- The compensation committee granted in January 2021 a supplemental performance-based option award to further incentivize Ms. Brown to continue delivering on our growth potential while further aligning Ms. Brown's interests with those of our stockholders
- The CEO Performance Award is commensurate with the level of achievement and ambition she had demonstrated as President and CEO, while also promoting her retention in a highly competitive market for this level of leadership capability



1. Source: Capital IQ; reflects TSR from January 1, 2020 to December 31, 2021. Peer group reflects 2021 Peer Group, which includes: APPF, APPN, BNFT, CARG, CARS, EB, EVER, FVRR, LPSN, MGNI, PS, QUOT, REAL, RDFN, SSTK, STMP, TTGT, TRUE, and YEXT.

# 2021 CEO Performance Award Structure Requires Significant Stockholder Value Creation to be Earned

- Performance targets to which the award is subject are very rigorous and require exceptional stockholder value creation to be achieved
- Stock price thresholds are measured over 90-day periods to mitigate short-term price volatility and a four-year service requirement reduces risk of early vesting

## Stock Price Hurdles and Implied Stock Price Appreciation from Grant Date



Stock Price	Numbers of Shares Vested
\$38.80	Stock Price on Grant Date
\$60.00	100,000
\$70.00	200,000
\$80.00	300,000
\$90.00	400,000
\$100.00	500,000

Note: The performance-based stock option award is exercisable for up to 1,500,000 shares of common stock at a per share exercise price of \$38.80, subject to achievement of certain stock price goals, and a four-year service-based vesting requirement, both of which must be met for any shares to be exercisable.

## We Request Your Support

- Our executive compensation program attracts and retains talented executives, motivates and rewards them to meet or exceed our short-term, and long-term strategic objectives, while simultaneously creating sustainable long-term value for our stockholders
- The CEO Performance Award is structured to protect stockholder interests and has a performance vesting requirement that requires achievement of extremely rigorous stock price hurdles
- The performance-based vesting component requires achievement of robust stock price hurdles, which explicitly aligns Ms. Brown's interests with those of stockholders and underscores the Board's confidence in both Ms. Brown and Upwork
- The compensation committee believes this award will help Upwork capture the full potential of this specific growth period for the company, particularly given ongoing shifts to remote-work that present a meaningful and unique opportunity for us

✓ **FOR** the election of directors

✓ **FOR** the advisory vote on executive compensation

✓ **FOR** the ratification of auditors

# Appendix: Key Metric Definitions

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## Gross Services Volume (GSV)

Gross services volume, or GSV, includes both client spend and additional fees charged for other services.

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## Active Client

An Active Client is a client that has had spend activity on our work marketplace during the 12 months preceding the date of measurement.

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## GSV per Active Client

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.

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# 2022 Annual Meeting of Stockholders

This information is being provided to stockholders in addition to the proxy statement filed by the Company with the SEC on April 19, 2022. Please read the complete proxy statement and accompanying materials carefully before you make a voting decision. Even if you have already given your proxy voting instructions, you can change your vote at any time before the annual meeting by giving new voting instructions as described in more detail in the proxy statement. The proxy statement and other documents filed by the Company with the SEC may be obtained free of charge at [www.sec.gov](http://www.sec.gov) and from the Company's website at [upwork.com](http://upwork.com).