Upwork Inc.

# 2024 CDP Corporate Questionnaire 2024

## Word version

**Important: this export excludes unanswered questions**

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

Terms of disclosure for corporate questionnaire 2024 - CDP

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02/04/2025, 05:10 pm

# Contents

# C1. Introduction

## (1.1) In which language are you submitting your response?

*Select from:*
☑ English

## (1.2) Select the currency used for all financial information disclosed throughout your response.

*Select from:*
☑ USD

## (1.3) Provide an overview and introduction to your organization.

### (1.3.2) Organization type

*Select from:*
☑ Publicly traded organization

### (1.3.3) Description of organization

*Upwork Inc. (NASDAQ: UPWK) is the world's largest work marketplace that connects businesses with independent talent around the globe, as measured by Gross Services Volume. We serve everyone from one-person startups to 30 percent of the Fortune 100 with a powerful, trust-driven platform that enables companies and freelancers to work together in new ways that unlock their potential. Our talent community earned over 3.8 billion on Upwork in 2023, bringing total talent lifetime earnings to 23.4 billion on our work marketplace. Upwork's mission is to create economic opportunities so that people have better lives. To fulfill this mission, we are doing our part to address the global climate crisis. Upwork's work marketplace enables talent around the globe to work remotely, reducing work-related commutes and business travel, and the resulting greenhouse gas emissions. Our own remote-first operating model enables all Upwork employees and the independent talent we engage for internal projects to work remotely. This helps us secure top talent and supports our commitment to maintaining low emissions as we grow. Learn more about our environmental commitments and our progress towards reaching zero emissions in our 2023 Impact Report at https://www.upwork.com/about/our-impact/2023-impact-report.*
*[Fixed row]*

## (1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

| | End date of reporting year | Alignment of this reporting period with your financial reporting period | Indicate if you are providing emissions data for past reporting years |
|---|---|---|---|
| | *12/31/2023* | *Select from:*<br>☑ Yes | *Select from:*<br>☑ No |

*[Fixed row]*

## (1.4.1) What is your organization's annual revenue for the reporting period?

*689140000*

## (1.5) Provide details on your reporting boundary.

| | Is your reporting boundary for your CDP disclosure the same as that used in your financial statements? |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

### ISIN code - bond

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### ISIN code - equity

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### CUSIP number

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### Ticker symbol

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ Yes

## (1.6.2) Provide your unique identifier

*UPWK*

### SEDOL code

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### LEI number

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### D-U-N-S number

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

### Other unique identifier

## (1.6.1) Does your organization use this unique identifier?

*Select from:*

☑ No

*[Add row]*

### (1.7) Select the countries/areas in which you operate.

*Select all that apply*

☑ United States of America

### (1.24) Has your organization mapped its value chain?

## (1.24.1) Value chain mapped

*Select from:*

☑ Yes, we have mapped or are currently in the process of mapping our value chain

## (1.24.2) Value chain stages covered in mapping

*Select all that apply*

☑ Upstream value chain

## (1.24.3) Highest supplier tier mapped

*Select from:*

☑ Tier 1 suppliers

## (1.24.4) Highest supplier tier known but not mapped

*Select from:*

☑ All supplier tiers known have been mapped

## (1.24.7) Description of mapping process and coverage

*We mapped all Tier 1 suppliers based on our financial transactions (spend per supplier). We then assessed ESG risks across our Tier 1 suppliers by evaluated their compliance with our information security requirements, their ESG disclosures, their contribution to our Scope 3 emissions, and any ESG-related controversies.*
*[Fixed row]*

### (1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

## (1.24.1.1) Plastics mapping

*Select from:*

☑ No, and we do not plan to within the next two years

## (1.24.1.5) Primary reason for not mapping plastics in your value chain

*Select from:*

☑ Not an immediate strategic priority

## (1.24.1.6) Explain why your organization has not mapped plastics in your value chain

*Upwork does not manufacture, sell or distribute any physical products and, therefore, we purchase very few goods made of plastics. The vast majority of our vendors are SAAS companies and those providing marketing or legal support. As a largely remote company, we also purchase very little plastic goods for our offices.*
*[Fixed row]*

## C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

### (2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

### Short-term

#### (2.1.1) From (years)

*0*

#### (2.1.3) To (years)

*1*

#### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*We generally define short-term as 0 to 1 year. This time horizon reflects those used to evaluate business risks and opportunities via our Enterprise Risk Management (ERM) program, our business Objectives and Key Results (OKR) exercises, our ESG materiality analyses, and our financial analysis and disclosures. Generally, our ERM considers short-term risks as those that require remediation plans over the next six months. Our business teams update OKRs on an annual basis. Our finance and accounting teams assess performance on a quarterly basis while considering short-term risks to be those that affect the business in less than a year.*

### Medium-term

#### (2.1.1) From (years)

*1*

#### (2.1.3) To (years)

*3*

#### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*We generally define medium-term as 1 to 3 years. Upwork's ERM generally looks out two years to determine how likely a medium-term risk is to occur. Our business strategy is informed by on-going analysis that generally considers three years as medium-term. However, these time frames vary across risks, opportunities, teams and scenarios*

## Long-term

### (2.1.1) From (years)

*3*

### (2.1.2) Is your long-term time horizon open ended?

*Select from:*

☑ No

### (2.1.3) To (years)

*10*

### (2.1.4) How this time horizon is linked to strategic and/or financial planning

*We generally define long-term as 3 to 10 years. As a technology company in a highly competitive and rapidly changing sector, it is difficult for Upwork to forecast risks and opportunities beyond 10 years. Our business is highly dependent on the state of the economy, which can shift quickly and we expect the means by which companies hire to change dramatically over the next five years. As a result, most long-term analysis is focused on a three-to-five-year time horizon. Climate related risks and opportunities are an exception to this, as we expect the global impacts of climate change and the corresponding business and regulatory environment to shift over the course of 10 years.*
*[Fixed row]*

## (2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

| | Process in place | Dependencies and/or impacts evaluated in this process |
|---|---|---|
| | *Select from:*<br>☑ Yes | *Select from:*<br>☑ Both dependencies and impacts |

*[Fixed row]*

## (2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

| | Process in place | Risks and/or opportunities evaluated in this process | Is this process informed by the dependencies and/or impacts process? |
|---|---|---|---|
| | *Select from:*<br>☑ Yes | *Select from:*<br>☑ Both risks and opportunities | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

### Row 1

### (2.2.2.1) Environmental issue

*Select all that apply*

☑ Climate change

## (2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

*Select all that apply*

☑ Impacts

☑ Risks

☑ Opportunities

## (2.2.2.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

## (2.2.2.4) Coverage

*Select from:*

☑ Full

## (2.2.2.5) Supplier tiers covered

*Select all that apply*

☑ Tier 1 suppliers

## (2.2.2.7) Type of assessment

*Select from:*

☑ Qualitative and quantitative

## (2.2.2.8) Frequency of assessment

*Select from:*

☑ Annually

## (2.2.2.9) Time horizons covered

*Select all that apply*

☑ Short-term

☑ Medium-term

## (2.2.2.10) Integration of risk management process

*Select from:*

☑ Integrated into multi-disciplinary organization-wide risk management process

## (2.2.2.11) Location-specificity used

*Select all that apply*

☑ Not location specific

## (2.2.2.12) Tools and methods used

**Enterprise Risk Management**

☑ Enterprise Risk Management

☑ Internal company methods

**Other**

☑ Desk-based research

☑ Materiality assessment

## (2.2.2.13) Risk types and criteria considered

**Acute physical**

☑ Cyclones, hurricanes, typhoons

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

☑ Heat waves

☑ Wildfires

**Chronic physical**

☑ Changing temperature (air, freshwater, marine water)

☑ Heat stress

☑ Increased severity of extreme weather events

**Policy**

☑ Changes to international law and bilateral agreements

☑ Changes to national legislation

**Market**

☑ Changing customer behavior

☑ Uncertainty in the market signals

**Reputation**

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

**Technology**

☑ Transition to lower emissions technology and products

**Liability**

☑ Non-compliance with regulations

## (2.2.2.14) Partners and stakeholders considered

*Select all that apply*

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

## (2.2.2.15) Has this process changed since the previous reporting year?

*Select from:*

☑ No

## (2.2.2.16) Further details of process

*Upwork has a range of procedures to identify and manage environmental dependencies, impacts, risks and opportunities. To identify dependencies and risks, we leverage our ESG materiality assessments (conducted every three years) and our Enterprise Risk Management (ERM) program, which identifies risks that are having or will very likely have a major impact on the business in the short- and/or medium-term. To identify and address environmental impacts across our business, including those that affect our workforce and our work marketplace, we leverage our Incident Response Program. This program is designed to detect the potential impact of an event, minimize and mitigate impact, restore our operations and services, and address process or system weaknesses. The program identifies the severity of an event (P3-P0), helping ensure that our response is appropriate to the size and severity of the impact. Events monitored via the Incident Response Program include major weather events that impact a large number of team members and/or customers. As just one example, in April of this year, our Incident Response Program noted that the Department of Energy in the Philippines was dealing with power shortages due to rising temperatures and increased electricity demand. This was critical for Upwork because many of the freelancers we engage to support Upwork projects, as well as many freelancers who use Upwork to find work with other clients, are based in the Philippines.*

*[Add row]*

# (2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

## (2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

*Select from:*

☑ Yes

## (2.2.7.2) Description of how interconnections are assessed

*To ensure that our sustainability and impact objectives continue to align with our business model and to ensure that we think about environmental dependencies, impacts, risks and opportunities when considering sustainability priorities, we updated our ESG materiality assessment in 2023. This assessment addressed double materiality, helping us identify, assess, and prioritize both sustainability topics that we expect to impact Upwork's enterprise value, as well as those that are critical to our impact on society at large. The assessment process involved several key steps to comprehensively evaluate the interconnections between environmental dependencies, impacts, risks, and opportunities. For example, we evaluated the materiality of climate change, as well as other environmental topics, including energy use, water, and waste. As another example, when assessing the materiality of water to our business model, we evaluated not only the water we use at our office locations but also the water needed to cool our cloud vendors' data centers. In addition to engaging a broad range of stakeholders to understand their perceptions of materiality, we looked for evidence of current and historical impacts on the business, using data-driven insights to assess the significance of different environmental*

*dependencies, risks, opportunities, and impacts. To do this, we evaluated the findings of our annual Enterprise Risk Management program, which assesses tangible business risks and our business' dependencies on a range of inputs and external factors. For example, the ERM regards our suppliers' management of ransomware and data breaches as a critical dependency. Though no environmental risks, dependencies, or impacts were deemed a Tier 1 priority in our ESG Materiality Assessment, nor were they critical enough to be a focus of the ERM program in 2023, we have frameworks in place to evaluate alignment between environmental dependencies, impacts, risks, and/or opportunities.*
*[Fixed row]*

## (2.3) Have you identified priority locations across your value chain?

### (2.3.1) Identification of priority locations

*Select from:*

☑ No, and we do not plan to within the next two years

### (2.3.7) Primary reason for not identifying priority locations

*Select from:*

☑ Judged to be unimportant or not relevant

### (2.3.8) Explain why you do not identify priority locations

*Upwork does not operate in areas with great ecological sensitivity. Our two offices are located in urban areas and the office space we lease is quite small. Our remote-first workforce is disbursed throughout the world, making it hard to prioritize any one location over another.*
*[Fixed row]*

## (2.4) How does your organization define substantive effects on your organization?

## Risks

### (2.4.1) Type of definition

*Select all that apply*

☑ Quantitative

## (2.4.2) Indicator used to define substantive effect

*Select from:*

☑ Capital allocation

## (2.4.3) Change to indicator

*Select from:*

☑ Absolute increase

## (2.4.5) Absolute increase/ decrease figure

*5000000*

## (2.4.6) Metrics considered in definition

*Select all that apply*

☑ Other, please specify :Severity of effect when it occurs

## (2.4.7) Application of definition

*Upwork defines substantive financial and/or strategic impact on our business as an impact that has a considerable or relatively significant effect on our organization at the corporate level. Our financial materiality threshold in defining substantive impact is evaluated on an annual basis and changed to reflect the state of the business. For the purposes of Sarbanes-Oxley compliance and understanding our restatement risks, we use an indicator of U.S. 5 million to represent a material financial impact to the business in 2024. This amount was determined as substantial based on its potential to cause stockholder or customer concern and the impact it would have on the company's annual budget.*

### Opportunities

## (2.4.1) Type of definition

*Select all that apply*

☑ Quantitative

## (2.4.2) Indicator used to define substantive effect

*Select from:*

☑ Revenue

## (2.4.3) Change to indicator

*Select from:*

☑ Absolute increase

## (2.4.5) Absolute increase/ decrease figure

*5000000*

## (2.4.6) Metrics considered in definition

*Select all that apply*

☑ Other, please specify :Severity of effect when it occurs

## (2.4.7) Application of definition

*Upwork defines substantive financial and/or strategic impact on our business as an impact that has a considerable or relatively significant effect on our organization at the corporate level. Our financial materiality threshold in defining substantive impact is evaluated on an annual basis and changed to reflect the state of the business. For the purposes of Sarbanes-Oxley compliance and understanding our restatement risks, we use an indicator of U.S. 5 million to represent a material financial impact to the business in 2024. This amount was determined as substantial based on its potential to cause stockholder or customer concern and the impact it would have on the company's annual budget.*

*[Add row]*

# C3. Disclosure of risks and opportunities

## (3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

## Climate change

### (3.1.1) Environmental risks identified

*Select from:*

☑ No

### (3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

*Select from:*

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

### (3.1.3) Please explain

*To understand our climate-related risks, Upwork conducted its second ESG materiality assessments in 2023. We assessed the materiality of 22 ESG topics, including climate & energy, waste & water, and sustainable procurement, measured by both the perspectives of key stakeholders and an analysis of real business impacts to date. Through the assessment, we determined that climate change was not perceived as an issue that will have a substantive financial or strategic impact on the business in the short- and medium-term. This is in line with the findings of our 2023 ERM program, which found no climate-related issues that pose a major risk. This is largely a result of our business strategy and the competitive landscape in which we operate, however it is also tied to our remote-first, decentralized, and relatively small operational footprint. For example, most of our employees and all the freelancers who provide services to Upwork for internal projects work remotely. Our team members are dispersed all over the world so no single office or geographic region is critical to Upwork's business continuity. As another example, we maintain our data on the cloud rather than operating our own servers, not only reducing emissions but also decentralizing business-critical infrastructure. Finally, given that most of our business supplies are software products sourced from vendors located across the globe, our supply chain is less likely to be critically disrupted by acute climate-related risks in one region, such as a single flood or fire. The financial risks posed by natural disasters to our offices are further minimized by insurance and business continuity plans.*

## Plastics

## (3.1.1) Environmental risks identified

*Select from:*

☑ No

## (3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

*Select from:*

☑ Environmental risks exist, but none with the potential to have a substantive effect on our organization

## (3.1.3) Please explain

*To understand our waste-related risks, Upwork conducted its second ESG materiality assessments in 2023. We assessed the materiality of 22 ESG topics, including climate & energy, waste & water, and sustainable procurement, measured by both the perspectives of key stakeholders and an analysis of real business impacts to date. Through the assessment, we determined that waste, including the use and/or creation of plastic waste, was not perceived as an issue that will have a substantive financial or strategic impact on the business in the short- and medium-term. This is in line with the findings of our 2023 ERM program, which found no plastic-related issues that pose a major risk. As a company primarily engaged in digital services, our operations do not significantly involve the use of plastics. The minimal use of plastics in our day-to-day operations, combined with our remote work model, further reduces any potential risks associated with plastics.*
*[Fixed row]*

### (3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

*Select from:*

☑ No, and we do not anticipate being regulated in the next three years

### (3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

| | Environmental opportunities identified |
|---|---|
| Climate change | *Select from:*<br>☑ Yes, we have identified opportunities, and some/all are being realized |

*[Fixed row]*

## (3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

### Climate change

### (3.6.1.1) Opportunity identifier

*Select from:*

☑ Opp1

### (3.6.1.3) Opportunity type and primary environmental opportunity driver

**Products and services**

☑ Shift in consumer preferences

### (3.6.1.4) Value chain stage where the opportunity occurs

*Select from:*

☑ Downstream value chain

### (3.6.1.5) Country/area where the opportunity occurs

*Select all that apply*

☑ United States of America

## (3.6.1.8) Organization specific description

*Upwork's work marketplace connects companies with skilled independent talent around the world. Our business model enables freelancers to work from anywhere, improving their work-life balance and avoiding the time, financial cost, and environmental impact of a daily commute. By engaging remote talent, clients can use Upwork to reduce their Scope 3 emissions as well, which increases their demand for our products and services.*

## (3.6.1.9) Primary financial effect of the opportunity

*Select from:*

☑ Increased revenues resulting from increased demand for products and services

## (3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

*Select all that apply*

☑ The opportunity has already had a substantive effect on our organization in the reporting year

## (3.6.1.12) Magnitude

*Select from:*

☑ High

## (3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

*We continued to grow our work marketplace and increase revenue.*

## (3.6.1.15) Are you able to quantify the financial effects of the opportunity?

*Select from:*

☑ Yes

## (3.6.1.16) Financial effect figure in the reporting year (currency)

*344570000*

## (3.6.1.23) Explanation of financial effect figures

*The figure above represents an estimate of future revenues from customers (both freelancers and companies hiring freelance talent) motivated to work with us due to our remote work model and the climate-related benefits associated with that model. To support a conservative minimum future estimate, the figure is based on Upwork's 2023 revenues and considers the minimum estimated portion of work on our platform that is done remotely, as well as the estimated portion of customers using the platform because of their interest in remote work and the environmental benefits it provides. More specifically, we estimate that nearly 100% of freelancers who secured work on our platform in 2023 conducted their work 100% remotely. We expect this to remain true in future years. We also estimate that at least 50% of our customers who conducted or hired remote work in 2023 were primarily motivated to use our products and services based on their interest in remote work, which included a consideration of the environmental benefits. Therefore, the minimum financial impact figure listed above equates to roughly 50% of 2023 revenues (689.14M), a figure we believe represents an absolute minimum based on our continued revenue growth, the ongoing remote nature of our marketplace, and an increasing interest in reducing global greenhouse gas emissions. [Calculation: 0.5*689,140,000  344,570,000]*

## (3.6.1.24) Cost to realize opportunity

*110500000*

## (3.6.1.25) Explanation of cost calculation

*To realize this opportunity in 2023, Upwork continued to direct significant investments in sales and marketing activities. Costs associated with marketing and sales in 2023 were 221M. The above figure represents approximately 50% of our 2023 marketing and sales spend. This is a very rough estimate, as it's unlikely that 50% of our marketing and sales spend directly resulted in 50% of revenues. [Calculation: 0.5*221M110.5M]*

## (3.6.1.26) Strategy to realize opportunity

*Our marketing and sales efforts positioned Upwork as the preeminent tool for driving the future toward remote work and reducing associated emissions from avoided commuting and business travel.*
*[Add row]*

# (3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

### Climate change

## (3.6.2.1) Financial metric

*Select from:*

☑ Revenue

## (3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

*344570000*

## (3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

*Select from:*

☑ 41-50%

## (3.6.2.4) Explanation of financial figures

*This figure represents the revenue we derive from our customers' interest in working remotely and the environmental benefits that provides. This represents half of our company's revenue in 2023.*

*[Add row]*

## C4. Governance

### (4.1) Does your organization have a board of directors or an equivalent governing body?

#### (4.1.1) Board of directors or equivalent governing body

*Select from:*

☑ Yes

#### (4.1.2) Frequency with which the board or equivalent meets

*Select from:*

☑ Quarterly

#### (4.1.3) Types of directors your board or equivalent is comprised of

*Select all that apply*

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

#### (4.1.4) Board diversity and inclusion policy

*Select from:*

☑ Yes, and it is publicly available

#### (4.1.5) Briefly describe what the policy covers

*Board Membership Criteria: Nominees for director will be selected based on, among other things, independence, integrity, diversity, skills, financial and other expertise, breadth of experience, knowledge about our business or industry, willingness and ability to devote adequate time and effort to Board responsibilities in the context of the existing composition, other areas that are expected to contribute to the Board's overall effectiveness and needs of the Board and its committees.*

#### (4.1.6) Attach the policy (optional)

*2023 02 09 Corporate Governance Guidelines.pdf*
*[Fixed row]*

## (4.1.1) Is there board-level oversight of environmental issues within your organization?

| | Board-level oversight of this environmental issue | Primary reason for no board-level oversight of this environmental issue | Explain why your organization does not have board-level oversight of this environmental issue |
|---|---|---|---|
| Climate change | *Select from:*<br>☑ Yes | *Select from:* | *Rich text input [must be under 2500 characters]* |
| Biodiversity | *Select from:*<br>☑ No, and we do not plan to within the next two years | *Select from:*<br>☑ Not an immediate strategic priority | *Upwork operates as a remote-first company and is not exposed to biodiversity-related risks or opportunities.* |

*[Fixed row]*

## (4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

### Climate change

### (4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

*Select all that apply*
☑ Board-level committee

### (4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

*Select from:*
☑ Yes

## (4.1.2.3) Policies which outline the positions' accountability for this environmental issue

*Select all that apply*

☑ Other policy applicable to the board, please specify :The committee's obligation is set forth in its charter.

## (4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

*Select from:*

☑ Scheduled agenda item in some board meetings – at least annually

## (4.1.2.5) Governance mechanisms into which this environmental issue is integrated

*Select all that apply*

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Overseeing reporting, audit, and verification processes

☑ Approving corporate policies and/or commitments

## (4.1.2.7) Please explain

*As is stated in its Committee Charter, the Nominating and Governance Committee of Upwork's Board of Directors oversees our corporate responsibility and sustainability programs. It is responsible for assessing Upwork's performance, risks, controls, and procedures related to sustainability and Environmental, Social and Governance (ESG) topics, which includes climate-related issues. Our Audit, Risk, and Compliance Committee is responsible for oversight of risk assessment and management. As such, the Audit, Risk, and Compliance Committee oversees any climate-related risks that are identified through our Enterprise Risk Management (ERM) program and that pose a significant threat to the business.*
*[Fixed row]*

# (4.2) Does your organization's board have competency on environmental issues?

## Climate change

## (4.2.1) Board-level competency on this environmental issue

*Select from:*

☑ No, but we plan to within the next two years

## (4.2.4) Primary reason for no board-level competency on this environmental issue

*Select from:*

☑ Other, please specify :Important, but not an immediate priority.

## (4.2.5) Explain why your organization does not have a board with competence on this environmental issue

*Upwork is an online platform that connects independent professionals with clients looking to hire remote freelancers. Given our business model, which helps remote teams connect and work together without the need for travel, climate change is seen by our key stakeholders as less material than issues related to collaborative technological tools, workforce development, hiring and recruitment, and other HR and work productivity topics. Climate change is also viewed as posing less critical risks than other issues due to our remote-first operating model, which decreases acute, chronic, and other climate change risks to our operations and business continuity. Nonetheless, Upwork has an in-house sustainability specialist, our Director of Sustainability and Impact, with climate expertise upon which our Board of Directors can rely.*

*[Fixed row]*

## (4.3) Is there management-level responsibility for environmental issues within your organization?

| | Management-level responsibility for this environmental issue | Primary reason for no management-level responsibility for environmental issues | Explain why your organization does not have management-level responsibility for environmental issues |
|---|---|---|---|
| Climate change | *Select from:*<br>☑ Yes | *Select from:* | *Rich text input [must be under 2500 characters]* |
| Biodiversity | *Select from:*<br>☑ No, and we do not plan to within the next two years | *Select from:*<br>☑ Not an immediate strategic priority | *Upwork operates as a remote-first company and is not exposed to biodiversity-related risks or opportunities.* |

*[Fixed row]*

## (4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

## Climate change

### (4.3.1.1) Position of individual or committee with responsibility

**Committee**

☑ Other committee, please specify :Nominating and Governance Committee

### (4.3.1.2) Environmental responsibilities of this position

**Dependencies, impacts, risks and opportunities**

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

**Policies, commitments, and targets**

☑ Setting corporate environmental targets

### (4.3.1.4) Reporting line

*Select from:*

☑ Reports to the board directly

### (4.3.1.5) Frequency of reporting to the board on environmental issues

*Select from:*

☑ Half-yearly

### (4.3.1.6) Please explain

*The Nominating and Governance Committee both assess and manage climate-related risks and opportunities that are deemed material or a priority by the Sustainability and Impact team and Sustainability Task Force. Among other duties, our Nominating and Governance Committee develops, recommends to the Board, and oversees any Upwork program relating to corporate responsibility and sustainability, including environmental, social, and corporate governance matters. They also review and assess, with management, Upwork's performance, risks, controls and procedures relating to corporate responsibility and sustainability.*

*[Add row]*

## (4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

### Climate change

### (4.5.1) Provision of monetary incentives related to this environmental issue

*Select from:*

☑ No, and we do not plan to introduce them in the next two years

### (4.5.3) Please explain

*Given the nature of our operations and business model, Upwork has maintained extremely low emissions (0 Scope 1 and less than 30MTCO2e Scope 2/year) and fulfilled its commitment to achieve carbon neutrality since 2019. We have not needed management incentives in order to do so.*
*[Fixed row]*

## (4.6) Does your organization have an environmental policy that addresses environmental issues?

| | Does your organization have any environmental policies? |
|---|---|
| | *Select from:*<br>☑ Yes |

*[Fixed row]*

## (4.6.1) Provide details of your environmental policies.

### Row 1

## (4.6.1.1) Environmental issues covered

*Select all that apply*

☑ Climate change

## (4.6.1.2) Level of coverage

*Select from:*

☑ Organization-wide

## (4.6.1.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

☑ Upstream value chain

## (4.6.1.4) Explain the coverage

*Upwork Inc. and its subsidiaries ("Upwork," "we," or "our") recognize climate change and environmental degradation as an existential threat, and we seek to be part of the solution. We will continue to incorporate sustainable practices into our operations, identify environmental opportunities within our business strategy, and foster environmental awareness among our team members. We are committed to setting—and working to achieve—robust environmental performance targets as part of our environmental strategy. For example, we are committed to operating as a carbon-neutral company and our direct operations have been carbon neutral since 2019. In 2023, Upwork committed to powering its offices with 100% carbon-free electricity. As our operations grow and evolve, we will continue to seek ways to increase resource use efficiency, decrease waste, and protect the natural world. We will engage our suppliers, clients, and other business partners to decrease environmental risks and negative impacts across our supply chain and value chain. This includes consideration of environmental factors when procuring goods and services and assessing the environmental performance of our suppliers. We seek opportunities to collaborate with our suppliers, customers, and other business partners on sustainability initiatives to bolster any shared environmental goals.*

## (4.6.1.5) Environmental policy content

**Environmental commitments**

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

**Climate-specific commitments**

☑ Commitment to 100% renewable energy

**Social commitments**

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to respect internationally recognized human rights

**Additional references/Descriptions**

☑ Description of renewable electricity procurement practices

## (4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

*Select all that apply*

☑ Yes, in line with the Paris Agreement

## (4.6.1.7) Public availability

*Select from:*

☑ Publicly available

## (4.6.1.8) Attach the policy

*Global Environmental Policy _ Upwork.pdf*

### Row 2

## (4.6.1.1) Environmental issues covered

*Select all that apply*

☑ Biodiversity

## (4.6.1.2) Level of coverage

*Select from:*

☑ Organization-wide

## (4.6.1.3) Value chain stages covered

*Select all that apply*

☑ Direct operations

## (4.6.1.4) Explain the coverage

*Resource Efficiency and Waste We will improve resource use efficiency whenever possible. This includes taking steps to measure and reduce our consumption of natural resources, when applicable, and avoiding the use of unnecessary or inefficient goods and services. Due to the nature of our business, Upwork uses very little water and does not have operational control over waste water treatment. Nonetheless, Upwork will seek to manage water use through the use of motion sensors, flow restrictors, and other efficiency tools, whenever possible.*

## (4.6.1.5) Environmental policy content

**Environmental commitments**

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

## (4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

*Select all that apply*

☑ No, and we do not plan to align in the next two years

## (4.6.1.7) Public availability

*Select from:*

☑ Publicly available

## (4.6.1.8) Attach the policy

*Global Environmental Policy _ Upwork.pdf*
*[Add row]*

## (4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

| | Are you a signatory or member of any environmental collaborative frameworks or initiatives? |
|---|---|
| | *Select from:*<br>☑ No, but we plan to within the next two years |

*[Fixed row]*

## (4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

### (4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

*Select all that apply*

☑ No, we have assessed our activities, and none could directly or indirectly influence policy, law, or regulation that may impact the environment

### (4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

*Select from:*

☑ No, but we plan to have one in the next two years

### (4.11.5) Indicate whether your organization is registered on a transparency register

*Select from:*

☑ Unknown

## (4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

*The Sustainability and Impact team works very closely with Upwork's Global Public Policy team to ensure alignment between Upwork's sustainability and public advocacy strategy. For example, the VP of Global Public Policy is a member of the Sustainability and Impact Task Force, sitting on the Community Affairs sub-group. The Public Policy team and the Sustainability and Impact team also sit in the same department, reporting up to the Chief of Business Affairs and Legal Officer. Any public statements, funding, or actions to support public policy that knowingly affects climate change policy or legislation is discussed in Sustainability Task Force meetings at least on a biannual basis.*

## (4.11.9) Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

*Select from:*

☑ Not an immediate strategic priority

## (4.11.10) Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

*Upwork has a public policy arm that engages advocacy groups and legislators on topics related to employment, freelancers, and remote work. Our goal is to educate relevant parties on Upwork's role as a work marketplace, the evolution of the staffing industry and of talent acquisition generally, and the need for legal frameworks to better support remote freelance talent. Our advocacy efforts are not focused on climate issues at this time, as we feel we can have a larger impact by addressing our own emissions and looking into strategies to support our clients in reducing theirs. Still, we will continue looking for ways to draw attention to the climate-related benefits of remote freelance work and consider engaging on climate-related policy issues going forward.*
*[Fixed row]*

## (4.12) Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?

*Select from:*

☑ Yes

## (4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

**Row 1**

## (4.12.1.1) Publication

*Select from:*

☑ In mainstream reports, in line with environmental disclosure standards or frameworks

## (4.12.1.2) Standard or framework the report is in line with

*Select all that apply*

☑ TCFD

☑ Other, please specify

## (4.12.1.3) Environmental issues covered in publication

*Select all that apply*

☑ Climate change

## (4.12.1.4) Status of the publication

*Select from:*

☑ Complete

## (4.12.1.5) Content elements

*Select all that apply*

☑ Strategy

☑ Governance

☑ Emissions figures

☑ Risks & Opportunities

☑ Value chain engagement

☑ Dependencies & Impacts

☑ Biodiversity indicators

☑ Public policy engagement

☑ Content of environmental policies

## (4.12.1.6) Page/section reference

*SASB Index - p. 52; TCFD Index - p.55*

## (4.12.1.7) Attach the relevant publication

*2023-impact-report.pdf*

## (4.12.1.8) Comment

*Attached is Upwork's 2023 Impact Report*
*[Add row]*

# C5. Business strategy

## (5.1) Does your organization use scenario analysis to identify environmental outcomes?

## Climate change

### (5.1.1) Use of scenario analysis

*Select from:*

☑ No, but we plan to within the next two years

### (5.1.3) Primary reason why your organization has not used scenario analysis

*Select from:*

☑ Other, please specify **:**Important but not an immediate priority

### (5.1.4) Explain why your organization has not used scenario analysis

*Upwork reports in alignment with TCFD recommendations and in our 2023 Impact Report, we stated that we are evaluating when to move forward with scenario analysis, given that our emissions are currently so low and because, as a relatively small company, forecasting future business models and future impacts of climate change scenarios is so difficult.*
*[Fixed row]*

## (5.2) Does your organization's strategy include a climate transition plan?

### (5.2.1) Transition plan

*Select from:*

☑ No, but we are developing a climate transition plan within the next two years

### (5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

*Select from:*

☑ Other, please specify :Our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

## (5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

*Since 2019, we have successfully reduced our emissions and have continued to maintain extremely low emissions, with the assumption that aggressive actions are needed to avoid the worst impacts of climate change. For example, our two offices are fully powered by renewable energy through a local purchasing agreement with a community choice aggregator (to power our San Francisco office) and the purchase of high-quality renewable energy certificates (RECs) (which we purchase to cover all energy use at our Chicago office). As a result, Upwork's market-based Scope 1 and 2 emissions were only 18 MT in 2023. While we have not conducted a scenario-based analysis to confirm it, we believe this puts Upwork solidly on a path that aligns with a 1.5 degree future and makes it difficult to further reduce emissions going forward. Moreover, our low emissions have made it infeasible to set Scope 1 and Scope 2 net-zero targets that align with SBTi requirements. As we grow and if our business travel continues to increase over time, Upwork will rely on a climate transition plan to maintain our low Scope 1 and 2 emissions and find opportunities to either maintain or reduce our absolute Scope 3 emissions. This will be supported by actions we took in 2023 to quantify a range of Scope 3 emissions, including those from business travel, employee commuting, all supply chain emissions, and remote work emissions. We also found that some of our Scope 3 emissions have already decreased. For example, by migrating almost all our cloud-based services to a carbon neutral facility in Oregon, we reduced our cloud-based emissions from 389 MT in 2020 to 4 MT in 2023. Through supplier and workforce engagement, we will find further ways to decrease our Scope 3 emissions to support a 1.5 degree scenario.*
*[Fixed row]*

# (5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

## (5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

*Select from:*

☑ Yes, both strategy and financial planning

## (5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

*Select all that apply*

☑ Products and services

☑ Upstream/downstream value chain

☑ Operations

*[Fixed row]*

## (5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

### Products and services

### (5.3.1.1) Effect type

*Select all that apply*

☑ Opportunities

### (5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

*Select all that apply*

☑ Climate change

### (5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

*Upwork's work marketplace connects companies with skilled talent around the world. Our business model enables talent to work from anywhere, improving their work-life balance and avoiding the time, financial cost, and environmental impact of a daily commute. By engaging remote talent and reducing business travel, clients can use Upwork to reduce their carbon footprint, further increasing their demand for our products and services. We will continue to build out a global work marketplace that supports remote work and report on the environmental benefits this supports.*

### Upstream/downstream value chain

### (5.3.1.1) Effect type

*Select all that apply*

☑ Opportunities

### (5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

*Select all that apply*

☑ Climate change

### (5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

*Upwork migrated our cloud-computing, hosting, and other server usage to a facility powered by renewable energy. This has reduced cloud-based emissions and saved the company money.*

### Operations

## (5.3.1.1) Effect type

*Select all that apply*

☑ Opportunities

## (5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

*Select all that apply*

☑ Climate change

## (5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

*As a result of moving towards a remote-first operating model, Upwork has closed and/or reduced the size of our corporate offices. This has resulted in less energy, water, and waste per employee on an annual basis, as well as reduced capital expenditures. We estimate that by subleasing our Santa Clara office and one of our San Francisco office suites through the end of their respective lease agreements, we will save more than 2 million.*

*[Add row]*

### (5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

### Row 1

## (5.3.2.1) Financial planning elements that have been affected

*Select all that apply*

☑ Indirect costs

## (5.3.2.2) Effect type

*Select all that apply*

☑ Risks

☑ Opportunities

## (5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

*Select all that apply*

☑ Climate change

## (5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

*Climate-related risks and opportunities have influenced our indirect costs in the short-term. For instance, as part of Upwork's commitment to carbon neutrality, we seek to purchase renewable energy for our offices. For example, we purchase a renewable energy portfolio from a community choice provider for our San Francisco office, slightly increasing our overhead expense for that leased space but reducing the downstream cost of Renewable Energy Credits (RECs). Climate-related risks and opportunities have influenced our access to capital in the short-term. For example, we recognize investors' continued interest in sustainable companies and we strive to be viewed as a good long-term investment. We have received encouragement and positive feedback from our investors regarding our ability to maintain low emissions and will continue to seek ways to not only reduce our footprint, but to contribute to climate solutions. In addition, we are assessing our own investments to understand the feasibility of an ESG investment strategy and ESG fund offerings for our employees via our 401(k) provider. We will continue evaluating our products and services to identify opportunities to further incorporate and promote climate-related solutions/features and distinguish Upwork as a climate-friendly business.*

*[Add row]*

# (5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

| | Identification of spending/revenue that is aligned with your organization’s climate transition |
|---|---|
| | *Select from:*<br>☑ No, but we plan to in the next two years |

*[Fixed row]*

# (5.10) Does your organization use an internal price on environmental externalities?

| | Use of internal pricing of environmental externalities | Primary reason for not pricing environmental externalities | Explain why your organization does not price environmental externalities |
|---|---|---|---|
| | *Select from:*<br>☑ No, but we plan to in the next two years | *Select from:*<br>☑ Not an immediate strategic priority | *We anticipate doing so in the next two years.* |

*[Fixed row]*

## (5.11) Do you engage with your value chain on environmental issues?

| | Engaging with this stakeholder on environmental issues | Environmental issues covered |
|---|---|---|
| Suppliers | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Climate change |
| Customers | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Climate change |
| Investors and shareholders | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Climate change |
| Other value chain stakeholders | *Select from:*<br>☑ Yes | *Select all that apply*<br>☑ Climate change |

*[Fixed row]*

## (5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

## Climate change

### (5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

*Select from:*

☑ Yes, we assess the dependencies and/or impacts of our suppliers

### (5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

*Select all that apply*

☑ Contribution to supplier-related Scope 3 emissions

### (5.11.1.3) % Tier 1 suppliers assessed

*Select from:*

☑ 100%

### (5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

*We assess all our suppliers emissions and contributions to our Scope 3 emissions. Furthermore, we evaluate their involvement in recent environmental controversies and the level of transparency in disclosing environmental policies and quantitative metrics. For instance, suppliers involved in an environmental controversy in the last five years, coupled with a lack of environmental policies and disclosures, are identified as high risk.*

### (5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

*Select from:*

☑ Unknown

*[Fixed row]*

## (5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

## Climate change

## (5.11.2.1) Supplier engagement prioritization on this environmental issue

*Select from:*

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

## (5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

*Select all that apply*

☑ In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

☑ Procurement spend

☑ Supplier performance improvement

☑ Other, please specify :ESG disclosure and reporting

## (5.11.2.4) Please explain

*In 2023, we updated our Supplier Code of Conduct, clarifying the behavior we expect of the suppliers we work with and committing to actions to assess supply chain risks every year. We also conducted our first supplier risk assessment and identified a subset of suppliers that did not have adequate disclosures. We are engaging with these suppliers to encourage them to improve transparency.*
*[Fixed row]*

### (5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

### Climate change

## (5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

*Select from:*

☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

## (5.11.5.2) Policy in place for addressing supplier non-compliance

*Select from:*

☑ Yes, we have a policy in place for addressing non-compliance

### (5.11.5.3) Comment

*In 2023, we updated our Supplier Code of Conduct, clarifying the behavior we expect of the suppliers we work with and committing to actions to assess supply chain risks every year. We share the Supplier Code of Conduct with every supplier via our Purchase Orders, helping ensure that every partner has received the Code and should understand our requirements.*
*[Fixed row]*

## (5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

## Climate change

### (5.11.6.1) Environmental requirement

*Select from:*
☑ Environmental disclosure through a public platform

### (5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

*Select all that apply*
☑ Supplier scorecard or rating

### (5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

*Select from:*
☑ 100%

### (5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

*Select from:*
☑ 51-75%

### (5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

*Select from:*
☑ 76-99%

### (5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

*Select from:*
☑ 51-75%

### (5.11.6.9) Response to supplier non-compliance with this environmental requirement

*Select from:*
☑ Retain and engage

### (5.11.6.10) % of non-compliant suppliers engaged

*Select from:*
☑ 100%

### (5.11.6.11) Procedures to engage non-compliant suppliers

*Select all that apply*
☑ Providing information on appropriate actions that can be taken to address non-compliance

### (5.11.6.12) Comment

*We are engaging with all suppliers who we identified as having inadequate ESG disclosures and encouraging them to improve their reporting next year.*
*[Add row]*

## (5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

## Climate change

### (5.11.7.2) Action driven by supplier engagement

*Select from:*

☑ Other, please specify :Disclosure of key ESG policies and quantitative policies

## (5.11.7.3) Type and details of engagement

**Information collection**

☑ Collect climate transition plan information at least annually from suppliers

☑ Collect environmental risk and opportunity information at least annually from suppliers

☑ Collect GHG emissions data at least annually from suppliers

☑ Collect targets information at least annually from suppliers

## (5.11.7.4) Upstream value chain coverage

*Select all that apply*

☑ Tier 1 suppliers

## (5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

*Select from:*

☑ 1-25%

## (5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

*Select from:*

☑ 1-25%

## (5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

*We are reaching out to suppliers identified as having inadequate ESG disclosures and encouraging them to report their ESG policies and metrics/data publicly. This allows us to gain more visibility into the ESG performance of suppliers and mitigate ESG-related risks across our supply chain.*

## (5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

*Select from:*
☑ Yes, please specify the environmental requirement :Environmental policy and metrics disclosure

## (5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

*Select from:*
☑ Yes
*[Add row]*

# (5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

## Climate change

## (5.11.9.1) Type of stakeholder

*Select from:*
☑ Customers

## (5.11.9.2) Type and details of engagement

**Education/Information sharing**
☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks
☑ Share information on environmental initiatives, progress and achievements

## (5.11.9.3) % of stakeholder type engaged

*Select from:*
☑ 1-25%

## (5.11.9.4) % stakeholder-associated scope 3 emissions

*Select from:*
☑ None

## (5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

*Upwork regularly shares information about our emissions and emissions reporting practices with new and existing clients, both in response to RFP/RFIs and annual surveys and/or meetings with existing clients. We also participate in 3-5 training webinars provided by our largest enterprise clients related to best practices in environmental disclosure and CDP reporting.*

## (5.11.9.6) Effect of engagement and measures of success

*We have explored deeper partnership opportunities with a few select clients in an effort to identify and work collaboratively toward shared environmental goals.*
*[Add row]*

# (5.12) Indicate any mutually beneficial environmental initiatives you could collaborate on with specific CDP Supply Chain members.

### Row 1

## (5.12.1) Requesting member

*Select from:*

## (5.12.2) Environmental issues the initiative relates to

*Select all that apply*
☑ Climate change

## (5.12.4) Initiative category and type

**Change to provision of goods and services**
☑ More online/virtual provision of services

## (5.12.5) Details of initiative

*We believe remote work has the power to decrease work-based emissions and would like to work with clients like Alphabet to quantify remote work emissions and the emission reductions achieved by hiring remote freelancers on Upwork.*

## (5.12.6) Expected benefits

*Select all that apply*

☑ Improved resource use and efficiency

☑ Lower price per unit

☑ Reduction of customers' operational emissions (customer scope 1 & 2)

☑ Reduction of downstream value chain emissions (own scope 3)

## (5.12.7) Estimated timeframe for realization of benefits

*Select from:*

☑ 0-1 year

## (5.12.8) Are you able to estimate the lifetime CO2e and/or water savings of this initiative?

*Select from:*

☑ Yes, lifetime CO2e savings only

*[Add row]*

### (5.13) Has your organization already implemented any mutually beneficial environmental initiatives due to CDP Supply Chain member engagement?

## (5.13.1) Environmental initiatives implemented due to CDP Supply Chain member engagement

*Select from:*

☑ No, but we plan to within the next two years

## (5.13.2) Primary reason for not implementing environmental initiatives

*Select from:*

☑ Not an immediate strategic priority

## (5.13.3) Explain why your organization has not implemented any environmental initiatives

*Quantifying and understanding how to report remote work emissions is an ongoing challenge. We are waiting to see what guidance the GHG Protocol and other frameworks provide on ways to do this effectively.*
*[Fixed row]*

# C6. Environmental Performance - Consolidation Approach

## (6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

### Climate change

### (6.1.1) Consolidation approach used

*Select from:*

☑ Operational control

### (6.1.2) Provide the rationale for the choice of consolidation approach

*Operational control is chosen for our consolidation approach because it provides the most comprehensive and accurate representation of our environmental impact. By using operational control, we can ensure that all facilities, processes, and activities over which we have the authority to introduce and implement policies are included in our reporting.*

### Plastics

### (6.1.1) Consolidation approach used

*Select from:*

☑ Other, please specify :We don't measure this at the moment.

### (6.1.2) Provide the rationale for the choice of consolidation approach

*We do not manufacture, sell, or distribute any physical products or goods, and our use of plastics is negligible.*

### Biodiversity

### (6.1.1) Consolidation approach used

*Select from:*

☑ Other, please specify **:**We don't measure this at the moment

## (6.1.2) Provide the rationale for the choice of consolidation approach

*We do not manufacture, sell, or distribute any physical products or goods, and our offices are not located in any regions that put biodiversity at risk. Furthermore, based our business model, we purchase a negligible amount of supplies that pose any major risks to biodiversity.*
*[Fixed row]*

## C7. Environmental performance - Climate Change

### (7.1) Is this your first year of reporting emissions data to CDP?

*Select from:*
☑ No

### (7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

| | Has there been a structural change? |
|---|---|
| | *Select all that apply*<br>☑ No |

*[Fixed row]*

### (7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

| | Change(s) in methodology, boundary, and/or reporting year definition? |
|---|---|
| | *Select all that apply*<br>☑ No |

*[Fixed row]*

## (7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

*Select all that apply*

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## (7.3) Describe your organization's approach to reporting Scope 2 emissions.

| | Scope 2, location-based | Scope 2, market-based | Comment |
|---|---|---|---|
| | *Select from:*<br>☑ We are reporting a Scope 2, location-based figure | *Select from:*<br>☑ We are reporting a Scope 2, market-based figure | *Scope 2 emissions include emissions from electricity use and natural gas burned for heating (for which we do not have operational control).* |

*[Fixed row]*

## (7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

*Select from:*

☑ No

## (7.5) Provide your base year and base year emissions.

### Scope 1

### (7.5.1) Base year end

*12/31/2019*

### (7.5.2) Base year emissions (metric tons CO2e)

*0.0*

## (7.5.3) Methodological details

*Per the guidance of our 3rd party verifier and due to the fact that we do not have operational control over the natural gas at our leased offices, we include emissions from natural gas burned onsite in our Scope 2 emissions. We are not restating this figure.*

### Scope 2 (location-based)

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*317.18*

## (7.5.3) Methodological details

*Scope 2 location-based emissions are calculated based on eGrid Subregions (electricity) and emissions factors for natural gas combustion from the Code of Federal Regulations (e-CFR) Title 40, Chapter I, Subchapter C, Part 98. We are not restating this figure.*

### Scope 2 (market-based)

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*32.96*

## (7.5.3) Methodological details

*The figure above represents our portion of the emissions resulting from natural gas burned for heating in the buildings where we lease office space. Our non-renewable electricity consumption (and resulting emissions) at our leased offices, including the additional electricity used to heat our Chicago office that year, is fully covered by the Renewable Energy Credits purchased in 2022 from Native Energy. We are not restating this figure.*

### Scope 3 category 1: Purchased goods and services

## (7.5.1) Base year end

*12/31/2023*

## (7.5.2) Base year emissions (metric tons CO2e)

*12797.05*

## (7.5.3) Methodological details

*Starting in 2023, we began calculating emissions from all suppliers using a hybrid spend-based methodology. For this reason, we have set 2023 as our baseline for this category.*

### Scope 3 category 2: Capital goods

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

## (7.5.3) Methodological details

*N/A*

### Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

## (7.5.1) Base year end

*12/31/2022*

## (7.5.2) Base year emissions (metric tons CO2e)

*18.41*

## (7.5.3) Methodological details

*We began calculating these emissions in 2022.*

### Scope 3 category 4: Upstream transportation and distribution

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

## (7.5.3) Methodological details

*N/A*

### Scope 3 category 5: Waste generated in operations

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

## (7.5.3) Methodological details

*N/A*

### Scope 3 category 6: Business travel

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*553.0*

## (7.5.3) Methodological details

*The figure above represents the emissions tied to employee air travel and rental cars. This figure is not restated.*

### Scope 3 category 7: Employee commuting

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*216*

## (7.5.3) Methodological details

*The figure above represents all team member commutes. This figure is not restated. It does not include emissions from remote work, which we began calculating in 2022.*

### Scope 3 category 8: Upstream leased assets

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

### (7.5.3) Methodological details

*N/A*

## Scope 3 category 9: Downstream transportation and distribution

### (7.5.1) Base year end

*12/31/2019*

### (7.5.2) Base year emissions (metric tons CO2e)

*0*

### (7.5.3) Methodological details

*N/A*

## Scope 3 category 10: Processing of sold products

### (7.5.1) Base year end

*12/31/2019*

### (7.5.2) Base year emissions (metric tons CO2e)

*0*

### (7.5.3) Methodological details

*N/A*

## Scope 3 category 11: Use of sold products

### (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

## (7.5.3) Methodological details

*N/A*

**Scope 3 category 12: End of life treatment of sold products**

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

## (7.5.3) Methodological details

*N/A*

**Scope 3 category 13: Downstream leased assets**

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

## (7.5.3) Methodological details

*N/A*

### Scope 3 category 14: Franchises

### (7.5.1) Base year end

*12/31/2019*

### (7.5.2) Base year emissions (metric tons CO2e)

*0*

### (7.5.3) Methodological details

*N/A*

### Scope 3 category 15: Investments

### (7.5.1) Base year end

*12/31/2019*

### (7.5.2) Base year emissions (metric tons CO2e)

*0*

### (7.5.3) Methodological details

*N/A*

### Scope 3: Other (upstream)

### (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

## (7.5.3) Methodological details

*N/A*

### Scope 3: Other (downstream)

## (7.5.1) Base year end

*12/31/2019*

## (7.5.2) Base year emissions (metric tons CO2e)

*0*

## (7.5.3) Methodological details

*N/A*
*[Fixed row]*

### (7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

### Reporting year

## (7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

*0*

## (7.6.3) Methodological details

*Per the guidance of our 3rd party verifier and due to the fact that we do not have operational control over the natural gas at our leased offices, we include emissions from natural gas burned onsite in our Scope 2 emissions.*

*[Fixed row]*

## (7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

| | Gross global Scope 2, location-based emissions (metric tons CO2e) | Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable) | Methodological details |
|---|---|---|---|
| Reporting year | *349.34* | *18.2* | *Methodology based on GHG Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)* |

*[Fixed row]*

## (7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

### Purchased goods and services

### (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

### (7.8.2) Emissions in reporting year (metric tons CO2e)

*12797.05*

### (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Supplier-specific method

☑ Hybrid method

☑ Average data method

☑ Spend-based method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*75*

## (7.8.5) Please explain

*This figure represents the emissions of all our Tier 1 suppliers that can be attributed to the goods and services we procured from them. Supplier emissions are based on either publicly disclosed emissions data, product-specific emissions data provided directly by the supplier, or an estimate of emissions based on the suppliers' industry and products sold.*

### Capital goods

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*As a remote-first company, Upwork's business model differs from traditional organizations that rely heavily on physical infrastructure and capital goods. Upwork operates in a digital environment, connecting freelancers and clients through a robust online platform. The nature of our operations focuses on intangible assets, such as technology, software, and human capital, rather than physical capital goods.*

### Fuel-and-energy-related activities (not included in Scope 1 or 2)

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*18*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Fuel-based method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*0*

## (7.8.5) Please explain

*We understand that fuel- and energy-related emissions includes emissions related to the production of fuels and energy purchased and consumed. We calculated emissions attributed to the following activities: upstream emissions of purchased fuels (natural gas), upstream emissions of purchased electricity, transmission and distribution (T&D) losses, and generation of purchased electricity that is sold to end users.*

### Upstream transportation and distribution

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*We understand that "upstream transportation and distribution" includes: -Transportation and distribution of products purchased in the reporting year, between a company's tier 1 suppliers and its own operations in vehicles not owned or operated by the reporting company (including multi-modal shipping where multiple carriers are involved in the delivery of a product, but excluding fuel and energy products); and - Third-party transportation and distribution services purchased by the reporting company in the reporting year (either directly or through an intermediary), including inbound logistics, outbound logistics (e.g., of sold products), and third-party transportation and distribution between a company's own facilities (see here for exact definition: https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter4.pdf). We do not produce any goods requiring the upstream transportation and distribution of supplies or materials. As a result, this category is not relevant to us.*

### Waste generated in operations

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, not yet calculated

## (7.8.5) Please explain

*We understand that there are emissions associated with third-party disposal and treatment of waste generated through our operations of our leased offices, however, the number of offices we lease has decreased from 4 to 2 over the last four years, and the waste we generate at each office is de minimis. As a result, we do not calculate the emissions associated with this category at this time.*

### Business travel

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*384.98*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Fuel-based method

☑ Distance-based method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*75*

## (7.8.5) Please explain

*Data used to calculate GHG emissions from business travel were based on travel mode (e.g., plane or car), segment length (for plane), and number of days traveled (for car) from reports provided by our corporate travel management company and our internal expense records. We used the EPA GHG Emission Factors Hub (Category 6: Business Travel and Category 7: Employee Commuting) to quantify resulting emissions.*

### Employee commuting

## (7.8.1) Evaluation status

*Select from:*
☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*93.91*

## (7.8.3) Emissions calculation methodology

*Select all that apply*
☑ Fuel-based method
☑ Distance-based method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*0*

## (7.8.5) Please explain

*Upwork surveyed employees to quantify total miles traveled via different modes of travel throughout the year, asking respondents to share the make and model of the vehicle they used for all or a part of their commute, if applicable. We considered commutes to both Upwork offices and shared workspaces. We used mpg data to calculate fuel use and emissions from employee vehicles and emissions factors from the EPA's Emission Factors Hub to calculate emissions from Transit Rail and Buses. Note that though we calculate Remote Work as a separate Scope 3 category, we've seen that CDP has recommended companies include those emissions in this category. In 2023, Upwork's remote work emissions were 96.2 MT.*

### Upstream leased assets

## (7.8.1) Evaluation status

*Select from:*
☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Upstream leased assets include emissions from the operation of assets that are leased by the reporting company in the reporting year and not already included in the reporting company's Scope 1 or Scope 2 inventories (see here for exact definition: https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter8.pdf). At* *the end of 2023, the reporting year, we leased two facilities, our Chicago and San Francisco offices. Emissions from these offices are already accounted for in our Scope 1 and Scope 2 emissions and reported in this disclosure. As a result, this category is not relevant to us as we do not have any additional upstream leased assets for which to report.*

### Downstream transportation and distribution

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Downstream transportation and distribution includes emissions that occur in the reporting year from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company (see here for exact definition: https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter9.pdf). Our business does not sell products; as a result, this category is not relevant to us as we do not have any downstream transportation and distribution to report.*

### Processing of sold products

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Processing of sold products include emissions from the processing of sold intermediate products by third parties (e.g., manufacturers) subsequent to sale by the reporting company (see here for exact definition: https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter10.pdf). Our business does not sell physical products, so there is no additional processing. As a result, this category is not relevant to us.*

### Use of sold products

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Use of sold products includes emissions from the use of goods and services sold by the reporting company in the reporting year (see here for exact definition: https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter11.pdf). Our business does not sell physical products, so there are no activities that consume energy during use. As a result, this category is not relevant to us.*

### End of life treatment of sold products

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*End of life treatment of sold products includes emissions from the waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life (see here for exact definition: https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter12.pdf). Our business does not sell physical products, so there is no end of life treatment of products. As a result, this category is not relevant to us.*

### Downstream leased assets

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Downstream leased assets include emissions from the operation of assets that are owned by the reporting company (acting as lessor) and leased to other entities in the reporting year that are not already included in Scope 1 or Scope 2 (see here for exact definition: https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter13.pdf). Upwork does not own entities or lease such entities. As such, this category is not relevant to us.*

### Franchises

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Franchises include emissions from the operation of franchises not included in Scope 1 or Scope 2 (see here for exact definition: https://ghgprotocol.org/sites/default/files/standards_supporting/Chapter14.pdf). Upwork is not a franchisor. As such, this category is not relevant to us.*

### Investments

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Emissions from investments stem from emissions associated with equity investments, debt investments, and project finances (see here for exact definition of applicable investments: https://ghgprotocol.org/sites/default/files/standards/Scope3_Calculation_Guidance_0.pdf). We do not hold any such investments. As such, this category is not relevant to us.*

### Other (upstream)

## (7.8.1) Evaluation status

*Select from:*

☑ Relevant, calculated

## (7.8.2) Emissions in reporting year (metric tons CO2e)

*96.176*

## (7.8.3) Emissions calculation methodology

*Select all that apply*

☑ Average data method

## (7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

*0*

## (7.8.5) Please explain

*To quantify the energy consumption related to remote work, an online survey was provided to Upwork employees to collect information on their home location (e.g., State), number of weeks worked at home, the type of heating fuel the home uses (natural gas, electricity), and the amount of electricity they used in the past year, based on utility bills. To quantify GHG emissions from electricity where no direct purchase of renewables were reported, we used eGRID data. To quantify emissions from natural gas, EPA emissions factors were used.*

### Other (downstream)

## (7.8.1) Evaluation status

*Select from:*

☑ Not relevant, explanation provided

## (7.8.5) Please explain

*Not applicable to Upwork.*
*[Fixed row]*

### (7.9) Indicate the verification/assurance status that applies to your reported emissions.

| | Verification/assurance status |
|---|---|
| Scope 1 | *Select from:*<br>☑ Third-party verification or assurance process in place |
| Scope 2 (location-based or market-based) | *Select from:*<br>☑ Third-party verification or assurance process in place |
| Scope 3 | *Select from:*<br>☑ Third-party verification or assurance process in place |

*[Fixed row]*

## (7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

### Row 1

### (7.9.1.1) Verification or assurance cycle in place

*Select from:*

☑ Annual process

### (7.9.1.2) Status in the current reporting year

*Select from:*

☑ Complete

### (7.9.1.3) Type of verification or assurance

*Select from:*

☑ Reasonable assurance

## (7.9.1.4) Attach the statement

*Upwork CY2023_Verification Opinion_v3.pdf*

## (7.9.1.5) Page/section reference

*1-3*

## (7.9.1.6) Relevant standard

*Select from:*

☑ ISO14064-3

## (7.9.1.7) Proportion of reported emissions verified (%)

*100*
*[Add row]*

### (7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

### Row 1

## (7.9.2.1) Scope 2 approach

*Select from:*

☑ Scope 2 location-based

## (7.9.2.2) Verification or assurance cycle in place

*Select from:*

☑ Annual process

## (7.9.2.3) Status in the current reporting year

*Select from:*

☑ Complete

## (7.9.2.4) Type of verification or assurance

*Select from:*

☑ Reasonable assurance

## (7.9.2.5) Attach the statement

*Upwork CY2023_Verification Opinion_v3.pdf*

## (7.9.2.6) Page/ section reference

*1-3*

## (7.9.2.7) Relevant standard

*Select from:*

☑ ISO14064-3

## (7.9.2.8) Proportion of reported emissions verified (%)

*100*

### Row 2

## (7.9.2.1) Scope 2 approach

*Select from:*

☑ Scope 2 market-based

## (7.9.2.2) Verification or assurance cycle in place

*Select from:*

☑ Annual process

### (7.9.2.3) Status in the current reporting year

*Select from:*

☑ Complete

### (7.9.2.4) Type of verification or assurance

*Select from:*

☑ Reasonable assurance

### (7.9.2.5) Attach the statement

*Upwork CY2023_Verification Opinion_v3.pdf*

### (7.9.2.6) Page/ section reference

*1-3*

### (7.9.2.7) Relevant standard

*Select from:*

☑ ISO14064-3

### (7.9.2.8) Proportion of reported emissions verified (%)

*100*
*[Add row]*

## (7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

### Row 1

## (7.9.3.1) Scope 3 category

*Select all that apply*

☑ Scope 3: Purchased goods and services

☑ Scope 3: Business travel

☑ Scope 3: Employee commuting

## (7.9.3.2) Verification or assurance cycle in place

*Select from:*

☑ Annual process

## (7.9.3.3) Status in the current reporting year

*Select from:*

☑ Complete

## (7.9.3.4) Type of verification or assurance

*Select from:*

☑ Limited assurance

## (7.9.3.5) Attach the statement

*Upwork CY2023_Verification Opinion_v3.pdf*

## (7.9.3.6) Page/section reference

*1-3*

## (7.9.3.7) Relevant standard

*Select from:*

☑ ISO14064-3

## (7.9.3.8) Proportion of reported emissions verified (%)

*100*
*[Add row]*

### (7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

*Select from:*
☑ Decreased

### (7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

### Change in renewable energy consumption

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*N/A*

### Other emissions reduction activities

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*N/A*

### Divestment

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*N/A*

### Acquisitions

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*N/A*

### Mergers

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*
☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*N/A*

### Change in output

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*N/A*

### Change in methodology

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*N/A*

### Change in boundary

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*N/A*

### Change in physical operating conditions

## (7.10.1.1) Change in emissions (metric tons CO2e)

*19.46*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ Decreased

## (7.10.1.3) Emissions value (percentage)

*5.3*

## (7.10.1.4) Please explain calculation

*We were able to decrease our Scope 2 location-based emissions by downsizing our Chicago office and using less electricity. This was the result of our transition to a remote-first operating model, which we have not only put into practice, but also encourage and enable our clients to do in order to avoid work-related commutes. Formula: (2023 Scope 2 - 2022 Scope 2) / 2022 Scope 2 * 100. Calculation: (349.34 MTCO2e - 368.9 MTCO2e) / 368.9 MTCO2e  -5.3%*

### Unidentified

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*0*

### Other

## (7.10.1.1) Change in emissions (metric tons CO2e)

*0*

## (7.10.1.2) Direction of change in emissions

*Select from:*

☑ No change

## (7.10.1.3) Emissions value (percentage)

*0*

## (7.10.1.4) Please explain calculation

*0*
*[Fixed row]*

### (7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

*Select from:*
☑ Location-based

### (7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

*Select from:*
☑ No

### (7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

*Select from:*
☑ Yes

### (7.15.1) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

**Row 1**

## (7.15.1.1) Greenhouse gas

*Select from:*
☑ CO2

## (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*0*

## (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

### Row 2

## (7.15.1.1) Greenhouse gas

*Select from:*
☑ CH4

## (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*0*

## (7.15.1.3) GWP Reference

*Select from:*
☑ IPCC Sixth Assessment Report (AR6 - 100 year)

### Row 3

## (7.15.1.1) Greenhouse gas

*Select from:*
☑ N2O

## (7.15.1.2) Scope 1 emissions (metric tons of CO2e)

*0*

## (7.15.1.3) GWP Reference

*Select from:*

☑ IPCC Sixth Assessment Report (AR6 - 100 year)

*[Add row]*

### (7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

| | Scope 1 emissions (metric tons CO2e) | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|---|---|---|---|
| United States of America | *0* | *349.34* | *18.2* |

*[Fixed row]*

### (7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

*Select all that apply*

☑ By facility

### (7.17.2) Break down your total gross global Scope 1 emissions by business facility.

### Row 1

## (7.17.2.1) Facility

*Upwork San Francisco Office*

### (7.17.2.2) Scope 1 emissions (metric tons CO2e)

*0*

### (7.17.2.3) Latitude

*37.7789*

### (7.17.2.4) Longitude

*-122.3956*

**Row 2**

### (7.17.2.1) Facility

*Upwork Chicago Office*

### (7.17.2.2) Scope 1 emissions (metric tons CO2e)

*0*

### (7.17.2.3) Latitude

*41.8759*

### (7.17.2.4) Longitude

*-87.6405*
*[Add row]*

## (7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

*Select all that apply*
☑ By facility

## (7.20.2) Break down your total gross global Scope 2 emissions by business facility.

| | Facility | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|---|---|---|---|
| Row 1 | *Upwork Chicago Office* | *297.94* | *0* |
| Row 2 | *Upwork San Francisco Office* | *51.41* | *18* |

*[Add row]*

## (7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

### Consolidated accounting group

#### (7.22.1) Scope 1 emissions (metric tons CO2e)

*0*

#### (7.22.2) Scope 2, location-based emissions (metric tons CO2e)

*349.34*

#### (7.22.3) Scope 2, market-based emissions (metric tons CO2e)

*18*

#### (7.22.4) Please explain

*Scope 1 and 2 reflect consolidated accounting group*

### All other entities

## (7.22.1) Scope 1 emissions (metric tons CO2e)

*0*

## (7.22.2) Scope 2, location-based emissions (metric tons CO2e)

*0*

## (7.22.3) Scope 2, market-based emissions (metric tons CO2e)

*0*

## (7.22.4) Please explain

*No other entities included in GHG accounting*
*[Fixed row]*

### (7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

*Select from:*
☑ Not relevant as we do not have any subsidiaries

### (7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

### Row 1

## (7.27.1) Allocation challenges

*Select from:*
☑ Other, please specify :Upwork is an online marketplace that enables companies to hire professionals anywhere in the world. We do not sell physical products and our services are digital in nature, making it difficult to tie emissions to a single unit of production.

## (7.27.2) Please explain what would help you overcome these challenges

*Upwork is an online work marketplace that enables companies to find and remotely work with independent professionals, and as such, we do not manufacture or sell any physical products. Our services are almost entirely digital and remote in nature, meaning that we are not required to travel in order to market, sell, or deliver the services we offer, and the independent professionals who use our services conduct their work almost entirely remotely. This, along with our rapid expansion of products and services, makes it extremely difficult to quantify the emissions tied to a single product, service, and/or customer. Furthermore, Upwork has embraced a remote first operating model and the majority of our workforce is remote 100% of the time. As a result, our Scope 1 and 2 emissions have decreased substantially, even as our employees and revenues have grown, causing any emissions tied to a single customer to decrease substantially in the last two years. As the rate and pace of change to our operations and products slows, it should become easier to quantify the emissions resulting from a single unit of production and/or service.*
*[Add row]*

## (7.28) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

## (7.28.1) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

*Select from:*
☑ Yes

## (7.28.2) Describe how you plan to develop your capabilities

*As the pace of change to our operations and products slows and we have more historical data to evaluate, we expect to be able to quantify energy use and emissions tied to specific products we offer and the use of those products. Because we do not produce, sell or distribute any physical products, nor do we travel in order to offer our professional and/or advisory services, the primary factors that will inform this analysis will be the amount of labor, data, and hardware (and resulting energy use) required to support our distinct products and the customers who use those products.*
*[Fixed row]*

## (7.29) What percentage of your total operational spend in the reporting year was on energy?

*Select from:*
☑ More than 0% but less than or equal to 5%

## (7.30) Select which energy-related activities your organization has undertaken.

| | Indicate whether your organization undertook this energy-related activity in the reporting year |
|---|---|
| Consumption of fuel (excluding feedstocks) | *Select from:*<br>☑ No |
| Consumption of purchased or acquired electricity | *Select from:*<br>☑ Yes |
| Consumption of purchased or acquired heat | *Select from:*<br>☑ Yes |
| Consumption of purchased or acquired steam | *Select from:*<br>☑ No |
| Consumption of purchased or acquired cooling | *Select from:*<br>☑ No |
| Generation of electricity, heat, steam, or cooling | *Select from:*<br>☑ No |

*[Fixed row]*

## (7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

## Consumption of purchased or acquired electricity

### (7.30.1.1) Heating value

*Select from:*

☑ Unable to confirm heating value

### (7.30.1.2) MWh from renewable sources

*799.69*

## (7.30.1.3) MWh from non-renewable sources

*0*

## (7.30.1.4) Total (renewable and non-renewable) MWh

*799.69*

### Consumption of purchased or acquired heat

## (7.30.1.1) Heating value

*Select from:*

☑ Unable to confirm heating value

## (7.30.1.2) MWh from renewable sources

*0*

## (7.30.1.3) MWh from non-renewable sources

*100.3*

## (7.30.1.4) Total (renewable and non-renewable) MWh

*100.3*

### Total energy consumption

## (7.30.1.1) Heating value

*Select from:*

☑ Unable to confirm heating value

## (7.30.1.2) MWh from renewable sources

*799.69*

## (7.30.1.3) MWh from non-renewable sources

*100.3*

## (7.30.1.4) Total (renewable and non-renewable) MWh

*899.99*
*[Fixed row]*

**(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.**

**Row 1**

## (7.30.14.1) Country/area

*Select from:*
☑ United States of America

## (7.30.14.2) Sourcing method

*Select from:*
☑ Retail supply contract with an electricity supplier (retail green electricity)

## (7.30.14.3) Energy carrier

*Select from:*
☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Renewable energy mix, please specify :wind, solar, geothermal and small-scale hydro

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*94.18*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ US-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ United States of America

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ Yes

## (7.30.14.9) Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

*2004*

## (7.30.14.10) Comment

*The figure reported above represents the eligible renewable (wind, solar, geothermal and small-scale hydro) and zero-emissions (large-scale hydro) electricity we purchase from a community choice aggregator to power our San Francisco office in 2023.*

### Row 2

## (7.30.14.1) Country/area

*Select from:*

☑ United States of America

## (7.30.14.2) Sourcing method

*Select from:*

☑ Unbundled procurement of energy attribute certificates (EACs)

## (7.30.14.3) Energy carrier

*Select from:*

☑ Electricity

## (7.30.14.4) Low-carbon technology type

*Select from:*

☑ Solar

## (7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

*705.5*

## (7.30.14.6) Tracking instrument used

*Select from:*

☑ US-REC

## (7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

*Select from:*

☑ United States of America

## (7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

*Select from:*

☑ No

## (7.30.14.10) Comment

*The figure reported above represents the RECs we purchase from Native Energy to account for all energy we purchase from the grid/local utilities (put another way, all energy not purchased from a local CCA that is guaranteed renewable or zero-carbon). The RECs we purchase support several energy generation facilities and therefore we cannot report one single commissioning year for the projects supported.*
*[Add row]*

## (7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

### United States of America

## (7.30.16.1) Consumption of purchased electricity (MWh)

*799.7*

## (7.30.16.2) Consumption of self-generated electricity (MWh)

*0*

## (7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

*100.31*

## (7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

*0*

## (7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

*900.01*
*[Fixed row]*

## (7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

**Row 1**

## (7.45.1) Intensity figure

*0.43776942*

## (7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

*349.34*

## (7.45.3) Metric denominator

*Select from:*

☑ full time equivalent (FTE) employee

## (7.45.4) Metric denominator: Unit total

*798*

## (7.45.5) Scope 2 figure used

*Select from:*

☑ Location-based

## (7.45.6) % change from previous year

*3.74*

## (7.45.7) Direction of change

*Select from:*

☑ Increased

## (7.45.8) Reasons for change

*Select all that apply*

☑ Other, please specify :Decrease in FTE (denominator)

## (7.45.9) Please explain

*The intensity metric increased. While our absolute emissions decreased slightly from 2022, the number of full-time employees at Upwork also decreased in the past year.*

### Row 2

## (7.45.1) Intensity figure

*5.1e-7*

## (7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

*349.34*

## (7.45.3) Metric denominator

*Select from:*

☑ unit total revenue

## (7.45.4) Metric denominator: Unit total

*689140000*

## (7.45.5) Scope 2 figure used

*Select from:*

☑ Location-based

## (7.45.6) % change from previous year

*15*

## (7.45.7) Direction of change

*Select from:*
☑ Decreased

## (7.45.8) Reasons for change

*Select all that apply*
☑ Change in revenue
☑ Other, please specify **:**Decrease in non-renewable energy use.

## (7.45.9) Please explain

*While Upwork's revenue increased from last year, its use of non-renewable energy decreased.*

### Row 3

## (7.45.1) Intensity figure

*0.0228643216*

## (7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

*18.2*

## (7.45.3) Metric denominator

*Select from:*
☑ full time equivalent (FTE) employee

## (7.45.4) Metric denominator: Unit total

*798*

## (7.45.5) Scope 2 figure used

*Select from:*

☑ Market-based

## (7.45.6) % change from previous year

*30.28*

## (7.45.7) Direction of change

*Select from:*
☑ Increased

## (7.45.8) Reasons for change

*Select all that apply*
☑ Other, please specify :Change in number of FTE

## (7.45.9) Please explain

*Significant decrease in FTE from 2022.*

### Row 4

## (7.45.1) Intensity figure

*2.64e-8*

## (7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

*18.2*

## (7.45.3) Metric denominator

*Select from:*
☑ unit total revenue

## (7.45.4) Metric denominator: Unit total

*689000000*

## (7.45.5) Scope 2 figure used

*Select from:*
☑ Market-based

## (7.45.6) % change from previous year

*6.73*

## (7.45.7) Direction of change

*Select from:*
☑ Increased

## (7.45.8) Reasons for change

*Select all that apply*
☑ Other, please specify **:**Increase in natural gas consumption

## (7.45.9) Please explain

*Very slight increase in natural gas consumption from 2022.*
*[Add row]*

### (7.52) Provide any additional climate-related metrics relevant to your business.

### Row 1

## (7.52.1) Description

*Select from:*

☑ Energy usage

## (7.52.2) Metric value

*799.7*

## (7.52.3) Metric numerator

*799.7*

## (7.52.4) Metric denominator (intensity metric only)

*NA*

## (7.52.5) % change from previous year

*1.48*

## (7.52.6) Direction of change

*Select from:*
☑ Decreased

## (7.52.7) Please explain

*Upwork's electricity consumption has been on a decreasing trend since 2020 and we used 1.48% less electricity in 2023 than in 2022.*
*[Add row]*

### (7.53) Did you have an emissions target that was active in the reporting year?

*Select all that apply*
☑ Intensity target

### (7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

**Row 1**

## (7.53.2.1) Target reference number

*Select from:*

☑ Int 1

## (7.53.2.2) Is this a science-based target?

*Select from:*

☑ No, and we do not anticipate setting one in the next two years

## (7.53.2.5) Date target was set

*08/01/2024*

## (7.53.2.6) Target coverage

*Select from:*

☑ Organization-wide

## (7.53.2.7) Greenhouse gases covered by target

*Select all that apply*

☑ Carbon dioxide ($CO_2$)

☑ Methane ($CH_4$)

☑ Nitrous oxide ($N_2O$)

## (7.53.2.8) Scopes

*Select all that apply*

☑ Scope 2

## (7.53.2.9) Scope 2 accounting method

*Select from:*
☑ Market-based

## (7.53.2.11) Intensity metric

*Select from:*
☑ Metric tons CO2e per unit FTE employee

## (7.53.2.12) End date of base year

*12/31/2019*

## (7.53.2.14) Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

*0.066*

## (7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

*0.0660000000*

## (7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

*100*

## (7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

*100*

## (7.53.2.55) End date of target

*12/31/2030*

## (7.53.2.56) Targeted reduction from base year (%)

*50*

## (7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

*0.0330000000*

## (7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

*-39*

## (7.53.2.61) Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

*0.0227819549*

## (7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

*0.0227819549*

## (7.53.2.81) Land-related emissions covered by target

*Select from:*

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

## (7.53.2.82) % of target achieved relative to base year

*130.96*

## (7.53.2.83) Target status in reporting year

*Select from:*

☑ Achieved and maintained

## (7.53.2.85) Explain target coverage and identify any exclusions

*This target covers all of Upwork's market-based Scope 2 emissions, which relate to the electricity and natural gas Upwork uses to power and heat our leased offices. Upwork is committed to powering its offices with 100% clean energy, and as such, our Scope 2 emissions are extremely low. This target is largely focused on the emissions derived from natural gas burned to heat our offices (operationally controlled by our property manager, and as such, categorized as Scope 2).*

## (7.53.2.86) Target objective

*As a relatively small corporation focused on fast growth over the next six years, this target is designed to help Upwork decrease emissions from our 2019 baseline and maintain maintain our emissions intensity at a stable level as our operations grow. We've selected 2019 as our baseline because it was the first year that Upwork quantified and reported its emissions.*

## (7.53.2.88) Target derived using a sectoral decarbonization approach

*Select from:*

☑ No

## (7.53.2.89) List the emissions reduction initiatives which contributed most to achieving this target

*Upwork is committed to operating as a remote-first company as it grows in order to maintain low emissions and build a highly-skilled distributed team. By doing do, we are able to decrease the size of our office footprint, using less energy to power and heat our offices. We are also committed to purchasing 100% renewable electricity, through direct contracts with local energy providers and through the purchase of RECs. This target strengthens our commitment to these efforts.*

*[Add row]*

# (7.54) Did you have any other climate-related targets that were active in the reporting year?

*Select all that apply*

☑ Targets to increase or maintain low-carbon energy consumption or production

# (7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

### Row 1

## (7.54.1.1) Target reference number

*Select from:*

☑ Low 1

## (7.54.1.2) Date target was set

*08/01/2023*

## (7.54.1.3) Target coverage

*Select from:*
☑ Organization-wide

## (7.54.1.4) Target type: energy carrier

*Select from:*
☑ Electricity

## (7.54.1.5) Target type: activity

*Select from:*
☑ Consumption

## (7.54.1.6) Target type: energy source

*Select from:*
☑ Renewable energy source(s) only

## (7.54.1.7) End date of base year

*12/31/2023*

## (7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

*799.69*

## (7.54.1.9) % share of low-carbon or renewable energy in base year

*11.78*

## (7.54.1.10) End date of target

*12/31/2023*

## (7.54.1.11) % share of low-carbon or renewable energy at end date of target

*100*

## (7.54.1.12) % share of low-carbon or renewable energy in reporting year

*100*

## (7.54.1.13) % of target achieved relative to base year

*100.00*

## (7.54.1.14) Target status in reporting year

*Select from:*

☑ Achieved and maintained

## (7.54.1.16) Is this target part of an emissions target?

*No*

## (7.54.1.17) Is this target part of an overarching initiative?

*Select all that apply*

☑ Other, please specify :Part of our commitment to achieving carbon neutrality on an annual basis and our goal to use 100% renewable energy every year.

## (7.54.1.19) Explain target coverage and identify any exclusions

*This target covers our electricity consumption for the facilities under our Scope 1 and 2 control and does not include our use of natural gas for heating.*

## (7.54.1.20) Target objective

*To power our offices with 100% renewable energy every year in an effort to maintain low Scope 2 emissions. We also purchase RECs to cover any non-renewable energy used by our team for remote work, although this is not represented in this Scope 2 category.*

## (7.54.1.22) List the actions which contributed most to achieving this target

*The figure we report for the "% share of low-carbon or renewable energy in base year" represents the portion of renewable energy we purchased in 2023 from a community choice aggregator (CCA). Currently, there are no CCAs in the greater Chicago area and Upwork does not have the ability to install renewable energy at our Chicago office, which is leased. By purchasing RECS to cover all other energy we consumed in 2023 (purchased from the grid), we reached the 100% figure reported as our "% share of low-carbon or renewable energy in target year." We purchase energy via Clean PowerSF's "Green" portfolio and purchase Native Energy's New Renewables Portfolio, which funds new sources of renewable energy throughout the US. The portfolio is building 200,000 MWh of new, community-scale renewables projects that are fully attributable to funders and also meet "additionality criteria," meaning these projects would not have happened without buyers like Upwork. Looking forward, we plan to reduce our emissions and minimize the need for offsets and RECs.*
*[Add row]*

## (7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

*Select from:*
☑ Yes

## (7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

| | Number of initiatives | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---|---|---|
| Under investigation | *0* | *`Numeric input* |
| To be implemented | *1* | *160* |
| Implementation commenced | *0* | *0* |
| Implemented | *1* | *200* |
| Not to be implemented | *0* | *`Numeric input* |

*[Fixed row]*

## (7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

## Row 1

### (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Low-carbon electricity mix

### (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*200*

### (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 3 category 1: Purchased goods & services

### (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

### (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*1137000*

### (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*1009000*

### (7.55.2.7) Payback period

*Select from:*

☑ 1-3 years

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ Ongoing

## (7.55.2.9) Comment

*Upwork worked with our vendor for cloud-computing, hosting, and other cloud services, starting in 2021, to move our server usage to a facility that is carbon neutral and will be fully powered by renewable energy by 2025. The annual monetary savings figure reported above represents the actual savings we experienced in 2023. The investment required figure we report above represents the costs we expected to incur in 2023, not the total project cost, which has been spaced out over a three year period.*

### Row 2

## (7.55.2.1) Initiative category & Initiative type

**Low-carbon energy consumption**

☑ Low-carbon electricity mix

## (7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

*1224*

## (7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

*Select all that apply*

☑ Scope 2 (market-based)

☑ Scope 3: Other (upstream)

## (7.55.2.4) Voluntary/Mandatory

*Select from:*

☑ Voluntary

## (7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

*0*

## (7.55.2.6) Investment required (unit currency – as specified in C0.4)

*15498*

## (7.55.2.7) Payback period

*Select from:*

☑ <1 year

## (7.55.2.8) Estimated lifetime of the initiative

*Select from:*

☑ <1 year

## (7.55.2.9) Comment

*We purchase carbon-free electricity from San Francisco's community choice aggregation program, CleanPowerSF, to power our San Francisco office. For our Chicago office, we purchase RECs that not only match 100% of that office's electricity consumption, but also support the development of new renewable energy projects.*
*[Add row]*

### (7.55.3) What methods do you use to drive investment in emissions reduction activities?

**Row 1**

## (7.55.3.1) Method

*Select from:*

☑ Employee engagement

## (7.55.3.2) Comment

*Our business model enables remote work, which, in turn, enables our customers to avoid long commutes and reduce transportation-related emissions. To demonstrate the benefits of using remote, independent talent, Upwork's remote-first operating model encourages our employees and the freelancers we use for internal projects to work remotely. In this way, we have engaged our team members to drive emissions reduction through remote work going forward.*
*[Add row]*

## (7.73) Are you providing product level data for your organization's goods or services?

*Select from:*
☑ No, I am not providing data

## (7.74) Do you classify any of your existing goods and/or services as low-carbon products?

*Select from:*
☑ Yes

## (7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

### Row 1

### (7.74.1.1) Level of aggregation

*Select from:*
☑ Product or service

### (7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

*Select from:*
☑ Other, please specify :We estimated the portion of freelancers who secure work on Upwork's platform, and the portion of clients who hire remote talent on our platform to determine what portion of our revenues are derived from remote work engagements.

### (7.74.1.3) Type of product(s) or service(s)

**Heat**
☑ Other, please specify :Upwork is a platform that enables companies to hire and work with remote professionals, reducing work-related commutes.

### (7.74.1.4) Description of product(s) or service(s)

*We estimate that every freelancer on the platform conducts their work remotely, avoiding commutes associated with traditional office-based work.*

### (7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

*Select from:*

☑ No

### (7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

*100*
*[Add row]*

## (7.79) Has your organization canceled any project-based carbon credits within the reporting year?

*Select from:*

☑ No

## C11. Environmental performance - Biodiversity

### (11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

| | Actions taken in the reporting period to progress your biodiversity-related commitments |
|---|---|
| | *Select from:*<br>☑ No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years |

*[Fixed row]*

### (11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

| | Does your organization use indicators to monitor biodiversity performance? |
|---|---|
| | *Select from:*<br>☑ No |

*[Fixed row]*

### (11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

| | Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity | Comment |
|---|---|---|
| Legally protected areas | *Select from:*<br>☑ No | *There are no operations in areas critical to biodiversity* |
| UNESCO World Heritage sites | *Select from:*<br>☑ No | *There are no operations in areas critical to biodiversity* |
| UNESCO Man and the Biosphere Reserves | *Select from:*<br>☑ No | *There are no operations in areas critical to biodiversity* |
| Ramsar sites | *Select from:*<br>☑ No | *There are no operations in areas critical to biodiversity* |
| Key Biodiversity Areas | *Select from:*<br>☑ No | *There are no operations in areas critical to biodiversity* |
| Other areas important for biodiversity | *Select from:*<br>☑ No | *There are no operations in areas critical to biodiversity* |

*[Fixed row]*

## C13. Further information & sign off

### (13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

#### (13.1.1) Other environmental information included in your CDP response is verified and/or assured by a third party

*Select from:*

☑ No, but we plan to obtain third-party verification/assurance of other environmental information in our CDP response within the next two years

#### (13.1.2) Primary reason why other environmental information included in your CDP response is not verified and/or assured by a third party

*Select from:*

☑ Not an immediate strategic priority

#### (13.1.3) Explain why other environmental information included in your CDP response is not verified and/or assured by a third party

*We externally assure all our energy use and emissions data. The rest of the answers provided in this report are based on that verified data and do not need to be further audited.*
*[Fixed row]*

### (13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

| | Additional information |
|---|---|
| | *NA* |

*[Fixed row]*

### (13.3) Provide the following information for the person that has signed off (approved) your CDP response.

## (13.3.1) Job title

*Chief Business Affairs and Legal Officer & Secretary*

## (13.3.2) Corresponding job category

*Select from:*

☑ General Counsel

*[Fixed row]*