Risk Factors Comparison 2024-02-29 to 2023-02-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

Risks Related to Our Business Our business depends on maintaining and growing client demand for our services and solutions, including by anticipating and incorporating the latest technology into our offerings, and a significant reduction in such demand ~~or~~ **,** a failure to respond to the evolving technological environment **or a change in our service or solution delivery** could materially affect our results of operations. Our success depends in part on the demand for our services and solutions, which could be negatively affected by a number of factors that may be outside of our control, including, for example, economic and political volatility or changed market conditions. Our ability to maintain and grow demand for our services and solutions requires that we continue to develop and implement offerings that keep pace with changes in the industry and anticipate and respond to rapidly evolving technology and our clients' evolving needs in areas such as AI, ~~ML~~ **including generative AI** , digital transformation and solutions, advanced analytics ~~, blockchain, augmented reality / virtual reality~~ , cloud based solutions, ~~bots, hyper- automation,~~ data management, robotics and process automation, and data engineering **, among others. AI technologies are complex and are rapidly evolving, and we face significant competition, including from our own clients, who may potentially develop their own internal, or acquire from third parties, which in each case, can lead to reduced demand for our services and solutions. As these technologies evolve, some services and tasks currently performed by our employees may be replaced by automation and AI technologies** . We may not be successful in addressing these changes on a timely basis, or at all, or successfully marketing any changes that we implement. In addition, products or technologies developed by others may render our services uncompetitive or obsolete. If we do not sufficiently invest in new ~~technology~~ **technologies** ~~and~~ **, adapt to** industry developments **, evolve and expand** ~~or~~ **our business at sufficient speed and scale** ~~if we do not make the right strategic investments to respond to these developments~~ and successfully drive innovation, our ~~services and solutions, our results of operations, and our~~ ability to develop and maintain a competitive advantage **, our** ~~and continue to grow~~ **growth strategy and our results of operations** could be ~~negatively~~ **adversely** affected. If we are successful in responding to these developments, as we expand our services and solutions into these new areas, we may be exposed to operational, legal, regulatory, ethical, technological and other risks specific to such new areas, which may negatively affect our reputation and demand for our services and solutions. Technological developments may materially affect the cost and use of technology by our clients and, in the case of cloud and as- a- service solutions, could affect the nature of how we generate revenue. Some of these technological developments have reduced and replaced some of our historical services and solutions and may continue to do so in the future. This has caused, and may in the future cause, clients to delay spending under existing contracts and engagements and to delay entering into new contracts while they evaluate new technologies. Such technological developments and spending delays can negatively impact our results of operations if we are unable to introduce new pricing or commercial models that reflect the value of these technological developments or if the pace and level of spending on new technologies are not sufficient to make up **for** any shortfall. Developments in the industries we serve, which may be rapid, also could shift demand to new services and solutions. If, as a result of new technologies or ~~changes~~ **developments** in the industries we serve, our clients demand new services and solutions, we may be less competitive in these new areas or need to make significant investment to meet that demand. Our growth strategy focuses on responding to these types of developments by driving innovation that will enable us to expand our business into new growth areas. ~~If we do not sufficiently invest in new technology and adapt to industry developments, or evolve and expand our business at sufficient speed and scale, or if we do not make the right strategic investments to respond to these developments and successfully drive innovation, our services and solutions, our results of operations, and our ability to develop and maintain a competitive advantage and to execute on our growth strategy could be adversely affected.~~ Our growing use of AI ~~(~~ **,** including **generative AI and** ML ~~)~~ **,** in our offerings presents additional risks. AI algorithms may be flawed **,** and datasets may be insufficient or contain biased information. Inappropriate or controversial data practices by us or others could impair the acceptance of AI solutions or subject us to lawsuits and regulatory investigations. These deficiencies could undermine the decisions, predictions or analysis AI applications produce, or lead to unintentional bias and discrimination, subjecting us to competitive harm, legal liability, and brand or reputational harm. Client demand may be impacted by the selling cycle and terms of our client contracts. Client demand may be impacted by the selling cycle and terms of our client contracts. Consistent with industry practice, most of our client contracts may be terminated by our clients without cause and do not commit our clients to provide us with a specific volume of business. Any failure to meet a client' s expectations or a change in a client' s strategic direction could result in ~~a~~ **the** cancellation or non- renewal of a contract or a decrease in the scope of services ~~or~~ **and** solutions that we are able to provide to such client. We may not be able to cover our costs or replace the associated revenues from such lost services or solutions, which could impact our results of operations in subsequent periods. The terms of our project- based analytics and consulting services contracts generally do not exceed one year and may not produce ongoing or recurring business for us once the project is completed, and these contracts typically permit a client to terminate the agreement with shorter term notice. The majority of our digital operations and solutions contracts have longer terms, typically ranging from three to five years, and generally require a longer notice period for termination and may include an early termination fee to be paid to us, but this might not be sufficient to cover our costs or make up for ~~anticipated ongoing~~ **the loss of** revenues and ~~loss of~~ profit upon termination of the contract. In addition, the selling cycle for such contracts, which generally ranges from six to eighteen months, and the implementation and initial transformation processes, which could take up to an additional six to twelve months, are subject to many risks and delays over which we have little or no control, including our clients' decisions to choose alternatives to our services and solutions (such as other providers or in- house offshore resources) and the timing of our clients’ budget cycles and approval processes, or subsequent changes in technology and offerings, could result in changed demand. Our clients and future clients may not be willing or able to invest the time and resources necessary to implement our services, and we may fail to close sales with potential clients to which we have devoted significant time and resources. We may fail to attract and retain enough sufficiently trained employees to support our operations or professionals with sufficient leadership capabilities, which may result in loss of revenue and an inability to expand our business. Our success depends to a significant extent on our ability to attract, hire, train and retain qualified employees, including our ability to attract employees with needed skills in the geographies where we operate. Our industry, including us, experiences high employee turnover **due to** ~~. There is~~ significant competition for professionals with skills necessary to perform the services we offer to our clients. ~~Increased competition for these professionals could have an adverse effect on us.~~ A significant increase in the turnover rate among our employees, particularly among our highly skilled workforce, would ~~increase~~ **impact** our **operating efficiency, productivity and** cost of revenues and eventually impact our profit margins due to higher recruitment, training and retention costs and maintaining larger hiring, training and human resources departments. ~~These additional costs could decrease our operating efficiency, impact our productivity and profit margins, and could also lead to a decline in demand for our services due to such higher cost getting baked in our pricing of services, making us less competitive.~~ If we are unable to ~~attract and retain highly- skilled technical personnel and do not~~ invest in reskilling and upskilling our employees in the areas and skills that strategically important to our business, our ability to effectively lead our current projects and develop new business could be jeopardized, and our business, results of operations and financial condition could be adversely affected. Our future success also depends substantially on the continued services and performance of the members of our management team and other key employees in leadership positions that possess technical and business capabilities, including industry expertise, and are difficult to replace. Specifically, the loss of the services of our Vice Chairman and Chief Executive Officer could seriously impair our ability to continue to manage and expand our business. Although we have entered into employment and non-competition agreements with all of our executive officers, certain terms of those agreements may not be enforceable **, particularly in light of recent regulatory scrutiny from the U. S. Federal Trade Commission and others,** and in any event these agreements do not ensure the continued service of these executive officers. We currently do not maintain “ key person ” insurance covering any member of our management team. The loss of any of our key management personnel, particularly to competitors, could have a material adverse effect on our business, results of operations, financial condition and cash flows. If we are unable to accurately estimate the resources and time for a project, adjust our pricing terms or effectively manage our asset utilization levels to meet the changing demands of our clients and potential clients, our business, results of operations, financial condition and cash flows may be adversely affected. Our profitability is, in part, a function of the efficiency with which we utilize our assets, in particular our people and our operations centers, and the price we can charge for our services. Our asset utilization levels are affected by a number of factors, including our ability to transition employees from completed projects to new assignments, attract, train and retain employees, forecast demand for our services (including potential client terminations or reductions in required resources) and maintain an appropriate headcount in each of our locations, as well as our need to dedicate resources for employee training and development, other typically non- chargeable activities and optimizing our operational infrastructure. If we fail to estimate accurately the resources and time required for a contract, or manage our asset utilization levels, future attrition rates, potential productivity benefits over time, future wage inflation rates or currency exchange rates (or fail to accurately hedge our currency exchange rate exposure) or if we fail to complete our contractual obligations within the contracted timeframe, our revenues, cash flows and profitability may be negatively affected. In many of our digital operations and solutions contracts we commit to long- term and other pricing structures (such as full- time equivalent- based pricing, fixed-price arrangements, transaction- based and outcome- based pricing) with our clients and therefore bear the risk of cost overruns, completion delays, resource requirements, wage inflation and adverse movements in exchange rates in connection with these contracts. Industry pricing models are evolving **,** and clients increasingly request alternative pricing models, rather than annual or hourly billing rates. If we make inaccurate assumptions for contracts with such alternative pricing models including pricing for our digital capabilities and complex transformation services or are unable to offer competitive pricing, our profitability may be negatively affected. Unauthorized disclosure of sensitive or confidential client and employee data, whether through breach of our computer systems or otherwise, could cause us significant reputational damage, expose us to protracted and costly litigation, and cause us to lose clients. We are typically required to process, and sometimes collect and / or store sensitive data, including data regulated by the U. S. Health Insurance Portability and Accountability Act of 1996, as amended, of our clients’ customers in connection with our services, including names, addresses, social security numbers, personal health information, credit card account numbers, checking and savings account numbers and payment history records, such as account closures and returned checks. In addition, we collect and store data regarding our employees. In the United States, several states have enacted or are considering enacting privacy regulations ~~such as~~ **, including,** the California Consumer Privacy Act ~~(~~ **, as amended; and** ~~the~~ **there are several** ~~“ CCPA ”) and the California Privacy~~ **privacy regulations in** ~~Rights Act (the~~ **other jurisdictions** ~~“ CPRA ”)~~ , ~~and~~ **such as** the ~~EU’ s~~ General Data Protection Regulation ~~(~~ **in** the ~~“ GDPR ”)~~ **European Union, the International Data Transfer Agreement in the United Kingdom and the Digital Personal Data Protection Act, 2023 in India. These privacy regulations** ~~imposes~~ **impose** privacy and data security compliance obligations and significant penalties for noncompliance ~~. A similar law in India that is currently progressing through Indian Parliament would impose stringent obligations on the handling of personal data, including certain localization requirements for sensitive data~~ . Other countries have enacted or are considering enacting data localization laws that require certain data to stay within their borders. We may also face audits or investigations by one or more domestic or foreign government agencies or our clients pursuant to our contractual obligations relating to our compliance with these regulations. Complying with changing regulatory requirements requires us to incur substantial costs, exposes us to potential regulatory action or litigation, and may require changes to our business practices in certain jurisdictions. As a result, we are subject to various data protection and privacy laws in the countries **where** ~~in which~~ we operate, and the failure to comply **with such laws** could result in significant fines and penalties. In addition, **we** ~~many~~ - **may** ~~of~~ **not be able to limit** our ~~agreements with~~ **liability to** our clients ~~do not include any limitation on our liability to them~~ with respect to breaches of our obligation to keep the information we receive from them confidential. Although we devote substantial resources to protect our information assets and our clients ~~'~~ **'** confidential information, any network infrastructure is to some extent vulnerable due to rapidly evolving **cyberattacks** ~~cyber- attacks~~ , employee error, malfeasance, or a combination of the foregoing. The remote work solutions that we employ in our hybrid ~~and remote~~ working ~~models~~ - **model** may also be limited in their ability to replicate the operational oversight and security controls of our office environments and may pose a higher risk of operational and information security failures. Outside parties may attempt to fraudulently induce employees, users, or ~~customers~~ **clients** to disclose sensitive information in order to gain access to our data or our users' or ~~customers~~ **clients** ' data. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently or may be designed to remain dormant until a predetermined event and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. If an actual or perceived breach of our security occurs (or a breach of a ~~customer~~ **client** ' s security that can be attributed to our fault or is perceived to be our fault), the market perception of the effectiveness of our security measures could be harmed and we could lose users and ~~customers~~ **clients** . Security breaches expose us to a risk of loss of ~~this~~ **sensitive** information, ~~litigation, remediation costs, increased costs for security measures, loss of revenue, damage to our reputation, and potential liability. Unauthorized access to or disclosure of sensitive or confidential client or employee data by any person, including any of our employees, whether through breach our perimeter or internal network security, data centers, computing infrastructure, computer systems, or systems failure, employee negligence, fraud or misappropriation, or otherwise, could result in negative publicity, subject us to significant liability and~~ lawsuits from our employees, clients or their customers for breaching contractual confidentiality provisions or privacy laws, or investigations and penalties from regulators or criminal prosecution, **remediation costs, increased costs for security measures, loss of revenue,** damage to our reputation ~~and cause us to lose clients. Under some of our client contracts~~ , **and potential liability** ~~we have agreed to pay for the costs of remediation or notice to end users or credit monitoring, as well as other costs, in the event of a breach~~ . Further, ~~retaliatory acts by Russia in response to Western sanctions could include cyber attacks that could disrupt the global economy. The~~ growth in state sponsored cyber activity, including the increased rate of cyberattacks arising from the Russia- Ukraine ~~crisis~~ **conflict** and the risk that these cyberattacks could spread globally, showcases the increasing sophistication of cyber threats and could dramatically expand the global threat landscape. If a material security breach or incident occurs with respect to a cloud services provider, our clients and potential ~~customers~~ **clients** may lose trust in cloud solutions generally, and with respect to security in particular. This could adversely impact our ability to retain existing ~~customers~~ **clients** or attract new ~~customers~~ **clients** , which, in turn, could have a serious impact on our reputation. Although we have not experienced a material incident to date, there can be no assurance that these measures will prevent or limit the impact of a future incident. We may incur significant costs in protecting against or remediating cyberattacks or other cyber incidents. We rely on third party vendors and partners to deliver services and components for client critical services, which exposes us to a variety of risks that could have a material adverse effect on our business. The services we provide are often critical to our clients' businesses, and any failure to provide those services could result in a reduction in revenues or a claim for substantial damages against us, regardless of whether we are responsible for that failure. We depend on certain significant vendors and partners for software, technology and data communications, related equipment and its maintenance, **and** third party components that we use to deliver our services, including cloud services. Our offshore operations centers require us to maintain active voice and data communications among our operations centers, our technology and data hubs and our clients' offices. Although we maintain our facilities and communications links with ~~adequate~~ business continuity and disaster recovery plans, disruptions could result from, among other things, technical breakdowns, computer glitches and viruses and weather conditions. Any performance failure on the part of our vendors or partners, or the discontinuance by such vendors or partners of services that we **rely** ~~have relied~~ on them to perform ~~for our clients~~ , could delay our performance **,** or require us to engage alternative third parties to perform the services at our cost or to perform ~~them~~ - **the services** ourselves, any of which ~~could deprive us of potential revenue or adversely impact our profitability. Any failure by our vendors and partners to perform the services or deliver the components for which we contract with them or to provide such components or services within our expected price ranges and timelines, any quality issues from such third party services or components, any temporary or permanent loss of our equipment or systems, any disruptions to basic infrastructure like power and telecommunications could impede our ability to provide services to our clients, or any failure of our vendors or partners to comply with current good business practices or applicable laws and regulations,~~ could result in a negative impact on our reputation, **a** ~~cause us to lose~~ **loss of** ~~clients, reduce our revenues~~ - **revenue** ~~and~~ **or adversely impact our** cash flows and **profitability** ~~harm our business~~ . Employee wage increases may prevent us from sustaining our competitive advantage and may reduce our profit margin. Our most significant costs are the salaries and related benefits of our operations staff and other employees. For example, wage costs in India and the Philippines have historically been significantly lower than wage costs in the United States **, the United Kingdom** and Europe for ~~comparable~~ **comparably** skilled professionals, and having a significant number of **our** employees in those **lower wage costs** countries has been one of our competitive advantages. However, because of economic growth in India and the Philippines, increased demand for ~~outsourced~~ **competitive** services from such countries and increased competition for skilled employees, wages for comparably skilled employees are increasing at a faster rate than in the United States **, the United Kingdom** and Europe. This may reduce ~~the~~ **our** competitive advantage. We **also** may need to increase the levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining the quality and number of employees that our business requires. Wages are generally higher for employees performing **AI,** analytics and digital transformation services than for employees performing digital operations and solutions. As the scale of **such** ~~our analytics~~ services increases, wages as a percentage of revenues may increase. In addition, changes to the labor laws in the countries where we operate may also lead to a substantial increase in our wage costs. To the extent that we are not able to control **such costs by our efforts to add capacity in lower wage costs countries** or share wage increases with our clients, wage increases may reduce our margins and cash flows ~~. We will attempt to control such costs by our efforts to add capacity in locations where we consider wage levels of skilled personnel to be satisfactory, but we may not be successful in doing so~~ . Our business could be materially and adversely affected if we do not protect our intellectual property or if our services are found to infringe on the intellectual property of others. Our success depends in part on certain methodologies, practices, tools and technical expertise we utilize in providing our services and solutions. Our intellectual property consists of proprietary and licensed platforms, software ~~and~~ **, data,** databases, ~~trade secrets,~~ methodologies ~~and~~ **, models,** know- how, ~~trademarks~~ **names** , **designs** ~~service marks~~ , **domains** ~~copyrighted software~~ , **user interfaces, applications and** operating procedures ~~and~~ **, among** other materials ~~, and patents and pending patent applications~~ . We consider many of our business processes and implementation methodologies to be trade secrets or proprietary know- how and confidential information. We seek to protect our intellectual property through a combination **of** patent, trademark, copyright and trade secret laws, **as well as through** confidentiality procedures and contractual provisions. Clients and business partners typically agree in writing to confidential treatment of our information. Our employees and independent contractors are required to sign work- for- hire and confidentiality covenants as a condition to their employment and engagement, respectively. We also have policies requiring our **employees, independent contractors, and** associates to respect the intellectual property rights of others **, including obtaining appropriate licenses when using, selling or distributing third party materials** . However, these measures may not prevent misappropriation or infringement of our intellectual property or proprietary information and a resulting loss of competitive advantage. Additionally, we may not be successful in obtaining or maintaining patents, trademarks or other intellectual property rights protections for which we have applied or may in the future apply. We may be unable to protect our intellectual property and proprietary technology effectively, which may allow competitors to duplicate our technology and products and may adversely affect our ability to compete with them. To the extent that we do not protect our intellectual property effectively through contractual provisions, confidentiality procedures, patents, trade secret laws or other means including those set forth above, other parties, including former employees, with knowledge of our intellectual property may leave and seek to exploit our intellectual property for their own or others' advantage. We may not be able to detect unauthorized use and take appropriate steps to enforce our rights, and any such steps may not be successful. Infringement by others of our intellectual property, including the costs of enforcing our intellectual property rights, may have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, competitors or others may allege that our systems, processes, marketing, data usage or technologies infringe on their intellectual property rights, including patents. Non- practicing entities may also bring baseless, but nonetheless costly to defend, infringement claims. We could be required to indemnify our clients if they are sued by a third party for intellectual property infringement arising from materials that we have provided to the clients in connection with our services and solutions. We may not be successful in defending against such intellectual property claims or in obtaining licenses or an agreement to resolve any intellectual property disputes. Given the complex, rapidly changing and competitive technological and business environment in which we operate, and the potential risks and uncertainties of intellectual property- related litigation, we cannot provide assurances that a future assertion of an infringement claim against us or our clients will not cause us to alter our business practices, lose significant ~~revenues~~ - **revenue** , incur significant license, royalty or technology development expenses, or pay significant monetary damages or legal fees and costs. Any such claim for intellectual property infringement may have a material adverse effect on our business, results of operations, financial condition and cash flows. We earn a substantial portion of our revenues from a limited number of clients. We have earned and believe that we will continue to earn in the near **or foreseeable** future ~~or foreseeable~~ a substantial portion of our total revenues from a limited number of large clients. Any change in demand from any of our large clients ~~, whether resulting from our services and solutions lagging behind current technology and industry developments, or~~ **for any reason** ~~political and economic developments, or otherwise,~~ could have a material adverse effect on our business, results of operations, financial condition and cash flows. Moreover, the loss of a major ~~customer~~ **client** could also impact our reputation in the market, making it more difficult to attract and retain ~~customers~~ **clients** more generally. Our inability to manage our rapid infrastructure and personnel growth across ~~jurisdictions~~ **countries** and changes to our operating model effectively could have a material adverse effect on our business, results of operations, financial condition and cash flows. We have operations centers across India, the United States, the Philippines, **South Africa,** Colombia **, Bulgaria, Romania** , the United Kingdom, the ~~Republic of Ireland, South Africa, Bulgaria, Romania, and the~~ Czech Republic ~~. Further~~ , **Mexico and** ~~we have acquired multiple regional offices in~~ the **Republic** ~~United States as part~~ of **Ireland** ~~our acquisitions~~ . Our headcount has increased significantly over the past several years. We expect to develop and improve our internal systems in the locations ~~where~~ **in which** we operate in order to address the anticipated continued growth of our business. We ~~are also continuing~~ **continue** to look for operations centers at locations outside of our current operating geographies. We have also ~~recently~~ made changes to our operating model driven by delivery of a significant portion of our services from a hybrid ~~and remote~~ working ~~models~~ - **model** ~~leading~~ **, which has led** to ~~potential~~ contraction of our operation centers ~~. We believe that expanding our geographic base of operations and our new hybrid and remote working models will provide higher value to our clients by decreasing the risks of operating from a single location or country (including potential shortages of skilled employees, increases in wage costs during strong economic growth and currency fluctuations), while also giving our clients access to a wider talent pool and establishing a base in countries that may be competitive in the future~~ . Changes in our operating model, such as the foregoing, or other changes to our infrastructure facilities or how we are organized, as the needs and size of our business change, limit our ability to forecast the need to hire additional skilled employees as and when they are required to meet the ongoing needs of our clients, and we may not be able to develop and improve our internal systems. We may not be able to maintain our culture and effectively communicate our core values, policies and procedures, strategies and goals, particularly given our world- wide operations, rate of new hires, and significant percentage of our employees who have the option to work remotely. We also need to manage cultural differences among our employee populations and varying legal and regulatory regimes across jurisdictions, and that may create a risk for employment claims. Our inability to execute our growth strategy, to ensure the continued adequacy of our current systems or to manage our expansion effectively could have a material adverse effect on our business, results of operations, financial condition and cash flows. We may engage in strategic acquisitions or transactions, which could have a material adverse effect on our business, results of operations, financial condition and cash flows, including the impact from the impairment of goodwill and other intangible assets, if any. As part of our business strategy, we intend to continue to selectively consider acquisitions or investments, some of which may be material. Through the acquisitions we pursue, we may seek opportunities to expand the scope of our existing services, add new clients or enter new geographic markets. There can be no assurance that we will successfully identify suitable candidates in the future for strategic transactions at acceptable prices, have sufficient capital resources to finance potential acquisitions or be able to consummate any desired transactions. Our failure to **identify suitable candidates or** close transactions with potential acquisition targets for which we have invested significant time and resources could have a material adverse effect on our financial condition and cash flows. Acquisitions, including completed acquisitions, involve a number of risks, including diversion of management' s attention, ability to finance the acquisition on attractive terms, failure to retain key personnel or valuable ~~customers~~ **clients** , legal liabilities and the need to amortize acquired intangible assets, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows. Future acquisitions may also result in the incurrence of indebtedness or the issuance of additional equity securities. The intellectual property of an acquired business may be an important component of the value that we agree to pay for such a business. Although we conduct due diligence in connection with each of our acquisitions, such acquisitions are subject to the risks that the acquired business may not own the intellectual property that we believe we are acquiring, that the intellectual property is dependent upon licenses from third parties, that the acquired business infringes upon the intellectual property rights of others or that the technology does not have the acceptance in the marketplace that we anticipated. We could also experience financial or other setbacks if transactions encounter unanticipated problems, including problems related to execution, integration or underperformance relative to prior expectations. Our management may not be able to successfully integrate any acquired business into our operations or maintain our standards, controls and policies, which could have a material adverse effect on our business, results of operations and financial condition. Consequently, any acquisition we complete may not result in long- term benefits to us or we may not be able to further develop the acquired business in the manner we anticipated. In the event that the carrying amount of goodwill and other intangible assets are impaired, as determined by impairment testing that we conduct on at least an annual basis, any such impairment would be charged to earnings in the period of impairment. Because this involves **the** use of critical accounting estimates, we cannot assure you that future impairment of goodwill and other intangible assets will not have a material adverse effect on our business, financial condition or results of operations. **Our** ~~Failure to adhere to the regulations or accreditation or licensing standards that govern our~~ business could ~~have Our business could~~ be negatively affected if we incur financial penalties or legal liability,including with respect to our contractual obligations,in connection with providing our solutions and services.Most of our agreements with clients contain service level and performance requirements,including requirements relating to the quality of our services.Failure to consistently meet **the** service requirements of a client or errors made by our employees in the course of delivering services to our clients could disrupt the client' s business and result in a reduction in revenues or a claim for damages against us.If we fail to meet our contractual obligations or otherwise breach obligations to our clients or vendors,we could be subject to legal liability.We may enter into non- standard agreements because **we perceive** an ~~adverse impact on~~ **important economic opportunity by doing so** ~~our~~ - **or** ~~operations~~ **because our personnel did not adequately adhere to our guidelines** . ~~Our~~ **In addition, with respect to our client contracts, the contracting practices of our competitors may cause contract terms and conditions that are unfavorable to us to become standard in the marketplace. If we cannot, or do not, meet our contractual obligations to provide solutions and services to** clients ~~'~~ **, and if our exposure is not adequately limited through the enforceable terms of our agreements, we might face significant legal liability and our** business **could be adversely affected. Similarly** ~~operations are often subject to regulation and accreditation and licensing standards~~ , ~~and~~ **if we cannot,** ~~our~~ - **or do not, meet** ~~clients may require that we perform~~ our **contractual obligations** ~~services in a manner that will enable them to comply~~ with **vendors** ~~applicable regulations or accreditations or licensing standards. Our clients are located around the world~~ , ~~and the laws and regulations that apply include, among others, United States federal laws~~ such as **licensors** ~~the Gramm- Leach- Bliley Act and the Health Insurance Portability and Accountability Act~~ , ~~the Health Information Technology for Economic and Clinical Health Act, state laws on third party administration services, utilization review services, telemarketing services or state laws on debt collection in the United States and the Financial Services Act in the United Kingdom as well as similar consumer protection laws in other~~ -- **the** ~~countries~~ **vendors may have the right to terminate the contract,** in which ~~our clients' customers are based. Failure to perform our services in a manner that complies with any such requirements could result in breaches of contracts with our clients. In addition, we are required under various laws to obtain and maintain accreditations, permits and / or licenses for the conduct of our business in all jurisdictions in which we have operations and, in some cases~~ - **case** ~~,~~ we ~~are additionally required to maintain accreditations, permits and / or licenses where our clients receive our services, including the United States and Europe. If we do not maintain our accreditations, licenses or other qualifications to provide our services or if we do not adapt to changes in legislation or regulation, we may have to cease operations in the relevant jurisdictions and~~ may not be able to provide **client solutions and** services **dependent on** ~~to existing clients or be able to attract new clients. In addition, we may be required to expend significant resources in order to comply with laws and regulations in~~ the **products or services provided** ~~jurisdictions mentioned above. Any failure~~ to ~~abide~~ **us** by ~~regulations relating either to our business or our clients' businesses may also, in some limited circumstances, result in civil fines and criminal penalties for us. Any~~ such **contracts** ~~ceasing of operations or civil or criminal actions may have a material adverse effect on our business, results of operations, financial condition and cash flows~~ . We face competition **globally** from **other providers** ~~U. S.- based and non- U. S.- based BPM and IT companies~~ and from our clients, who may build shared services centers to perform digital operations and solutions and analytics services themselves, either in- house or other arrangements. The market for **our** ~~digital operations and solutions and analytics~~ services is highly competitive, and we expect competition to intensify and increase **in the future as more companies enter the market. We face competition globally** from **other providers** ~~a number of sources~~ . We believe that the principal competitive factors in our markets are breadth and depth of process expertise, **offerings,** knowledge of industries served, service quality, compliance rigor, global delivery capabilities, ~~price and~~ **pricing,** sales and client management capabilities ~~. We also face competition from non- U. S.- based business process management and IT companies (including those in the United Kingdom and India) and U. S.- based outsourcing and IT companies~~ . Further, a client may choose to use its own internal resources rather than engage an outside firm to perform the types of services we provide. In addition, the trend toward offshore outsourcing, international expansion by foreign and domestic competitors and continuing technological changes, such as cloud computing, will result in new and different competition for our services. These competitors may include entrants from the communications, software and data networking industries or entrants in geographic locations with lower costs than those in which we operate. Some of these existing and ~~future~~ **potential** competitors **may** have greater financial, personnel and other resources, a broader range of service offerings, greater technological expertise, more recognizable brand names and more established relationships in industries that we currently serve or may serve in the future. In addition, some of our competitors may enter into strategic relationships or mergers or acquisitions with larger, more established companies in order to increase their ability to address client needs, or enter into similar arrangements with potential clients. The trend in multi- vendor relationships has been growing, which could reduce our revenues to the extent that we are required to modify the terms of our relationship with clients or that clients obtain services from other vendors. Increased competition, our inability to compete successfully against competitors, pricing pressures or loss of market share could **impact** ~~harm our business, results of operations, financial condition and cash flows. We expect competition to intensify in the future as more companies enter our markets. Increased competition may result in lower prices and volumes, and lower profitability. We may not be able to supply clients with services that they deem superior and at competitive prices and we may lose business to our competitors. Any inability to compete effectively would adversely affect~~ our business, results of operations, financial condition and cash flows. We are vulnerable to natural disasters, technical disruptions, pandemics and societally created events that could severely disrupt the normal operations of our business and if our risk management, business continuity and disaster recovery plans are not effective, it may adversely affect our business, results of operations, financial condition and cash flows. Our operations centers and our data and voice communications, particularly in India ~~and~~ **,** the Philippines **and South Africa** , may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, volcano eruptions, heavy rains **, drought, extreme heat** , epidemics or pandemics, such as COVID- 19, tsunamis and cyclones, technical disruptions such as electricity or infrastructure breakdowns, including damage to telecommunications cables, computer glitches and electronic viruses or man- made events such as political unrest, terrorist attacks, other acts of violence or war, protests, riots and labor unrest. Such events may lead to the disruption of information systems and telecommunication services **or our supply chain** for sustained periods. They also may make it difficult or impossible for employees to reach our business locations and for us to deliver our solutions and services. In particular, a local or global outbreak of a pandemic, such as the COVID- 19 pandemic, may have widespread and unpredictable impacts on global societies, economies, financial markets and business practices. **Any** ~~COVID- 19 has adversely affected and may, and any such other~~ pandemic may ~~,~~ in the future materially adversely affect us, our clients, employees, contractors, suppliers and business partners, all of may be prevented from conducting business activities as usual, including due to the many and varying health and safety measures in response to such pandemic, including travel restrictions, quarantines, curfews, shelter in place and safer- at- home orders. Measures taken by governmental authorities ~~have and~~ may in the future disrupt the continuity of our provision of services to our clients and adversely impacted our business, results of operations and financial condition ~~. Moreover, it is difficult to predict the ultimate impact of COVID- 19 on our business, operations and financial results, which continues to remain unknown and will depend on numerous evolving factors that we may not be able to accurately predict, including: the duration, scope and severity of the pandemic, emergence of new variants and ongoing availability of treatments and vaccines; the effect on our clients and client demand for our services and our solutions; and our ability to sell and provide our services and solutions, including as a result of travel restrictions and people working remotely~~ . Our risk management, business continuity and disaster recovery plans may not be effective at preventing or mitigating the effects of such disruptions, particularly in the case of a catastrophic ~~events~~ **event** . Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with **and liability to** our clients, our leadership team' s ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or delivery centers. ~~We may also be liable to our clients for disruption in service resulting from such damage or destruction.~~ While we currently have commercial liability insurance, our insurance coverage may not be sufficient **to cover any such liability or other related costs** . Furthermore, we may be unable to secure such insurance coverage at premiums acceptable to us in the future or at all. Prolonged disruption of our services would also entitle our clients to terminate their contracts with us. Any of the above factors may adversely affect our business, results of operations, financial condition and cash flows. Risks Related to the International Nature of Our Business If the transfer pricing arrangements we have for controlled intercompany transactions among our subsidiaries are determined to be inappropriate, our tax liability may increase. The transfer pricing regulations in the countries we operate in require that controlled intercompany transactions be at arm' s- length. Accordingly, **we** ~~the Company determines~~ **determine** and ~~documents~~ **document** pricing for controlled intercompany transactions based on an economic analysis as prescribed in the respective regulations. The tax authorities have jurisdiction to review our transfer pricing. If our transfer pricing is challenged by the authorities, they could assess additional tax, interest and penalties, thereby impacting our profitability and cash flows. Our financial condition could be negatively affected if governments in the countries we operate in ~~introduces~~ **introduce** new unfavorable tax legislation **, including legal restrictions for repatriation of our earnings** . We are subject to taxes in the countries we operate in. Our future tax liabilities could be adversely affected by any new unfavorable tax legislative changes in the countries we operate in. We continuously monitor such changes to assess and quantify the potential impacts on our consolidated financial statements. We currently benefit from corporate tax holidays in our qualified Philippines Economic Zone Authority operations centers in the Philippines. Our ability to utilize these tax holidays could be adversely affected by any new unfavorable tax legislative changes. We continuously monitor such changes to assess and quantify the potential impacts on our consolidated financial statements. We ~~face risks related~~ **have established a headquarters for international business in Dublin, Ireland, and qualify for a reduced tax rate subject** to ~~repatriating~~ **certain conditions. We continuously monitor our operations to ensure we continue to qualify for the reduced rate. We currently operate in the Philippines and Ireland where we will be subject to a minimum tax rate pursuant to the Pillar Two Framework prescribed by Organization for Economic Co- operation and Development (" OECD "). The OECD continues to release additional guidance on the Pillar Two Framework, with implementation generally effective for 2024. We do not anticipate any significant Pillar Two impacts, but will continue to evaluate any changes and potential impact on our consolidated financial statements. We earn a significant amount of** our earnings ~~from~~ **in countries** outside of the United States ~~. We earn a significant amount of our~~ **and we periodically evaluate opportunities to repatriate these** earnings ~~outside of the United States~~ **to fund our global operations, including acquisitions and debt management** . Not all of the undistributed earnings may be available for repatriation due to foreign legal restrictions that require minimum reserves to be maintained in those countries, which ~~would~~ **may** limit our ability to use ~~these~~ **such** earnings across our global operations in the United States or other geographies, where needed. **Additionally** ~~We periodically evaluate opportunities to repatriate funds held by our foreign subsidiaries to fund our operations~~ , ~~and~~ as and when we decide to repatriate such earnings, we may have to accrue further taxes associated with such earnings in accordance with local tax laws, rules and regulations in the relevant jurisdictions **, which are subject to change from time to time** . All of these risks and uncertainties could have a material adverse effect on our business, results of operations, financial condition and cash flows. Currency exchange rate fluctuations in the various currencies in which we do business, ~~especially~~ **or** the **failure of our hedging strategies to mitigate such fluctuations** ~~Indian rupee, the Philippine peso and the U. K pound sterling versus the U. S. dollar~~ , could have a material adverse effect on our results of operations. We report our operating results in U. S. dollars, **yet** a portion of our revenues and expenses are denominated in currencies other than the U. S. dollar. **Accordingly, we must translate such revenues and expenses, as well as corresponding assets and liabilities, into U. S. dollars at exchange rates in effect during or at the end of each reporting period, as applicable. As a result,** ~~Fluctuations~~ **fluctuations** in foreign currency exchange rates can ~~have a number of adverse~~ **adversely** ~~effects on us. Because our consolidated financial statements are presented in U. S. dollars, we must translate revenues, expenses and income, as well as assets and liabilities, into U. S. dollars at exchange rates in effect~~ **affect** ~~during or~~ **our results** ~~at the end~~ of **operations** ~~each reporting period~~ . The exchange rates among the Indian rupee, the Philippine peso, the U. K pound sterling **, the South African rand** and other currencies in which we incur costs or earn revenues and the U. S. dollar have changed substantially in recent years and may fluctuate substantially in the future. See Part II, Item 7A, " Quantitative and Qualitative Disclosures About Market Risk. " Additionally, because a majority of our employees are based in India **,** ~~and the~~ Philippines **and South Africa** and paid in Indian rupee or Philippine peso **or South African rand** , while our revenues are primarily reported in U. S. dollars and U. K. pound sterling, our employee costs as a percentage of revenues may increase or decrease significantly if the exchange rates among the Indian rupee, the Philippine peso, the U. K pound sterling **, the South African rand** and the U. S. dollar fluctuate significantly. In addition, **conflicts between** Russia ~~-~~ **and** Ukraine ~~military conflict~~ **, and Israel and Hamas,** coupled with ~~chronic~~ **high** ~~inflation~~ **inflationary** pressures **and** ~~, high~~ interest rates **, have** ~~and the lingering consequences of COVID- 19 has~~ led the International Monetary Fund to downgrade its outlook for the world economy for ~~2023~~ **2024** . This has led to and may continue to lead to uncertainty over global economic conditions and unpredictable fluctuations in foreign currency exchange rates, and in particular, has impacted and may continue to impact the Indian rupee, the Philippine peso, the U. K pound sterling **, the South African rand** and other currencies in which we incur expenses. Although we take steps to hedge a substantial portion of our Indian rupee / U. S. dollar, U. K pound sterling / U. S. dollar ~~and~~ **,** Philippine peso **/ U. S. dollar and South African rand** / U. S. dollar foreign currency exposures, there is no assurance that our hedging strategy will be successful or that the hedging markets will have sufficient liquidity or depth to allow us to implement our hedging strategy in a cost- effective manner. Any failure by our hedging counterparties to meet their contractual obligations could materially and adversely affect our profitability **, business, results of operations, financial condition and cash flows** . Restrictions on visas and work permits may affect our ability to compete for and provide services to clients in the United States and other ~~jurisdictions~~ **countries** , which could make it more difficult to staff engagements and could increase our costs, which could have an adverse effect on our net income. Immigration and work permit laws and regulations in the countries **where** ~~in which~~ we have ~~customers~~ **clients** are subject to legislative and administrative changes as well as changes in the application of standards and enforcement. The ability of some of our executives and employees based in India and other foreign locations to work with and meet clients in the United States and other ~~jurisdictions~~ **countries** depends on their ability to obtain the necessary visas and work permits. In recent years, immigration authorities, in the United States as well as other **countries where** ~~jurisdictions in which~~ our clients are based, have increased the level of scrutiny in granting such visas and work permits ~~. In addition~~ , **which may be affected by** ~~immigration laws are subject to legislative change~~ **changes in legislation** ~~and varying standards of application~~ and enforcement due to political **and** ~~forces, economic conditions or~~ other **factors which may be difficult to** ~~events, including terrorist attacks. We cannot~~ predict ~~the political or economic events that could affect immigration laws or any restrictive impact those events could have on obtaining or monitoring visas or work permits for our employees~~ . The ability to move our employees around the world as necessary to meet client demands is important to our business. If we are unable to efficiently deploy talent because of increased regulation of immigration or work visas, including limitations placed on the number of visas granted, limitations on the type of work performed or location in which the work can be performed, and new or higher minimum salary requirements, it could be more difficult to staff our employees on client engagements and could increase our costs and have an adverse effect on our net income and cash flows. Investors may have difficulty effecting service of process or enforcing judgments obtained in the United States against our **foreign** subsidiaries ~~in India~~ or our executive officers. Our primary operating subsidiaries are organized outside the United States and some of our executive officers may reside outside of the United States. A substantial portion of our assets are located in India **and the Philippines** . As a result, you may be unable to effect service of process upon our affiliates who reside in India **and the Philippines** outside their jurisdiction of residence. In addition, you may be unable to enforce against these persons outside the jurisdiction of their residence judgments obtained in courts of the United States, including judgments predicated solely upon the federal securities laws of the United States. ~~Sections 44A~~ **Our global operations expose us to numerous** and ~~Section 13~~ **sometimes conflicting legal and regulatory requirements, including, accreditation or licensing standards that govern our business, and violations** of ~~the~~ **these** ~~Indian Civil Procedure Code~~ **requirements could harm our business. We provide services to clients throughout the world** , ~~1908~~ **therefore we and our clients** (**who sometimes impose** ~~the~~ **those requirements on us** ~~" Civil Code "~~) **are subject** ~~govern recognition and enforcement of foreign judgments. Section 44A of the Civil Code provides for recognition and enforcement of a foreign judgment without having~~ to ~~file~~ **numerous,** ~~an~~ **and sometimes conflicting** ~~original suit in India~~ , ~~provided such judgments have been rendered by courts in a country or territory outside India which the~~ **changing and evolving laws and regulations on matters as diverse as import / export controls, content requirements, trade restrictions, tariffs, taxation, sanctions,** ~~Government~~ **government** ~~of India has declared to be a reciprocating territory~~ **affairs, internal and disclosure control obligations, securities regulation, including anti- competition, anti- money- laundering and anti- corruption laws (including the U** . ~~We have been advised by~~ **S. Foreign Corrupt Practices Act and the U. K. Bribery Act), data privacy and protection, government compliance, wage- and-** ~~our~~ **hour** ~~Indian counsel that~~ **standards, employment and labor relations, health and safety, environmental and human rights, state laws on third party administration services, utilization review services, telemarketing services or state laws on debt collection in** the United States and ~~India do~~ **the Financial Services Act in the United Kingdom as well as similar consumer protection laws in other countries where our clients' customers are based. The global nature of our operations increases the difficulty of compliance. In addition, we are required under various laws to obtain and maintain accreditations, permits and / or licenses for the conduct of our business in all jurisdictions where we have operations, and, in some cases where our clients receive our services to enable them to comply with applicable regulations or accreditations or licensing standards. Compliance with diverse legal requirements is costly, time- consuming and requires significant resources. Violations of any of these laws or regulations in the conduct of our business, including being unable to maintain our accreditations, licenses or other qualifications while working for our clients, could result in fines, criminal sanctions against us or our officers, prohibitions on doing business or suspension or disqualification from government contracting or contracting with private entities in certain highly regulated industries, damage to our reputation and other unintended consequences such as liability for monetary damages, fines and / or criminal prosecution including in the form of successor liability in certain circumstances for companies we invest in or acquire, unfavorable publicity, or restrictions on our ability to process information and allegations by our clients that we have** not **performed** ~~currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than certain arbitration awards) in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or~~ **our contractual obligations** ~~state court in the United States based on civil liability, whether or not it is predicated upon the federal securities laws of the United States, would not be enforceable in India as such. If the party in whose favor such final judgment is rendered brings a new suit in a competent court in India based on a final judgment that has been obtained in the United States, Section 13 of the Civil Code provides that the foreign judgment will be conclusive as to certain matters. The suit must be brought in India within three years of the date of the foreign judgment. It is unlikely, however, that a court in India would award damages on the same basis as a court in the United States if an~~ **and loss** ~~action is brought in India. It is also unlikely that an Indian court would enforce judgments obtained in the United States if it viewed the amount~~ of **clients** ~~damages awarded as excessive or inconsistent with Indian practice~~ . Risks Related to Our Indebtedness We may not be able to service our debt or obtain additional financing on competitive terms. We are party to a credit agreement for our bank debt facility that contains covenants, among other things, requiring maintenance of certain financial ratios ~~(being, an interest coverage ratio and a total net leverage ratio)~~ and restricting our ability to incur additional indebtedness, create liens, make certain investments and acquisitions, pay dividends, repurchase common shares and make other restricted payments or undertake certain fundamental changes (including, consolidations, liquidations or disposal of certain assets or subsidiaries) ~~. If we breach any of these covenants and do not cure such breach within the applicable cure periods or obtain a waiver from the lenders, the outstanding indebtedness (and any other indebtedness with cross- default provisions) could be declared immediately due and payable and such acceleration could adversely affect our liquidity and financial condition~~ . The credit agreement provides for a $ 400 million revolving credit facility including a letter of credit sub- facility and is guaranteed by certain subsidiaries. ~~Our revolving credit facility has a maturity date~~ **If we breach any of these covenants and do** ~~no~~ **not** ~~later than April 18~~ **cure such breach within the applicable cure periods or obtain a waiver from the lenders** , ~~2027~~ **the outstanding indebtedness could be declared immediately due** and ~~is voluntarily~~ payable ~~from time to time without premium~~ **and such acceleration could adversely affect** ~~or~~ **our** ~~penalty. See Part II, Item 7, " Management' s Discussion and Analysis of Financial Condition and Results of Operations " under " Liquidity~~ **liquidity** and **financial condition** ~~Capital Resources-Financing Arrangements (Debt Facility and Notes)~~ . ~~"~~ Our cash flow from operations provides the primary source of funds for our debt service payments. Given the uncertainty over global economic conditions and regulatory, competitive or other factors outside of our control, including but not limited to ~~the~~ **conflicts between** Russia ~~-~~ **and** Ukraine **,** ~~military conflict~~ and ~~COVID-19~~ **Israel and Hamas** , there can be no assurance that business activity will be maintained at our expected level in order to generate the anticipated cash flows from operations. If our cash flow from operations declines, we may not be able to service or refinance our current debt or obtain financing on favorable terms to us or at all, which could adversely affect our business and financial condition. A substantial portion of our floating rate indebtedness is exposed to interest rate fluctuations as only a portion is hedged through interest rate swaps. Accordingly, any adverse change in interest rates due to market conditions or otherwise could increase our cost of funding substantially. We may in the future require additional financing to fund one or more acquisitions and may not be able to obtain such additional financing on competitive terms or at all, which could restrict our ability to complete such transactions. Risks Related to Our Common Stock Our stock price continues to be volatile. ~~Our~~ **The market price of our common** stock has at times experienced **or may experience** substantial price volatility as a result of, among other reasons, variations between our actual and anticipated financial results, announcements by us and our competitors, terrorist attacks, natural disasters, epidemics or pandemics, or other such events impacting countries where we or our clients have operations, loss of one or more significant clients, announcements of technological developments, projections or speculation about our business or that of our competitors by the media or investment analysts **, the effect of any stock split,** or uncertainty about current global economic conditions. The stock market, as a whole, experiences extreme price and volume fluctuations that affect the market price of many companies, including technology companies, in ways that may have been unrelated to these companies' operating performance. **The** ~~Where the~~ global stock markets have experienced, and may continue to experience, significant ~~decline~~ **volatility** from ~~COVID- 19 and~~ inflation **and high interest rates** , **which** could result in a material adverse effect on our stock price. Furthermore, **if** we ~~believe our stock price should reflect~~ **fail to meet expectations relating to** future growth and profitability ~~expectations and, if we fail to meet these expectations~~ , this may have a materially adverse effect on the trading price of our common stock. Delaware law and our ~~amended and~~ restated certificate of incorporation and **sixth amended and restated** by- laws contain certain anti- takeover provisions that could delay or discourage business combinations and takeover attempts that stockholders may consider favorable. Our ~~amended and~~ restated certificate of incorporation and **sixth amended and restated** by- laws **(the " by- laws ")** contain provisions that may make it more difficult, expensive or otherwise discourage a tender offer or a change in control or takeover attempt by a third- party that is opposed by our board of directors. These provisions include provisions permitting the board of directors to fill vacancies created by its expansion ~~, provisions permitting the removal of directors only for cause and with the vote of holders of two thirds of our common stock~~ , provisions requiring the vote of holders of two thirds of our common stock for certain amendments to our organizational documents, provisions barring stockholders from calling a special meeting of stockholders or requiring one to be called or from taking action by written consent and provisions that set forth advance notice procedures for stockholders' nominations of directors and proposals for consideration at meetings of stockholders. These provisions may have the effect of delaying or preventing a change of control or changes in management that stockholders consider favorable. Additionally, because we are incorporated in Delaware, we are subject to Section 203 of the Delaware General Corporation Law **(the " DGCL ")** . Section 203 **of the DGCL** may prohibit large stockholders, in particular those owning 15 ~~. 0~~ % or more of our outstanding voting stock, from merging or combining with us. These provisions of our ~~amended and~~ restated certificate of incorporation, by- laws and Delaware law could discourage potential takeover attempts and reduce the price that investors might be willing to pay for shares of our common stock in the future which could reduce the market price of our stock. We do not intend to pay dividends in the foreseeable future, and, because we are also a holding company, we may be unable to pay dividends. For the foreseeable future, we intend to retain any earnings to finance the development and expansion of our business, and we do not anticipate paying any cash dividends on our common stock. Any future determination to pay dividends will be at the discretion of our board of directors and will be dependent on then- existing conditions, including our financial condition and results of operations, capital requirements, contractual restrictions, including restrictions under our credit agreement, business prospects and other factors that our board of directors considers relevant. Furthermore, because we are also a holding company, any dividend payments would also depend on the cash flow from our subsidiaries. Accordingly, under certain circumstances, we may not be able to pay dividends even if our board of directors would otherwise deem it appropriate. Risks Related to Our Industry Our industry may not develop in ways that we currently anticipate due to negative public reaction in the United States and elsewhere to offshore outsourcing, anti- outsourcing legislation or otherwise. Offshore outsourcing is a politically sensitive topic in the United States and elsewhere, and many organizations and public figures have publicly expressed concern about a perceived association between offshore outsourcing providers and the loss of jobs in the United States, where the majority of our clients are located, and elsewhere. Current or prospective clients may elect to perform such services themselves or may be discouraged from transferring these services to offshore providers to avoid any negative perception that may be associated with using an offshore provider. Measures aimed at limiting or restricting outsourcing by U. S. companies have been put forward by the U. S. Congress and in state legislatures to address these concerns. If any such measure is enacted, our ability to do business with U. S. clients through our non- U. S. affiliates could be negatively impacted. General Risk Factors Our results of operations could be adversely affected by economic and political conditions globally and the effects of these conditions on our clients' businesses and levels of business activity. Global economic and political conditions affect our clients' businesses and the markets they serve, which are increasingly becoming more interdependent. The domestic and international capital and credit markets have in the past, and may in the future, experience volatility and disruption and uncertainty from geopolitical tensions, inflation, economic tensions, changes in legislation in the various jurisdictions in which we and our clients operate, changes in global trade policies, or global health emergencies or pandemics, ~~such as COVID- 19,~~ which may affect our clients, us directly, or our client industries, and could result in changing demand patterns. Our business largely depends on continued demand for our services. Weakness in the global labor market could also adversely affect the demand for our services and impact our ability to recruit, train and retain qualified employees, resulting in a significant negative impact on our business and results of operations. Market disruptions may limit our ability to access financing or increase our cost of financing to meet liquidity needs, and affect the ability of our clients to use credit to purchase our services or to make timely payments to us. Our business could be negatively affected if...... provided to us by such contracts. We make estimates and assumptions in connection with the preparation of our consolidated financial statements, and any changes to those estimates and assumptions could adversely affect our financial results. Our financial statements have been prepared in accordance with U. S. generally accepted accounting principles (**“** U. S. GAAP **”**). The application of U. S. GAAP requires us to make estimates and assumptions about certain items and future events that affect our reported financial condition, and our accompanying disclosure. Our most critical accounting estimates are described in Part II, Item 7, “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations ” under “ Critical Accounting Policies and Estimates. ” We base our estimates on historical experience, contractual commitments and on various other assumptions that we believe to be reasonable under the circumstances and at the time they are made. These estimates and assumptions involve the use of judgment and are subject to significant uncertainties, some of which are beyond our control. If our estimates, or the assumptions underlying such estimates, are not correct, actual results may differ materially from our estimates, and we may need to, among other things, adjust revenues or accrue additional charges that could adversely affect our results of operations. We are exposed to credit risk and fluctuations in the market values of our investment and derivatives portfolios. Any deterioration of the credit and capital markets in the United States **, the United Kingdom** , Europe, Asia or other regions of the world could result in volatility of our investment earnings and impairments to our investment portfolio, which could negatively impact our financial condition and reported income. Changes in economic conditions could adversely affect the ability of counterparties, including counterparties to our foreign exchange forward contracts, to meet their obligations to us, which could materially affect our positions and investments. We may not be fully insured for all losses we may incur. We could be sued directly for claims that could be significant, such as claims related to breaches of privacy or network security, infringement of intellectual property rights, violation of wage and hour laws, or systemic discrimination, and our liability under our contracts may not fully limit or insulate us from those liabilities. Although we have general liability insurance coverage, including coverage for errors or omissions, cyber security incidents, property damage or loss and breaches of privacy and network security, that coverage may not continue to be available on reasonable terms or in sufficient amounts to cover one or more large claims, and our insurers may disclaim coverage as to any future claim. Insurance is not available for certain types of claims, including patent infringement, violation of wage and hour laws, failure to provide equal pay in the **United States** ~~U. S.~~ , and our indemnification obligations to our clients based on employment law. The successful assertion of one or more large claims against us that are excluded from our insurance coverage or exceed available insurance coverage, or changes in our insurance policies (including premium increases, the imposition of large deductible or co-insurance requirements, or our insurers’ disclaimer of coverage as to future claims), could have a material adverse effect on our business, results of operations, financial condition and cash flows. New and changing laws, corporate governance and public disclosure requirements add uncertainty to our compliance policies and increase our costs of compliance. **New and** ~~Changing~~ **changing** laws, regulations and standards relating to accounting, corporate governance **, sustainability** and public disclosure ~~, including the Sarbanes- Oxley Act of 2002, the Dodd- Frank Wall Street Reform and Consumer Protection Act (“ Dodd Frank ”)~~ , other SEC regulations, rules and regulations of the Consumer Financial Protection Bureau, **the Nasdaq Stock Market LLC (or equivalent or other exchange on which our common stock may be listed), the** Public Company Accounting Oversight Board, ~~and the NASDAQ Global Select Market, and~~ generally accepted accounting principles issued by Financial Accounting Standard Board **, and state law** can create uncertainty for companies like ours. These laws, regulations and standards may lack specificity and are subject to varying interpretations. Their application in practice may evolve over time, as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of ongoing revisions to such corporate governance standards. **In particular, federal securities laws require us to maintain internal controls over financial reporting.** Effective internal controls are necessary for us to provide reliable and accurate financial ~~statements~~ **information** and to effectively prevent fraud. We devote significant financial and managerial resources and time to comply with the internal control over financial reporting requirements ~~of the Sarbanes Oxley Act of 2002~~ and continue to enhance our controls. Internal control over financial reporting has inherent limitations, including human error, sample- based testing, the possibility that controls could be circumvented or become inadequate because of changed conditions, **unidentified controls,** and fraud ~~. Because of these inherent limitations~~ , **which** ~~internal control over financial reporting~~ might not prevent or detect all misstatements or fraud **, and could result in adverse consequences to us, including, but not limited to, a loss of investor confidence in the reliability of our financial results, which could cause the market price of our stock to decline** . While we do not anticipate any material weaknesses **in our internal controls framework** , we cannot be certain that we will be able to prevent future significant deficiencies or material weaknesses. ~~Inadequate internal controls could result in adverse consequences to us, including, but not limited to, a loss of investor confidence in the reliability of our financial statements, which could cause the market price of our stock to decline. We are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to comply with evolving laws, regulations and standards in this regard have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue- generating activities to compliance activities. In addition, the laws, regulations and standards regarding corporate governance may make it more difficult for us to obtain director and officer liability insurance. Further, our board members, chief executive officer and chief financial officer could face an increased risk of personal liability in connection with their performance of duties. As a result, we may face difficulties attracting and retaining qualified board members and executive officers, which could harm our business. If we fail to comply with new or changed laws, regulations or standards of corporate governance, our business and reputation may be harmed.~~ Our **sustainability** ~~global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violations of these regulations could harm our business. We provide services to clients throughout the world, therefore we are subject to numerous, and sometimes conflicting, legal rules on matters as diverse as import / export controls, content requirements, trade restrictions, tariffs, taxation, sanctions, government affairs, internal and disclosure control obligations, securities regulation, including anti- competition, anti- money- laundering, data privacy and protection, government~~

~~compliance, wage- and- hour standards, employment and labor relations and human rights. The global nature of our operations increases the difficulty of compliance. Compliance with diverse legal requirements is costly, time- consuming and requires significant resources. Violations of any of these laws or regulations in the conduct of our business could result in fines, criminal sanctions against us or our officers, prohibitions on doing business, damage to our reputation and other unintended consequences such as liability for monetary damages, fines and / or criminal prosecution, unfavorable publicity, restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Due to the varying degrees of development of the legal systems of the countries in which we operate, local laws might be insufficient to protect our rights. Our failure to comply with applicable legal and regulatory requirements could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, it may be difficult to enforce our intellectual property rights both within and outside of the United States. India is a member of the Berne Convention, an international intellectual property treaty, and has agreed to recognize protections on intellectual property rights conferred under the laws of other foreign countries, including the laws of the United States. There can be no assurance, however, that the laws, rules, regulations and treaties in effect in the United States, India and the other jurisdictions in which we operate and the contractual and other protective measures we take, are adequate to protect us from misappropriation or unauthorized use of our intellectual property, or that such laws will not change. Among other anti- corruption laws and regulations, including the U. K. Bribery Act, we are subject to the United States Foreign Corrupt Practices Act, or FCPA, which prohibits improper payments or offers of improper payments to foreign officials to obtain business or any other benefit. The FCPA also requires covered companies to make and keep books and records that accurately and fairly reflect the transactions of the company and to devise and maintain an adequate system of internal accounting controls. In many parts of the world, including countries in which we operate, practices in the local business community might not conform to international business standards and could violate these anti- corruption laws or regulations. Although we have policies and procedures in place that are designed to promote legal and regulatory compliance, including with respect to the FCPA, our employees, subcontractors and agents could take actions that violate these policies or procedures or applicable anti- corruption laws or regulations. Furthermore, the U. S. government may seek to hold us liable for successor liability FCPA violations committed by companies in which we invest or that we acquire. Violations of these laws or regulations could subject us to criminal or civil enforcement actions, including fines and suspension or disqualification from government contracting or contracting with private entities in certain highly regulated industries, any of which could have a material adverse effect on our business. Our environmental, social and governance~~ commitments and disclosures may expose us to reputational risks and legal liability. Our brand and reputation are also associated with our public commitments to various corporate **sustainability** ~~environmental, social and governance (" ESG ")~~ initiatives ~~, including our goals relating to sustainability, inclusion and diversity~~ . Our disclosures on these matters and any failure or perceived failure to achieve or accurately report on our commitments, could harm our reputation. In addition, positions we take or do not take on social issues may be unpopular with some of our employees, our ~~clients or~~ **existing and** potential clients **and investors** , governments **, media** or advocacy groups, which may impact our ability to attract or retain employees or the demand for our services. We also may choose not to conduct business with potential clients or discontinue or not expand business with existing clients due to these positions. ~~Governmental bodies, investors, clients and businesses are increasingly focused on ESG issues, which has resulted and may in the future continue to result in the enactment of new laws and regulations, reporting requirements and changing buying practices.~~ Increasing focus on ~~ESG~~ **sustainability** matters has resulted in, and is expected to continue to result in, the adoption of ~~legal and regulatory requirements designed to mitigate the effects of climate change on the environment, human rights and supply chain- related disclosures. If~~ new laws ~~or~~ **and** regulations **and reporting requirements and if these** are more stringent than **the** current ~~legal or regulatory~~ requirements, we may experience increased compliance burdens and costs to meet such obligations. In addition, our selection of voluntary disclosure frameworks and standards, and the interpretation or application of those frameworks and standards, may change from time to time or may not meet the expectations of investors or other stakeholders. Our ability to achieve our ~~ESG~~ **sustainability** commitments, including our goals relating to sustainability, inclusion and diversity, is subject to numerous risks, many of which are outside of our control. In addition, standards for tracking and reporting on ~~ESG~~ **sustainability** matters have not been harmonized and continue to evolve. Methodologies for reporting ~~ESG~~ **sustainability** data may be updated and previously reported ~~ESG~~ **sustainability** data may be adjusted to reflect improvement in availability and quality of third- party data, changing assumptions, changes in the nature and scope of our operations and other changes in circumstances. Our processes and controls for reporting ~~ESG~~ **sustainability** matters across our operations and supply chain are evolving along with multiple disparate standards for identifying, measuring, and reporting ~~ESG~~ **sustainability** metrics, including ~~ESG~~ **sustainability** - related disclosures that may be required by the SEC and other regulators, **including state,** and such standards may change over time, which could result in significant revisions to our current goals, reported progress in achieving such goals, or ability to achieve such goals in the future.