

Risk Factors Comparison 2025-02-25 to 2024-02-29 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, 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, including generative AI, digital transformation and solutions, advanced analytics, cloud based solutions, 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 technologies, adapt to industry developments, evolve and expand our business at sufficient speed and scale and successfully drive innovation, our ability to develop and maintain a competitive advantage, our growth strategy and our results of operations could be 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, **particularly with respect to the use of AI technology**. This has caused, and may in the future cause, clients to delay ~~spending under or stop using some of our~~ existing **services as contracts and engagements and to delay entering into new contracts while** they evaluate **and pivot to new newer** technologies, **including our own data and AI-led solutions**. 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, and integration of the new technologies into our services,** are not sufficient to make up for any shortfall, **or if our existing services are otherwise displaced by such technologies**. 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 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. **The use of AI technology presents competitive, reputational and legal risks, and our use of AI technology may not be successful. 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 AI technology, or acquire such technology 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.** Our growing use of AI, including generative AI and ML, in our offerings presents additional risks. **The development, adoption, and use of AI technologies are still in their early stages** ~~algorithms may be flawed, and datasets may be insufficient or contain biased information.~~ Inappropriate or controversial data practices by us or others **or flawed** could impair the acceptance of AI **algorithms** 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, **brand or reputational** harm, **and** legal liability. **In addition, and the domestic brand-- and international legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain including in the areas of intellectual property, cybersecurity, and privacy and data protection. Compliance with new or changing laws, regulations, industry standards or ethical requirements and expectations relating to AI may impose significant operational costs. Our use of, and / or reliance on, AI could give rise to legal or regulatory action or increased scrutiny or liability and may damage or our reputational-- reputation or otherwise materially harm our business.** 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 the cancellation or non-renewal of a contract or a decrease in the scope of services and solutions that we are able to provide to such client. **Companies in the industries we serve sometimes seek to achieve economies of scale and other synergies by combining with or acquiring other companies. We may lose work from such clients or lose the opportunity to gain additional work due to our clients' mergers or consolidations.** 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 **engagements 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 the loss of revenues and 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 **heavily to a significant extent on attracting, hiring, and retaining employees skilled in emerging areas, particularly artificial intelligence (AI), machine learning, data science, and digital transformation. These fields are not only highly competitive but also rapidly evolving, making the recruitment and retention of top talent especially challenging. The shortage of AI and data experts in the global market further exacerbates this issue, impacting our ability to attract deliver on client commitments and innovate effectively. High turnover among skilled professionals in AI and data science could lead to disruptions in project continuity, hire increased recruitment costs, and train strain and our human resources. Additionally, retain retaining qualified employees, including our ability to attract employees with needed skills leadership capabilities who can guide strategic AI and data initiatives is critical for achieving long- term organizational goals. Failing to secure such talent would create risks of revenue losses, reduced market competitiveness, and missed opportunities in the key geographies where we operate. Our industry, including us, experiences high employee turnover due to significant competition for professionals with skills necessary to perform the services we offer to our clients. A significant increase in the turnover rate among our employees, particularly among our highly skilled workforce, would 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. If we are unable to 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 result** 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 **may** 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 **(HIPAA)**, 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, including, the California Consumer Privacy Act. **In addition, as amended, and there are several** privacy regulations in other jurisdictions, such as the General Data Protection Regulation in the European Union, the International Data Transfer Agreement in the United Kingdom and the Digital Personal Data Protection Act, 2023 in India. These privacy regulations impose privacy and data security compliance obligations and significant penalties for noncompliance. 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 we operate, and the failure to comply with such laws could result in significant fines and penalties. In addition, we may not be able to limit our liability to our clients 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, employee error, malfeasance, or a combination of the foregoing. The remote work solutions that we employ in our hybrid working 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~~ users or clients to disclose sensitive information in order to gain access to our data or our ~~users' or~~ users' or 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 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~~ users and clients. Security breaches expose us to a risk of loss of sensitive information, 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 potential liability. Further, growth in state ~~-~~ sponsored cyber activity, **including the increased rate of cyberattacks arising from the Russia-Ukraine 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 clients may lose trust in cloud solutions generally, and with respect to security in particular. This could adversely impact our ability to retain existing clients or attract new 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, **settling data breach claims or paying associated penalties**. We rely on third party vendors and partners to deliver services and components for client critical services, **and require data use rights from third parties and our clients for many of our services and solutions**, 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 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 on them to perform, could delay our performance, or require us to engage alternative third parties to perform the services at our cost or to perform the services ourselves, any of which could result in a negative impact on our reputation, a loss of revenue or adversely impact our cash flows and profitability. **We also may fail to obtain the right to use third- party data or our use of third- party data may be limited in a manner that could impede our development of solutions, including solutions using AI technologies, or our provision of services that rely on such data. If we are unsuccessful in negotiating for such third- party data use rights, or if we are found to have used such data in a manner inconsistent with our rights and limitations, we may need to stop providing certain of our solutions or services, we may be unable to compete with our peers, or we might incur other financial, legal and / or reputational consequences.** 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 **and South Africa** have historically been significantly lower than wage costs in the United States, the United Kingdom and Europe for 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 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 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 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 cost countries or share wage increases with our clients, wage increases may reduce our margins and cash flows. Our business could be materially and adversely affected if we do not protect our intellectual property or if our services **or solutions** 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, data, ~~databases~~ **datasets**, methodologies, models, know-how, names, designs, domains, user interfaces, applications and operating procedures, among other materials. 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. **In addition, we monitor infringing or potentially infringing activities by third parties on our IP portfolio through cybersecurity “watchdog” technologies and take action to enforce offensive action when necessary to protect our intellectual property.** 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~~ **solution offerings** 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 **steps we** take ~~appropriate steps~~ to enforce our rights, ~~and any such steps~~ may not **always** 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, **any we cannot provide assurances that a future assertion of an** ~~infringement claim against us or our clients~~ **may** will not cause us to alter our business practices, lose significant 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 ~~that are mainly located in the United States~~. We have earned and believe that we will continue to earn in the near or foreseeable future a substantial portion of our total revenues from a limited number of large clients **that are primarily located in the United States**. Any change in demand from any of our large clients for any reason could have a material adverse effect on our business, results of operations, financial condition and cash flows. Moreover, the loss of a major client could also impact our reputation in the market, making it more difficult to attract and retain clients more generally. **Global macroeconomic and geopolitical conditions affect us, our clients' businesses and the markets they serve. Volatile, negative and uncertain economic and geopolitical conditions have in the past undermined and could in the future undermine business confidence in the markets in which we operate, which are increasingly interdependent, causing our clients to reduce or defer their spending on new initiatives and technologies, and negatively affecting our business.** Our inability to manage our rapid infrastructure and personnel growth across countries ~~and changes to our operating model effectively could have a material adverse~~ **adversely effect affect** 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 Czech Republic, Mexico and the Republic of Ireland. Our headcount has increased significantly over the past several years. We expect to develop and improve our internal systems in the locations in which we operate in order to address the anticipated continued growth of our business. We continue to look for operations centers at locations outside of our current operating geographies. We have also made changes to our operating model driven by delivery of a significant portion of our services from a hybrid working model, which has led to contraction of our ~~operation~~ **operations** centers. 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 **fail to attract and retain enough sufficiently trained employees to support our operations or professionals with sufficient leadership capabilities. 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 need to introduce reskilling and upskilling programs tailored to AI and data roles to ensure that employees remain agile and capable of executing complex projects. Training initiatives that focus on AI model development, deployment, and maintenance not only improve employee capabilities but also position us as a forward- thinking organization. Without these investments, we risk losing key talent to competitors, jeopardizing our ability to innovate and grow** . 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 . ~~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 clients, legal liabilities and the need to amortize acquired **intangible assets or recognize any impairment on goodwill and** 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 , **or problems with the intellectual property that we may acquire** . 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 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 important economic opportunity by doing so or because our personnel did not adequately adhere to our guidelines. 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, if we cannot, or do not, meet our contractual obligations with vendors, such as licensors, the vendors may have the right to terminate the contract, in which case we may not be able to provide client solutions and services dependent on the products or services provided to us by such contracts. We face competition globally from other providers and from our clients, who may build **shared services global capability** centers to perform digital operations and solutions and analytics services themselves, either in- house or other arrangements. The market for our 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. 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, pricing, sales and client management capabilities. 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 , **including by creating in- house global capability centers** . 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 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 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, 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 **business operations**, 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, economics, financial markets and business practices. Any 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 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.~~ 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 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 operations** centers. 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 determine and 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 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 have established ~~a our~~ **our** headquarters for international business in Dublin, Ireland, and qualify for a reduced tax rate ~~subject to 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 in countries outside of the United States and we periodically evaluate opportunities to repatriate these earnings 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 may limit our ability to use such earnings across our global operations in the United States or other geographies, where needed. Additionally, 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, or the failure of our hedging strategies to mitigate such fluctuations, 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 in foreign currency exchange rates can adversely affect our results of

operations. 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, 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, and Israel and Hamas, coupled with high inflationary pressures and interest rates, have led the International Monetary Fund to downgrade its outlook for the world economy for 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, 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 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 we have 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 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 our clients are based, have increased the level of scrutiny in granting such visas and work permits, which may be affected by changes in legislation and enforcement due to political and other factors which may be difficult to predict. 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 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 our investors** may be unable to effect service of process upon our affiliates **or officers** who reside in India and the Philippines outside their jurisdiction of residence. In addition, **you our investors** 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. Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, including, accreditation or licensing standards that govern our business, and violations of these requirements could harm our business. We provide services to clients throughout the world, therefore we and our clients (who sometimes impose those requirements on us) are subject to numerous, and sometimes conflicting, changing and evolving laws and regulations 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 and anti- corruption laws (including the U. S. Foreign Corrupt Practices Act and the U. K. Bribery Act), data privacy and protection, government compliance, wage- and- hour 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 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. **The new United States presidential administration has imposed or threatened significantly increased tariffs on foreign imports into the United States, particularly from China, Mexico and Canada, and the U. K. and the European Union. The imposition of these tariffs or other trading regulations by the U. S. government on foreign countries, or by foreign countries on the U. S., could result in a global trade war which may significantly affect our customers’ businesses and therefore their ability or willingness to engage us for our offerings, which may result in the loss of customers and harm our operating performance, sales and earnings.** 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 our contractual obligations and loss of

clients. 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 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). The credit agreement provides for a \$ **400-500** million revolving credit facility, including a letter of credit sub- facility, and **a \$ 100 million term loan facility, which** is guaranteed by certain 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 could be declared immediately due and payable and such acceleration could adversely affect our liquidity and financial condition. 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 conflicts between Russia and Ukraine, and 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 **or similar corporate transactions** 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. 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 global stock markets have experienced, and may continue to experience, significant volatility from inflation and high interest rates, which could result in a material adverse effect on our stock price. Furthermore, if we fail to meet expectations relating to future growth and profitability, this may have a materially adverse effect on the trading price of our common stock. Delaware law and our **fourth 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 **fourth 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 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 % or more of our outstanding voting stock, from merging or combining with us. These provisions of our 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 **executive action**, 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~~ **may be** put forward by the **President via executive action**, U. S. Congress ~~and or~~ 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 **and Other** 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, 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. 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, 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 laws, regulations and standards relating to accounting, corporate governance, sustainability and public disclosure, other SEC regulations, rules and regulations of the Consumer Financial Protection Bureau, the The Nasdaq Stock Market LLC (or equivalent or other exchange on which our common stock may be listed), the Public Company Accounting Oversight Board, 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 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 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, which 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. Our sustainability commitments initiatives 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 initiatives. Our disclosures on these matters, and any failure or perceived failure to achieve or accurately report on our commitments initiatives, are subject to risks outside of our control and 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 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. Increasing focus on sustainability matters has resulted in, and is expected to continue to result in, the adoption of new laws and regulations and reporting requirements and if these are more stringent than the current requirements, we may experience increased compliance burdens and costs to meet such obligations **related to new and existing laws and regulations related to sustainability matters**. 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~~ **We could also be criticized by** sustainability commitments detractors, including our ~~or~~ **subjected** goals relating to **negative responses by governmental actors or policies, legislation, or initiatives, legal opinions or other actions, which could result in additional scrutiny on the scope or nature of our reporting and our sustainability initiatives, each inclusion and diversity, is subject to numerous risks, many of which ~~are outside of~~ **could adversely affect** our control **reputation, business, financial performance and growth**. In addition, standards for tracking and reporting on sustainability matters have not been harmonized and continue to evolve. Methodologies for reporting sustainability data may be updated and previously reported 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 sustainability matters across our operations and supply chain are evolving along with multiple disparate standards for identifying, measuring, and reporting sustainability metrics, including ~~sustainability-related~~ disclosures that may be required by the **applicable SEC and other** regulators, including state, and such standards may change over time, which could result in significant ~~revisions~~ **impacts** to our current goals, reported progress in achieving such goals, or **our business** ability to achieve such goals in the future.**