

## Risk Factors Comparison 2025-02-13 to 2024-02-20 Form: 10-K

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

The Company's business prospects are subject to various risks and uncertainties that impact its business. The most important of these risks and uncertainties are as follows: Risks Related to the Company's Business Environment Any reduction in global economic activity may harm the Company's business and financial condition. The demand for the Company's services, in particular its talent solutions services, is highly dependent upon the state of the economy and upon the staffing needs of the Company's clients. In the recent past, certain of the Company's markets experienced economic uncertainty characterized by increasing unemployment, limited availability of credit, significant inflation, and decreased consumer and business spending. In addition, certain geopolitical events, including the ongoing war between Russia and Ukraine, the war between Israel and Hamas, and Hezbollah, and the expanding conflict ongoing unrest throughout the Middle East, have caused significant economic, market, political or regulatory uncertainty in some of the Company's markets. Any decline in the economic condition or employment levels of the U. S. or of any of the foreign countries in which the Company does business, or in the economic condition of any region of any of the foregoing, or in any specific industry served by the Company may severely reduce the demand for the Company's services and thereby significantly decrease the Company's revenues and profits. Further, continued or intensifying economic, political or regulatory uncertainty in the Company's markets could reduce demand for the Company's services. The Company's business depends on a strong reputation and anything that harms its reputation will likely harm its results. As a provider of contract and permanent talent solutions as well as consulting services, the Company's reputation is dependent upon the performance of the employees it places with its clients and the services rendered by its consultants. The Company depends on its reputation and name recognition to secure engagements and to hire qualified skilled employees and consultants. If the Company's clients become dissatisfied with the performance of those employees or consultants, or if any of those employees or consultants engage in or are believed to have engaged in conduct that is harmful to the Company's clients, the Company's ability to maintain or expand its client base may be harmed. The Company faces risks in operating internationally. The Company depends on operations in international markets for a significant portion of its business. These international operations are subject to a number of risks, including general political and economic conditions in those foreign countries, international hostilities and responses to those hostilities, the burden of complying with various potentially conflicting foreign laws, technical standards, unpredictable changes in foreign regulations, U. S. legal requirements governing U. S. companies operating in foreign countries, legal and cultural differences in the conduct of business, potential adverse tax consequences, and difficulty in staffing and managing international operations. These factors may have a material adverse effect on the performance of the Company's business. In addition, the Company's business may be affected by foreign currency exchange fluctuations. In particular, the Company is subject to risk in translating its results in foreign currencies into the U. S. dollar. If the value of the U. S. dollar strengthens relative to other currencies, the Company's reported income from these operations could decrease. For example, in 2023, the U. S. dollar strengthened against the Canadian Dollar and Australian Dollar, as well as weakened against the Euro, British Pound and Brazilian Real, the net of which resulted in a nominal impact to the Company's revenues. Natural disasters and unusual weather conditions, pandemic outbreaks, terrorist acts, global political events and other serious catastrophic events could disrupt business and otherwise materially adversely affect the Company's business and financial condition. With operations in many states and multiple foreign countries, the Company is subject to numerous risks outside of the Company's control, including risks arising from natural disasters, such as fires, earthquakes, hurricanes, floods, tornadoes, unusual weather conditions, pandemic pandemics outbreaks such as the COVID-19 pandemic and other global health emergencies, terrorist acts or disruptive global political events, or similar disruptions that could materially adversely affect the Company's business and financial performance. Historically, the Company's operations are heavily dependent on the ability of employees and consultants to travel from business to business and from location to location. Any public health emergencies, including a real or potential global pandemic such as those caused by the avian flu, SARS, Ebola, coronavirus, or even a particularly virulent flu, could decrease demand for the Company's services and the Company's ability to offer them. Uncharacteristic or significant weather conditions may increase in frequency or severity due to climate change, which may increase the Company's expenses, exacerbate other risks to the Company, and affect travel and the ability of businesses to remain open, which could lead to a decreased ability to offer the Company's services and materially adversely affect the Company's results of operations. In addition, these events could result in delays in placing employees and consultants, the temporary disruption in the transport of employees and consultants overseas and domestically, the inability of employees and consultants to reach or have transportation to clients directly affected by such events, and disruption to the Company's information systems. Although it is not possible to predict such events or their consequences, these events could materially adversely affect the Company's reputation, business and financial condition. Failure to meet, and increasing scrutiny of, and evolving expectations for, sustainability and ESG commitments and initiatives could harm the Company's reputation, or otherwise adversely impact our business, financial condition or results of operations. The Company has public sustainability and environmental, social and governance ("ESG") commitments, including environmental targets designed to have a positive impact on the climate. The Company's ability to achieve these goals is subject to a multitude of risks that may be outside of the Company's control. The Company's failure or perceived failure to achieve ESG - related goals or maintain ESG - related practices that meet evolving stakeholder expectations could harm the Company's reputation, adversely impact the Company's ability to attract and retain employees or clients, and expose the Company to increased scrutiny from the investment community and enforcement authorities. The Company's reputation also may be harmed by the

perceptions that clients, employees and other stakeholders have about the Company's action or inaction on social, ethical, or political issues. Damage to the Company's reputation and loss of brand equity may reduce demand for the Company's services and thus have an adverse effect on future financial results **and reduce the stock price**, as well as require additional resources to rebuild the Company's reputation and restore the value of the brands. **At the same time, regulators have increasingly expressed or pursued opposing views, legislation and investment expectations with respect to sustainability initiatives. In recent years anti- ESG and anti- DEI sentiment has gained momentum across the U. S., with several dozen states, Congress and the Executive Branch having proposed or enacted " anti- ESG " and " anti- DEI " policies, legislation, executive orders or initiatives or issued related legal opinions. Conflicting regulations and a lack of harmonization of ESG legal and regulatory environments across the jurisdictions in which we operate may create enhanced compliance risks and costs. We may also face increasing scrutiny from our clients, candidates, employees and other stakeholders relating to the appropriate role of ESG practices and disclosures. Failure to prepare for and meet evolving standards and expectations could also reduce the Company's stock price result in regulatory penalties, investor backlash and diminished shareholder confidence.**

**Risks-Related to the Company's Operations** The Company may be unable to find sufficient candidates for its talent solutions business. The Company's talent solutions services business consists of the placement of individuals seeking employment. There can be no assurance that candidates for employment will continue to seek employment through the Company. Candidates generally seek contract or permanent positions through multiple sources, including the Company and its competitors. **There have been periods of historically low unemployment in the U. S. has been at historic lows in recent periods and during which** competition for workers in a number of industries **is was** intense. When unemployment levels are low, finding sufficient eligible candidates to meet employers' demands is more challenging. Although unemployment has risen in some areas in which the Company operates, talent shortages have persisted in a number of disciplines and jurisdictions. Any shortage of candidates could materially adversely affect the Company. The Company operates in a highly competitive business and may be unable to retain clients or market share. The **staffing services talent solutions** business is highly competitive and, because it is a service business, the barriers to entry are quite low. There are many competitors, some of which have greater resources than the Company, and new competitors are entering the market all the time. **In addition, long- term contracts form a negligible portion of the Company's revenue.** Therefore, there can be no assurance that the Company will be able to retain clients or market share in the future. Nor can there be any assurance that the Company will, in light of competitive pressures, be able to remain profitable or, if profitable, maintain its current profit margins. The Company may incur potential liability to employees and clients. The Company's contract talent solutions business entails employing individuals on a temporary basis and placing such individuals in clients' workplaces. The Company's ability to control the workplace environment is limited. As the employer of record of its temporary employees, the Company incurs a risk of liability to its temporary employees for various workplace events, including claims of physical injury, discrimination, harassment or failure to protect confidential personal information. In addition, in order to facilitate remote working arrangements, some of the Company's temporary workers are accessing client workspaces from their personal devices through cloud- based systems, which could increase cybersecurity risks to the Company's clients. If cybersecurity incidents were to occur in such a way, the Company may face legal and contractual liability, reputational damage, loss of business, and other expenses. The Company also incurs a risk of liability to its clients resulting from allegations of damages caused by temporary employees acting on phishing emails **and**, **cyber attacks**, and other errors, omissions or theft by its temporary employees, or allegations of compromise of client confidential information. In some cases, the Company has agreed to indemnify its clients in respect of these types of claims. The Company maintains insurance with respect to many such claims. While such claims have not historically had a material adverse effect on the Company, there can be no assurance that the Company will continue to be able to obtain insurance at a cost that does not have a material adverse effect on the Company or that such claims (whether by reason of the Company not having sufficient insurance or by reason of such claims being outside the scope of the Company's insurance) will not have a material adverse effect on the Company. Protiviti operates in a highly competitive business and faces competitors who are significantly larger and have more established reputations. As with the Company's talent solutions services business, the barriers to entry are quite low. There are many competitors, some of which have greater resources than Protiviti and many of which have been in operation far longer than Protiviti. In particular, Protiviti faces competition from the " Big Four " accounting firms, which have been in operation for a considerable period of time and have established reputations and client bases. Because the principal factors upon which competition is based are reputation, technology, tools, project methodologies, price of services, and depth of skills of personnel, there can be no assurance that Protiviti will be successful in attracting and retaining clients or be able to maintain the technology, personnel, and other requirements to successfully compete. Protiviti's operations could subject it to liability. The business of Protiviti consists of providing business consulting and internal audit services. Protiviti risks liability from allegations of damages caused by errors, omissions or misconduct by its employees working on consulting engagements or from damages caused by its employees acting on phishing emails and cyber attacks, or allegations of compromise of client confidential information. In some cases, the Company has agreed to indemnify its clients in respect of these types of claims. Liability could be incurred, or litigation could be, and from time- to- time has been, instituted against the Company or Protiviti for claims related to these activities or to prior transactions or activities. There can be no assurance that such liability or litigation will not have a material adverse impact on Protiviti or the Company. The Company is dependent on its management personnel and employees, and a failure to attract and retain such personnel could harm its business. The Company is engaged in the services business. As such, its success or failure is highly dependent upon the performance of its management personnel and employees, rather than upon tangible assets (of which the Company has few). There can be no assurance that the Company will be able to attract and retain the personnel that are essential to its success. A failure to retain key management personnel could disrupt the Company's succession strategy, hindering a smooth transition to new leadership and potentially disrupting the Company's operations. The Company's results of operations and ability to grow

could be materially negatively affected if it cannot successfully keep pace with technological changes impacting the development and implementation of its services and the evolving needs of its clients. The Company's success depends on its ability to keep pace with rapid technological changes affecting both the development and implementation of its services and the staffing needs of its clients. Technological advances such as artificial intelligence, machine learning, and automation are impacting industries served by all the Company's lines of business. In addition, the Company's business relies on a variety of technologies, including those that support hiring and tracking, order management, billing, and client data analytics. If the Company does not sufficiently invest in new technology and keep pace with industry developments, appropriately implement new technologies, or evolve its business at sufficient speed and scale in response to such developments, or if it does not make the right strategic investments to respond to these developments, the Company's services, results of operations, and ability to develop and maintain its business could be negatively affected. The Company uses artificial intelligence in its services which may result in operational challenges, legal liability, reputational concerns, and privacy and competitive risks. The Company currently uses and intends to leverage its own and third parties' artificial intelligence ("AI") processes and algorithms and its own evolving and third parties' cognitive, analytical and artificial intelligence applications in its daily operations for Protiviti and talent solutions, including by deploying generative AI into the Company's talent solutions search operations. Protiviti expanded its service offerings to include AI risk analysis, policy creation, governance, and technology selection and architecture. The use of AI by talent solutions and provision of AI related services by Protiviti may result in operational challenges, legal liability, reputational concerns, and privacy and competitive risks which could result in adverse effects to the Company's financial condition, results or reputation. Generative AI products and services leverage existing and widely available technologies, such as Chat GPT- 4 and its successors, or alternative large language models or other processes. The use of generative AI processes at scale is relatively new and may lead to challenges, concerns and risks that are significant or that the Company may not be able to predict, especially if its use of these technologies in the delivery of its services becomes more important to its operations over time. Use of generative AI in search operations and services offerings may be difficult to deploy successfully due to operational issues inherent to the nature of such technologies. AI algorithms use machine learning and predictive analytics, which may lead to flawed, biased, and inaccurate candidate and lead generation search results. Datasets in AI training, development, or operations may be insufficient, of poor quality, reflect unwanted forms of bias, or raise other legal concerns (such as concerns regarding copyright protections or data protection). Inappropriate or controversial data practices by, or practices reflecting inherent biases of, data scientists, engineers, and end- users of the Company's systems could lead to mistrust, rejection or skepticism of the Company's services by clients and candidates. Further, unauthorized use or misuse of AI by the Company's employees, vendors or others may result in disclosure of confidential company and customer data, reputational harm, privacy law violations, and legal liability. The Company's use of AI may also lead to novel and urgent cybersecurity risks, including access to or the misuse of personal data, all of which may adversely affect its operations and reputation. Uncertainty in the legal regulatory regime relating to AI may require significant resources to modify and maintain business practices to comply with U. S. and non- U. S. laws, the nature of which cannot be determined at this time. Several jurisdictions around the globe, including Europe and certain U. S. states, have already proposed or enacted laws governing AI. For example, ~~the European regulators have proposed~~ **Union passed the Artificial Intelligence Act in 2024 which contains** stringent AI regulations and laws, and the Company expects other jurisdictions will adopt similar legislation. Other jurisdictions may decide to adopt similar or more restrictive legislation that may render the use of such technologies challenging, impossible or financially prohibitive. The demand for the Company's services related to regulatory compliance may decline. The operations of both the ~~staffing services~~ **talent solutions** business and Protiviti include services related to Sarbanes- Oxley, Anti- Money Laundering Act of 2020 reviews, and other regulatory compliance services. There can be no assurance that there will be ongoing demand for these services. ~~For example, the Jumpstart Our Business Startup Act, signed into law in April of 2012, allows most companies going public in the U. S. to defer implementation of some of the provisions of Sarbanes- Oxley for up to five years after their initial public offering.~~ Similarly, from time- to- time proposals are considered by the U. S. Congress to further delay or, in some cases, remove the requirements of Sarbanes- Oxley for a number of public companies. These or other similar modifications of the regulatory requirements could decrease demand for Protiviti's services. ~~Demand for the Company's~~ **s..... the pandemic lessen or change over time.** Long- term contracts do not comprise a significant portion of the Company's revenue. Because long- term contracts are not a significant part of the Company's ~~staffing services~~ **talent solutions** business, future results cannot be reliably predicted by considering past trends or extrapolating past results. Additionally, the Company's clients will frequently enter nonexclusive arrangements with several firms, which the client is generally able to terminate on short notice and without penalty. The nature of these arrangements further exacerbates the difficulty in predicting the Company's future results. If the Company does not effectively manage billable rates, the Company's financial results could suffer. Accurate and strategic pricing represents a key factor in our financial results. If billable rates are too low, the Company's service revenues may not cover operational costs, whereas if billable rates are too high, the Company risks hindering client retention and limits competitiveness. ~~Demand for the Company's~~ **services from government and public sector clients may decrease over time. In recent periods** ~~During the global pandemic~~, the Company reported increased business from services rendered to the public sector due to, among other developments, the volume of unemployment claims and housing assistance claims, as well as the demands faced by public school districts. With the ~~majority end~~ of ~~the pandemic~~ **COVID- 19 legal restrictions lifted**, many ~~government~~ of the COVID- 19 related projects have ended and the Company's ~~public government~~ sector business has shifted to different projects with public sector clients. It is unknown whether the shift in projects with state, local and other public sector clients will ultimately maintain the same level of business or to what extent business with the public sector may decrease as the effects of the pandemic lessen **or change over time.** Legal and Regulatory Risks The Company and certain subsidiaries are defendants in several lawsuits that could cause the Company to incur substantial liabilities. The Company and certain subsidiaries are defendants in several ~~actual~~ **certified** or ~~asserted~~ **putative** class and representative

action lawsuits brought by or on behalf of the Company's current and former employees alleging violations of federal and state law with respect to certain wage and hour related matters, as well as claims **by job applicants** challenging the Company's compliance with the Fair Credit Reporting Act. The various claims made in one or more of such lawsuits include, among other things, the misclassification of certain employees as exempt employees under applicable law, failure to comply with wage statement requirements, failure to compensate certain employees for time spent performing activities related to the interviewing process **(including attending the interviews themselves)**, and other related wage and hour violations. Such suits seek, as applicable, unspecified amounts for unpaid overtime compensation, penalties, and other damages, as well as attorneys' fees. The Company is defending several claims brought under the California Labor Code Private Attorney General Act ("PAGA"); **and** which authorizes individuals to file lawsuits to seek civil penalties on behalf of themselves and other employees for alleged labor code violations, ~~and the Washington Equal Pay and Opportunities Act which relates to disclosures within job postings.~~ It is not possible to predict the outcome of these lawsuits. However, these lawsuits may consume substantial amounts of the Company's financial and managerial resources and might result in adverse publicity, regardless of the ultimate outcome of the lawsuits. In addition, the Company and its subsidiaries may become subject to similar lawsuits in the same or other jurisdictions, or to various other claims, disputes, and legal or regulatory proceedings that arise in the ordinary course of business. An unfavorable outcome with respect to these lawsuits and any future lawsuits or regulatory proceedings could, individually or in the aggregate, cause the Company to incur substantial liabilities or impact its operations in such a way that may have a material adverse effect upon the Company's business, financial condition or results of operations. Furthermore, any future lawsuits, claims, disputes, or legal or regulatory proceedings may also consume substantial amounts of the Company's financial and managerial resources and might result in adverse publicity, regardless of the ultimate outcome. In addition, an unfavorable outcome in one or more of these cases could cause the Company to change its compensation plans for its employees, which could have a material adverse effect upon the Company's business. Government regulations may result in prohibition or restriction of certain types of employment services or the imposition of additional licensing or tax requirements that may reduce the Company's future earnings. In many jurisdictions in which the Company operates, the employment services industry is heavily regulated. For example, governmental regulations in some countries restrict the length of contracts and the industries in which the Company's employees may be used. In other countries, special taxes, fees or costs are imposed in connection with the use of its employees. Additionally, trade unions in some countries have used the political process to target the industry in an effort to increase the regulatory burden and expense associated with offering or utilizing temporary staffing solutions. The countries in which the Company operates may, among other things: • create additional regulations that prohibit or restrict the types of employment services that the Company currently provides; • require new or additional benefits be paid to the Company's employees; • require the Company to obtain additional licensing to provide employment services; or • increase taxes, such as sales or value-added taxes, payable by the providers of temporary workers. Any future regulations may have a material adverse effect on the Company's business and financial results because they may make it more difficult or expensive for the Company to continue to provide employment services. Additionally, as the Company expands existing service offerings, adds new service offerings, or enters new markets, it may become subject to additional restrictions and regulations which may impede its business, increase costs and impact profitability. The Company's business is subject to extensive government regulation and a failure to comply with regulations could harm its business. The Company's business is subject to regulation or licensing in many states in the U. S. and in certain foreign countries. While the Company has had no material difficulty complying with regulations in the past, there can be no assurance that the Company will be able to continue to obtain all necessary licenses or approvals or that the cost of compliance will not prove to be material. Any inability of the Company to comply with government regulation or licensing requirements could materially adversely affect the Company. Further, changes to existing regulation or licensing requirements could impose additional costs and other burdens or limitations on the Company's operations. In addition, the Company's contract talent services business entails employing individuals on a temporary basis and placing such individuals in clients' workplaces. Increased government regulation of the workplace or of the employer-employee relationship, or judicial or administrative proceedings related to such regulation, could materially adversely affect the Company. In addition, to the extent that government regulation imposes increased costs upon the Company, such as unemployment insurance taxes, there can be no assurance that such costs will not adversely impact the Company's profit margins. Further, lawsuits or other proceedings related to the Company's compliance with government regulations or licensing requirements could materially adversely affect the Company. For example, the Company is currently named as a defendant in litigation challenging its compliance with the Fair Credit Reporting Act, **and** PAGA litigation in California alleging wage and hour and other **labor-labor** code compliance issues, ~~and litigation in Washington relating to compliance with the Washington Equal Pay and Opportunities Act.~~ It is not possible to predict the outcome of such litigation; however, such litigation or any future lawsuits or proceedings related to the Company's compliance with government regulation or licensing requirements could consume substantial amounts of the Company's financial and managerial resources, **and** might result in adverse publicity, regardless of the ultimate outcome of any such lawsuits or other proceedings. An unfavorable outcome with respect to such litigation or any future lawsuits or proceedings could, individually or in the aggregate, cause the Company to incur substantial liabilities that may have a material adverse effect upon the Company's business, financial condition or results of operations. If the Company fails to comply with Anti-Bribery Laws, anti-forced labor laws, or economic sanction regulations, it could be subject to substantial fines or other penalties and reputational harm. In many parts of the world, including countries in which the Company operates and / or seeks to expand, practices in the local business community might not conform to international business standards and could violate the U. S. Foreign Corrupt Practices Act ("FCPA"), the U. K. Bribery Act, and other anti-corruption and anti-bribery laws and regulations ("Anti-Bribery Laws"). These laws generally prohibit companies, their employees and third-party intermediaries from authorizing, promising, offering, providing, soliciting or accepting, directly or indirectly, improper payments or benefits to or from any person whether in the public or private sector. In addition, some of

these laws have accounting provisions that require the Company to maintain accurate books and records and a system of internal accounting controls. Any violation of the FCPA or other applicable Anti-Bribery Laws could result in substantial fines, sanctions or civil and / or criminal penalties, debarment from business dealings with certain governments or government agencies or restrictions on the marketing of the Company's products in certain countries, and damage to the Company's reputation, which could harm the Company's business, financial condition or results of operations. Additionally, the U. S. Department of the Treasury's Office of Foreign Assets Control and other relevant agencies of the U. S. government administer certain laws and regulations that restrict U. S. persons and, in some instances, non-U. S. persons, from conducting activities, transacting business with or making investments in certain countries, or with **certain** governments, entities and individuals, subject to U. S. economic sanctions. Similar economic sanctions are imposed by the European Union and other jurisdictions. The Company's international operations subject it to these and other laws and regulations, which are complex, restrict the Company's business dealings with certain countries, governments, entities and individuals, and are constantly changing. Penalties for noncompliance with these complex laws and regulations can be significant and include substantial fines, sanctions, or civil and / or criminal penalties, and violations can result in adverse publicity, which could harm the Company's business, financial condition or results of operations. Although the Company has implemented policies and procedures designed to ensure compliance with Anti-Bribery Laws, U. S. export control laws, economic sanctions, anti-forced labor, and other laws and regulations, the Company cannot be sure that its employees, agents or other third parties will not violate such policies or applicable laws and regulations. Any such violations could result in significant fines and penalties, criminal sanctions against the Company, its officers or its employees, **and** prohibitions on the conduct of its business, **and causing materially-- material** damage the Company's reputation, brand, business and operating results. Further, detecting, investigating and resolving actual or alleged violations is expensive and can consume significant time and attention of the Company's senior management. Health care reform could increase the costs of the Company's contract staffing operations. **In March 2010, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (the "PPACA") were signed into law in the U. S. In 2015, the Company redesigned its employee benefits to offer health insurance coverage to its contract talent in order to meet the requirements of the PPACA's employer mandate. The U. S. Congress has made several attempts to repeal or modify the PPACA and in 2020, the U. S. Supreme Court heard an appeal of a decision from the U. S. Court of Appeals for the Fifth Circuit that invalidated significant portions of the PPACA. It is unclear at this point what the scope of any such future legislation will be and when it will become effective. Because of the uncertainty surrounding proposed replacement health care reform legislation or any modifications to such legislation to deal with these court challenges, the Company cannot predict with any certainty the likely impact of the PPACA's repeal or the adoption of any other health care reform legislation on the Company's financial condition or operating results. Whether or not there is alternative health care legislation enacted in the U. S., there is likely to be significant disruption to the health care market in the coming months and years. **Consequently, and** the costs of the Company's health care expenditures may **increase rise, adversely impacting the Company's profitability. The Company could be subject to changes in tax rates, adoption of new U. S. federal or international tax legislation or tax audits that could result in additional income tax liabilities. The Company is subject to income and other taxes in the U. S. and international jurisdictions. The tax bases and rates of these respective tax jurisdictions change from time to time due to economic and political conditions. Tax accounting involves complex matters and requires judgment to determine the Company's worldwide provision for income and other taxes and tax assets and liabilities. The Company is routinely subject to tax examinations by the U. S. Internal Revenue Service and other tax authorities. Tax authorities have disagreed, and may disagree in the future, with the Company's judgments and if its judgments are not sustained as a result of these examinations, the amounts ultimately paid could be materially different from the amounts previously recorded. In addition, changes in tax laws, treaties or regulations and, or their interpretations-- interpretation or enforcement, have become more unpredictable and may become more stringent, which could materially adversely affect the Company's tax position. On December 22, 2017 including the U. S. and many countries in the European Union, have implemented, and are considering implementing, changes in relevant tax, accounting and the other Tax Cuts laws, regulations and Jobs Act interpretations. The overall tax environment has made it increasingly challenging for multinational corporations to operate with certainty about taxation in many jurisdictions. For example, the Organization of Economic Cooperation and Development (the "OECD"), an international association of many countries, has introduced a framework to impose a 15 % global minimum corporate tax, referred to as Pillar Two, effective for tax years beginning in 2024. Currently, there are no law-laws. Notwithstanding the reduction enacted incorporating Pillar Two in the U. S., however, certain countries in which the Company operates have adopted, or are in the process of adopting legislation to implement Pillar Two. In the U. S., various proposals to raise corporate income taxes are periodically considered such as the Inflation Reduction Act, which introduced a 15 % Corporate Alternative Minimum Tax beginning in 2023. These enacted changed in tax rate laws, treaties or regulations, or the their overall interpretation or enforcement could impact of these changes on the Company's results of operations will likely evolve as new regulations and interpretations relating to the TCJA are implemented. In addition, various political figures have pledged their support to overturning or our current modifying key aspects of the TCJA which could further increase the uncertainty relating to the impact of this or any future tax legislation positions while the proposed changes in tax laws, treaties or regulations, or their interpretation or enforcement, could have a material adverse impact on our current or future tax positions** the Company's results of operations.**

Risks Related to the Company's Information Technology, Cybersecurity and Data Protection Company and third-party computer, technology and communications hardware and software systems are vulnerable to damage, unauthorized access, and disruption that could expose the Company to material operational, financial, and reputational damage (including the unauthorized access to, or exposure of, personal and confidential information and intellectual property). The Company's ability to manage its operations using these systems successfully is

critical to its success and largely depends upon the efficient and uninterrupted operation of its and third parties' computer, technology and communications systems, some of which are managed and run by third-party vendors. The Company's primary systems (and, as a result, its operations) are vulnerable to damage or interruption from power outages, computer, technology and telecommunications failures, computer viruses, security breaches, catastrophic events, and errors in usage by the Company's or its vendors' employees and contractors. In addition, the Company's systems contain personal and confidential information and intellectual property, including information of importance to the Company, and its employees, vendors, contractors, and clients. Cyberattacks, including attacks motivated by the desire for monetary gain, or embarrassment, geopolitics, and grievances against the business services industry in general or against the Company in particular, could potentially disable or damage its systems or the systems of its vendors or clients, or allow unauthorized access to, or exposure of, intellectual property and personal or confidential information, including information about employees, vendors, candidates, contractors and clients. The Company's security tools, controls and practices, including those relating to identity and access management, credential strength, and the security tools, controls and practices of its vendors and clients, may not prevent or detect access, damage or disruption to Company or third-party computer, technology, and communications hardware and software systems or the unauthorized access to, or exposure of, intellectual property or personal or confidential information. A failure to prevent or detect unauthorized access to Company or third-party systems could expose the Company to material operational, financial, and reputational damage. There are many approaches through which such systems could be damaged or disrupted, or information exposed or accessed, including through system vulnerabilities, configuration errors, vendor vulnerabilities, failing to patch or upgrade systems, social engineering, cyberattacks, improperly obtaining and using user credentials, malfeasance, or the misuse of authorized user access. Periodic and continuous assessments are conducted by the Company to identify security risks, vulnerabilities, weaknesses or gaps, and a risk-based approach is then employed to address them, recognizing that not all system and software updates can be made and not all risks or vulnerabilities, weaknesses or gaps can be eliminated in an economical or timely manner. This risk-based approach prioritizes risks, vulnerabilities, weaknesses and gaps based on, among other factors, budgetary constraints, impact, likelihood of mitigation, and the broader risk landscape. No security program can offer a guarantee against all potential incidents. On an increasing frequency, the Company and its third-party vendors experience security incidents that have resulted in unauthorized access to the Company's or its third-party vendors' computer, technology and communications hardware and software systems. To date, no such incidents have been determined to have had a material impact on the Company. The Company has transitioned a significant number of the Company's employee population to remote work. This transition to remote working has also increased the Company's vulnerability to risks related to the Company's computer, technology, and communications hardware and software systems and has exacerbated certain related risks, including risks of phishing and other cybersecurity attacks. The damage or disruption to Company or third-party systems, or unauthorized access to, or exposure of, intellectual property or personal or confidential information, could harm the Company's operations, reputation and brand, resulting in a loss of business or revenue. It could also subject the Company to government sanctions, litigation from candidates, contractors, clients, and employees, and legal liability under its contracts, resulting in increased costs or loss of revenue. The Company may also incur additional expenses, including the cost of remediating incidents or improving security measures, the cost of identifying and retaining replacement vendors, increased costs of insurance, or unexpected costs of ransomware payments. Cybersecurity threats continue to increase in frequency and sophistication, thereby increasing the difficulty of detecting and defending against them. Furthermore, the potential risk of security breaches and cyberattacks may increase as the Company introduces new service offerings. Any future events impacting the Company or its third-party vendors that damages, damage or interrupts, interrupt the Company's or its third-party vendors' computer, technology, and communications hardware and software systems exposes, expose intellectual property or data or other confidential information could have a material adverse effect on our operations, reputation, and financial results. Changes in data privacy and protection laws and regulations in respect of control of personal information (and the failure to comply with such laws and regulations) could increase the Company's costs or otherwise adversely impact its operations, financial results, and reputation. In the ordinary course of business, the Company collects, uses, and retains personal information from its clients, employees, candidates, and contractors, including, without limitation, full names, government-issued identification numbers, addresses, phone numbers, birthdates, and payroll-related information. The possession and use of personal information in conducting the Company's business subjects it to a variety of complex and evolving domestic and foreign laws and regulations regarding data privacy. For example, the European Union's General Data Protection Regulation ("GDPR"), which became effective in May 2018, imposes specific operational requirements for entities processing personal information, including requirements for data transfers to certain countries outside the European Union, and strong enforcement authorities and mechanisms. Complying with the enhanced obligations imposed by the GDPR and other current and future laws and regulations relating to data storage, use, transfer, residency, privacy and protection has increased and may continue to increase the Company's operating costs and require significant management time and attention, while any failure by the Company or its subsidiaries to comply with applicable laws could result in governmental enforcement actions, fines, and other penalties that could potentially have an adverse effect on the Company's operations, financial results and reputation.

~~Risks Related to the Company's Internal Controls and Accounting Policies Failure to maintain adequate financial and management processes and controls could lead to errors in the Company's financial reporting. Failure to maintain adequate financial and management processes and controls could lead to errors in the Company's financial reporting. If the Company's management is unable to certify the effectiveness of its internal controls or if its independent registered public accounting firm cannot render an opinion on the effectiveness of its internal control over financial reporting, or if material weaknesses in the Company's internal controls are identified, the Company could be subject to regulatory scrutiny and a loss of public confidence. In addition, if the Company does not maintain adequate financial and management personnel and processes and controls, it may not be able to accurately report its financial performance on a timely basis, which could cause its~~

stock price to fall. Failure to identify and respond to risk issues in a timely manner could have a material adverse effect on the Company's business. Although the Company has processes in place to attempt to identify and respond to risk issues in a timely manner, the Company's efforts may not be sufficient. The collective impact of the tone at the top, tone in the middle and tone at the bottom on risk management, compliance and responsible business behavior has a huge effect on timely escalation of risk issues, particularly those affecting core operations. The Company's processes, corporate culture and general ethical climate may not be sufficient to ensure timely identification and escalation of significant risk issues.

Risks Associated With the Effects of Climate Change The Company may be adversely affected by global climate change or by legal, regulatory or market responses to such change. The physical effects of climate change could have a material adverse effect on our operations and business. To the extent climate change causes changes in weather patterns, certain regions where the Company operates could experience increases in storm intensity, extreme temperatures, wildfires, rising sea- levels and / or drought. Over time, these conditions could result in increases in our operating costs or business interruptions. For example, our headquarters is located in an area of California where the incidence of wildfire has increased over time and may continue to increase. In addition, in 2023 the Company established certain emissions targets and other environmental goals and submitted them for validation to the Science Based Target initiative ("SBTi"). Failure to achieve such goals, or a perception (whether valid or invalid) of our failure to achieve such goals, could result in market, reputational, regulatory or liability risks, client dissatisfaction, reduced revenue and profitability, or shareholder lawsuits. If the Company is unable to achieve our environmental goals, our business and reputation may be adversely affected. There can be no assurance that climate change will not have a material adverse effect on our properties, operations or business.

**General Risks Failure to maintain adequate financial and management processes and controls could lead to errors in the Company's financial reporting. Failure to maintain adequate financial and management processes and controls could lead to errors in the Company's financial reporting. If the Company's management is unable to certify the effectiveness of its internal controls or if its independent registered public accounting firm cannot render an opinion on the effectiveness of its internal control over financial reporting, or if material weaknesses in the Company's internal controls are identified, the Company could be subject to regulatory scrutiny and a loss of public confidence. In addition, if the Company does not maintain adequate financial and management personnel and processes and controls, it may not be able to accurately report its financial performance on a timely basis, which could cause its stock price to fall. Failure to identify and respond to risk issues in a timely manner could have a material adverse effect on the Company's business. Although the Company has processes in place to attempt to identify and respond to risk issues in a timely manner, the Company's efforts may not be sufficient. The collective impact of the tone at the top, tone in the middle and tone at the bottom on risk management, compliance and responsible business behavior has a huge effect on timely escalation of risk issues, particularly those affecting core operations. The Company's processes, corporate culture and general ethical climate may not be sufficient to ensure timely identification and escalation of significant risk issues.**