

# 2024 ESG Update Report

# **Table of Contents**

# Introduction

- 4 Message from Co-Founder, CEO & Chairperson
- 6 About This Report
- 7 About TaskUs
- 8 Awards and Accolades

# Social

- 10 Our Teammates
- 12 Promoting Diversity, Equity, & Inclusion
- 15 Teammate Engagement & Development
- 17 Prioritizing Workplace Psychological Health & Safety
- 25 Corporate & Social Responsibility

# **Environment**

- 34 Climate Action
- **35** Greenhouse Gas (GHG) Emissions Evaluation & Metrics

### Governance

- 37 Corporate Governance
- 41 Ethics & Compliance
- 43 Information Security & Data Privacy
- 44 Responsible Supply Chain Management

# **Appendix**

- 46 Forward Looking Statements
- 47 Sustainability Accounting Standards Board (SASB) index
- 53 Task Force on Climate-Related Financial Disclosures (TCFD) index

# Introduction



# Message from Co-Founder, CEO & Chairperson

I am proud to present the TaskUs 2024 Environmental, Social and Governance (ESG) Update Report. This update showcases our continued progress in building a sustainable company and highlights recent initiatives that reinforce our commitment to responsible business practices. We began reporting key ESG information in 2022 and this latest ESG report installment builds upon the foundation of trust we hope to maintain with our stakeholders.

2023 was a year of change in our industry set against the backdrop of a volatile macroeconomic environment. We saw industry consolidation and take-private transactions completed by several of our large competitors during the year. Many of our clients maintained their focus on driving efficiency and cost optimization throughout their service provider networks. 2023 also brought into clear focus the substantial opportunities associated with deploying Generative AI technologies in our delivery model and with providing our specialized services to companies developing Generative AI technologies. In response to these shifts, we experienced challenges, created new opportunities and made key investments across each of our service lines and vertical markets. Our core value proposition of delivering a well-trained combination of technology, talent and global delivery capabilities remains in place. In 2024 we made returning to growth the primary focus of our business. To do this we have focused on taking share from our competitors, expanding our relationships with big tech and enterprise clients and embracing and deploying GenAI to drive efficiency for our clients. This strategy has worked and I am proud to say, in Q2, we accomplished our goal and returned to year over year growth.

As we continue to execute our strategic initiatives and invest for growth, we are steadfast in our commitment to corporate responsibility, which we believe enables us to achieve remarkable client and employee satisfaction. We have been recognized as a Leader in Everest Group's Trust and Safety Services PEAK Matrix® Assessment 2024 for the second consecutive year. This recognition reflects our progress in articulating and delivering our vision of trust and safety, combining a hybrid solution of humans and Al to detect and remove harmful content. Additionally, for the first time, we were named a Leader in Everest Group's Financial Crime and Compliance PEAK Matrix® Assessment 2024, which is a testament to the strength of these solutions. When combined with our recognition as a Leader in their Data Annotation and Labeling Solutions for Al/ML PEAK Matrix® Assessment 2024, TaskUs is now the only company to achieve recognition as a Leader in all three specialized service offering categories.

Looking inward, we are investing in employee upskill training to couple higher-value services with the power of our AI solutions and deliver better results for our clients. Through programs like The Academy and our TaskUs Leadership Interactive Program, TULIP, we are creating new career paths and opportunities for our teammates. We also remain highly focused on giving back to the communities in which we operate. During 2023, we more than doubled our annual corporate commitment for community service hours. In 2024, we increased that commitment to 10,000 service hours globally, a goal which we already surpassed at the 2024 midvear point. We believe these efforts contribute to our status as a preferred employer in the markets where we operate. TaskUs was named to the 2023 Bloomberg Gender-Equality Index and we won numerous Comparably awards including Best Global Culture (2023, 2024), Best CEOs for Diversity (2023) and Best CEOs for Women (2023).

Through my interactions with our global teams, clients and partners, I am in awe at the many examples of the positive impact TaskUs has on people and communities all around the world. We hope this report helps bring to light some of those examples and the culture we have built at TaskUs.

Looking ahead, we see an ongoing need to deepen collaboration and expand upon our corporate responsibility efforts to drive positive change at scale. We plan to continue sharing information about our progress through our ESG reports. Thank you for your support on this journey.



Bryce Maddock

TaskUs, Founder, CEO & Chairperson



# **About This Report**

The TaskUs 2024 Environmental, Social and Governance ("ESG") Update Report (the "2024 ESG Update Report" or "this Report") provides an update to our first ESG report, which was published in 2023 and provides a more comprehensive overview of our policies, programs and initiatives (the "2023 ESG Report"). It is therefore recommended that our 2024 ESG Update Report be read in conjunction with the <u>2023 ESG Report</u>. This update covers the period January 1, 2023 to December 31, 2023, except where indicated otherwise. For additional information regarding policies, programs and initiatives referenced in this update report, please refer to the TaskUs 2023 ESG Report.

This report includes disclosures that are informed and guided by the Sustainability Accounting Standards Board ("SASB") Software and IT Services industry standard and the recommendations of the Task Force on Climate–Related Financial Disclosures ("TCFD"). Disclosures made in accordance with SASB standards and TCFD recommendations are not necessarily material to the company within the meaning of the U.S. federal securities laws, and the inclusion herein of such disclosures should not be considered as an admission of their materiality by the company.

We welcome feedback on our ESG and sustainability progress and reporting; please share your comments with our team at info@taskus.com.

# About TaskUs



	48,200 Employees	<b>2.6%</b> YoY decline in headcount	<b>11</b> Employee Resource Groups	<b>59</b> Employee NPS	<b>73</b> Customer NPS
2	~200 Global clients	28 sites across 12 Countries	<b>47</b> Total new client wins	56% Total client win rate	89% Net revenue retention
	50% Female to Male Ratio	<b>47%</b> Women in Leadership	<b>23.9%</b> Adj. EBITDA margin	\$924M Revenue	<b>3.8%</b> YoY decline in revenue

**Established 2008** 

\*As of and for the year ended December 31, 2023

# **Awards and Accolades**

Comparably and Great Place to Work Awards



### Analyst Awards

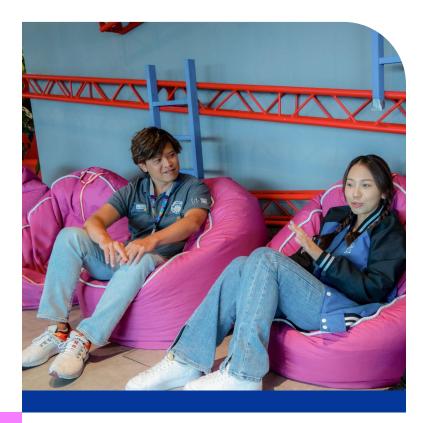












# **Our Teammates**

At the core of our operations are devoted teams of employees — our TaskUs teammates. These individuals play a pivotal role in shaping the quality of service we offer our clients and in contributing to the betterment of the communities we serve. We are deeply committed to upholding high standards among our teammates and team leaders, who serve as the frontline of support for our clients and are responsible for fostering engagement. We believe clients choose TaskUs in part because they view our company culture as aligned with their own, which enables us to act as a natural extension of their brands and gives us an advantage in the recruitment of highly engaged frontline teammates who produce better results.

We strive to create a supportive environment where teammates can thrive and build fulfilling careers. Our belief is simple: by treating our people well through our People–First culture, they, in turn, provide a superior experience for our end customers, engage meaningfully with the community and, ultimately, lead to satisfied clients, flourishing businesses and commitment to continuous improvement.

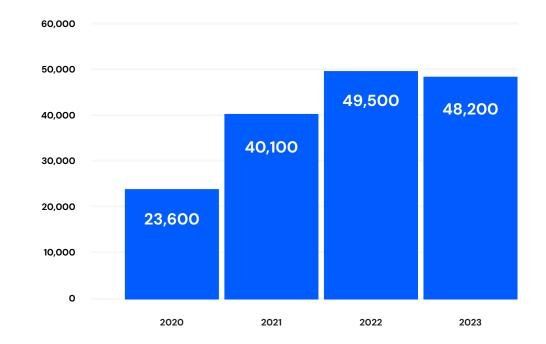
We prioritize our teammates by providing them with comprehensive benefits and programs, including employee-centric sites and facilities, onsite and work-from-home wellness support, as well as fostering a culture of inclusivity, belonging and social impact.

For further insight into our People–First culture, benefits and programs, please refer to the <u>2023 ESG report</u>.

Since the end of 2020, we have grown our global operations footprint from 23,600 teammates at sites in eight countries to 48,200 teammates at sites in 12 countries at the end of 2023.

We never rest when it comes to our "Frontline First" mantra and delivering results for our clients. Following a series of disruptive years for our teammates — starting with COVID-19 and progressing to a material shift of teammates to offshore locations — we have settled into a stable geographic mix and balance between in-center and work-from-home delivery based on client preference.

Our voluntary attrition rate for teammates who were employed by TaskUs for more than 180 days was 25.2% in 2023, compared to 26.0% in 2022.



Worldwide Headcount



# Promoting Diversity, Equity & Inclusion

We are deeply committed to fostering an inclusive workplace that enables our teams, clients and community to thrive. We strive to create a safe and inclusive environment that nurtures individuals to freely express their unique personalities and flourish professionally. Our focus on fostering originality, supporting professional growth, promoting positive client interactions and actively contributing to our community, upholds our People-First Culture, and is rooted in our TaskUs Core Values. We recognize that an inclusive workplace is essential for creating a sense of belonging, where all teammates are valued, engaged and have equal opportunities to grow and succeed. We continue to advance our Diversity, Equity and Inclusion ("DEI")-related objectives and initiatives, which are discussed below and in further detail in our <u>2023 ESG report</u>.

In January 2024, we launched our <u>Global DEI Policy</u>, which codifies our dedication to establishing a workplace that values diversity, and promotes equity and inclusion for everyone. We aim to contribute to building a more inclusive and equitable global community by extending our principles to external engagements, partnerships and collaborations.



\*As of December 31, 2023

AUS ethnically diverse background demographic information includes only US employees who choose to self-identify

# **Attracting Diverse Talent**

TaskUs is committed to cultivating a workforce that reflects the rich diversity of the global community. In 2024, we launched a DEI Training and Formal Certification Program, and we certified all members of our recruitment teams in three training categories:

Equality and Equity, DEI Philosophy and Unconscious Bias. These three training programs are now available for all managers across TaskUs.



# **Creating a Culture of Inclusivity**

TaskUs has implemented several programs to create a culture of inclusivity and positive engagement with our teammates. We conducted our second Global DEI & Corporate and Social Responsibility ("CSR") Survey in 2023 to understand the state of DEI and CSR at TaskUs, with results showing positive progress since the inaugural survey in 2022.

Our 2023 Global DEI & CSR Survey included the following highlights:

of teammates believe that TaskUs is doing a great job in communicating its commitment to DEI

of teammates say that we treat people fairly regardless of sex and sexual orientation 77%

of teammates say that we treat people fairly regardless of race

of hiring managers seek diverse profiles and make an effort to mitigate bias

We offer company-wide training, educational opportunities and ongoing awareness initiatives that focus on Women, LGBTQIA+, Disabilities and Ethnic Diversity in the U.S. These initiatives include engaging roundtable discussions with both internal and external leaders and experts, global learning sessions, discussion panels, mentorship programs and community volunteer initiatives. Furthermore, we recently relaunched our Global DEI Microsite, which now serves as the main repository for news, updates and resources for Global DEI. Along with the launch of the microsite, we introduced MusicUs, our collaborative playlist series that celebrates musical art forms from all over the world, promotes inclusivity and education and honors the diversity of styles and individuality.

87%

81%



# Teammate Engagement & Development

Our primary culture-related metric is the Employee Net Promoter Score ("eNPS"), which we use as a barometer to measure employee engagement. In 2023, our eNPS was 59 with a participation rate of 89% of employees, with 69% of employees who participated rating us 9 or 10 on a scale of 10. Although this is a decline compared to our eNPS of 65 in 2022, we believe our score signifies sustained performance related to our employee engagement and satisfaction when taken in context of the changes our business experienced during 2023.

We believe our focus on eNPS and employee satisfaction enables us to drive real business impact. We also believe it is correlated with improved attendance as our teammates show up on time and are excited to work, and happy employees deliver better results and yield higher retention.

# The Academy

We're extremely proud of what we've accomplished since launching The Academy, our internal upskilling program, in 2021.

~25,000 total enrollees	2,300+ enrollees earned promotions	I	2,000+ graduates
Preparatory tracks for multiple roles, including team leadership, learning experience leadership, quality analysis, operations management, talent acquisition, workforce management and data science		We plan to introduce new academies, including roles in human resources and operations leadership.	

# Prioritizing Workplace Psychological Health & Safety

At TaskUs, we are committed to providing our teammates across the globe with a safe and positive work environment. We address psychological well-being needs throughout the teammate lifecycle, from recruitment through post-employment care. Our Wellness + Resiliency Department is a global leader in employee success and wellness, leveraging clinician-led and research-based health and safety programs, and providing true end-to-end support and superior employee benefits.

Psychological health and safety is part of our core business, and extends beyond our teammates to our clients. Our expertise, technology investments and global reach make us the ideal partner for companies to launch, enhance or reinforce their wellness programs while improving loyalty and decreasing burnout.

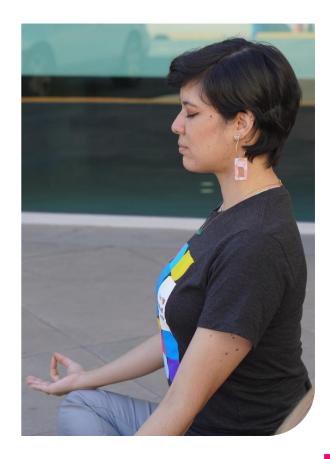
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It is our utmost priority to reduce employee risks related to mental health, promote productivity and engagement, and continuously improve the TaskUs workspace by addressing the eight dimensions of wellness."

# Xieyining "Irene" Huang, PhD

Sr. Director, Wellness + Resiliency



# **Our Differentiators and Key Pillars**



#### Global Life Coaching Program

We partner with employees in their pursuit of personal well-being through transformative coaching conversations.



#### **Division of Wellness + Resiliency Research**

We have a dedicated behavioral health research team committed to enhancing employees' mental health through innovative research and enhanced data collection.



#### The Resiliency Studio

Our psychological health and safety program provides innovative interventions to bolster brain health and protect employees from the potential effects of content moderation.



#### Advanced Services, Consulting and Technology

We leverage our expertise to help companies assess, create and deploy culturally competent and comprehensive programming and tools.

### **Wellness Technology**

TaskUs continues to invest in wellness technology solutions including our proprietary tools:



Shield is our innovative, all-in-one solution to user, content moderator and platform safety. It is a wellness tool designed to reduce the emotional impact of reviewing graphic and disturbing content. This platform includes a variety of wellness interventions with flexible deployment options during productive hours or on breaks.

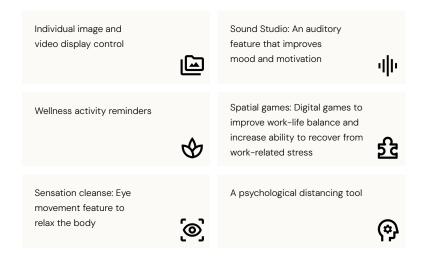


Centered is an engaging, user-friendly mood scaling wellness tool deployed to frontline employees to capture unique data on well-being while offering a brief wellness intervention to improve their mood.

# **Shield Capabilities & Impact**

The integration of wellness technologies can improve content moderator mental health, increase moderation accuracy and speed, improve user safety and enhance business outcomes.

Employees have access to these academically derived features to manage the exposure to graphic materials while still allowing for improved accuracy and handle time:



We have seen meaningful results from the use of Shield across our employee base:

20% Reduction in secondary traumatic stress	<b>15%</b> Reduction in burnout	14% Reduction in perceived stress
<b>12%</b>	8%	<b>7%</b>
Improvement in	Improvement in	Improvement in
performance	ESAT	retention intention

In 2023, we implemented our proprietary Shield technology for the world's leading multichannel social and gaming communications platform. Notably, this client is now using Shield not only for the work delivered by TaskUs, but also for the work done by its internal teams. This is a great example of TaskUs' continued leadership and commitment to the health and wellness of the professionals who protect all of us from harmful online content. We continue to expand the use of Shield across our clients.

# Key Elements of our Psychological Health & Safety Program

We believe that an evidence-based psychological health and safety program should encompass various elements to address the diverse needs of teammates.

#### Evidence-based program

Employees have access to licensed mental health professionals, clinical skills training groups, transformational coaching and psycho-education awareness programs to promote a safe working environment where employees succeed and thrive.

# Monthly direct touch points with employees

TaskUs regularly engages with our teammates through meetings, surveys, feedback sessions and other direct communication channels, with tens of thousands of touchpoints each month. Employees engaged in digital wellness content

TaskUs has created more than 700 hours of proprietary digital wellness content for our employees targeting frontline workers, leaders and support staff. The content is based on TaskUs' evidence-based programming for moderators.

#### **Group sessions**

We conducted over 18,500 group sessions in 2023, with a 97.9% satisfaction rate. These sessions included workshops, training, support groups and team-building activities to address mental health and well-being.

#### Internal research studies

To date, TaskUs has conducted over 50 internal research studies aimed at assessing the impact of our programs and initiatives on employee well-being and engagement.

#### Peer reviewed publications

One of the main reasons why Wellness at TaskUs is highly effective is because we leverage the power of empirical research. Our work on employee well-being and psychological health, including six peer-reviewed publications, has been recognized in the academic community. The following two studies were published in 2023.

- <u>The Cognitive Adaptability and Resiliency Employment Screener</u> TaskUs created the industry-first and only, research-validated, trait-based pre-hire screener for content moderation designed to decrease psychological risk for content moderators.
- <u>Perceptions and Experiences of Severe Content in Content Moderation</u> When adequate wellness provisions are in place, teammates cited experiencing more distress as a result of "moderate" content with policy ambiguity and frequent changes instead of "severe" content.

## Wellness Impact on Operational Metrics

Although wellness is not the only factor that may impact operational metrics, research studies have demonstrated the benefits of wellness on people and performance metrics beyond content moderation campaigns. These are the results of a survey of over 9,000 non-content moderation employees.

Advanced ability to cope with unwanted thoughts, emotions and stressful situations was correlated with a 79% reduction in unplanned leave, while low burnout was correlated with a 281% reduction.

Low burnout was associated with 69% better job performance and 96% higher retention intention.



High compassion satisfaction, the pleasure derived from helping others, was correlated with a 117% increase in employee satisfaction, whereas low perceived stress was linked to a 30% increase.

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### Wellness Hero Update

In 2023, TaskUs continued to develop the Wellness Hero Certification Program, engaging with teammates across the sites and countries in which we operate. Wellness Heroes are part of a global network of advocates aiming to advance well-being at work. As of mid-2024, there were approximately 2,500 onsite and remote Wellness Heroes supporting our teammates.

# Case Study: How Ensuring Agent Well-Being Increases Employee and Customer Satisfaction

#### The Challenge

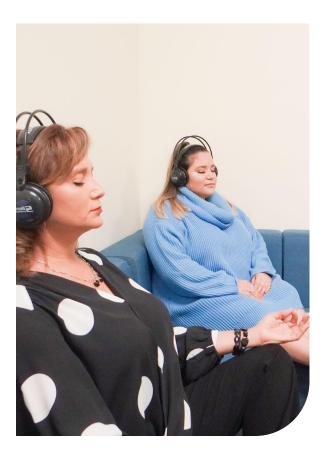
Agents in Financial Services brave stressful calls, tackle sensitive transactions, and often have to deliver tough news – always with compassion.

Our client, a leading FinTech Platform, was dealing with high stress levels and low agent satisfaction. Customer service leaders realized they needed a proactive solution to take care of workers' well-being.

#### **The Solution**

- Wellness-as-a-Service: A flexible wellness offering from TaskUs' science-backed Wellness + Resiliency team. Wellness packages are customized to an organization's specific needs.
- Preventative care improves business outcomes: Elevating and sustaining employee well-being lowers absenteeism and attrition, improves employee satisfaction and productivity and, ultimately, unlocks an organization's potential for new growth and profitability.
- Low Agent Stress = Happy Customers: Reducing stress with skills that improve compassion and emotion regulation breeds quality customer support and safety.

Results		
50% Attrition reduction	<b>6.5x</b> Burnout reduction	2.8x Stress reduction
<b>3.8x</b> Better performance	<b>61%</b> Better ESAT	<b>3.9x</b> Better CSAT



## **Wellness Awards & Recognition**

The Wellness program has helped cement TaskUs as an industry leader in Trust and Safety ("T&S"). Our award-winning program is widely recognized. In 2023, the Wellness + Resilience team participated in numerous public-facing events, podcasts, webinars and news interviews.



Everest Group's Trust and Safety Services PEAK Matrix® Assessment 2023 named TaskUs a Leader and Star Performer in T&S

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Avasant's Trust and Safety Business Process Transformation 2023–2024 RadarView cited TaskUs as a "leader" in T&S



To be included as a Leader among a very small group of influential organizations further demonstrates the superior analytical and monitoring capabilities that we aim to deliver to our clients as we witness the evolution of trust and safety policies on a global scale."

### **Rachel Lutz-Guevara**

Division Vice President of Trust and Safety

Learn more about Wellness at TaskUs in our 2023 ESG Report and on our website at https://www.taskus.com/

# **Corporate & Social Responsibility**



Social responsibility is the very lifeblood that inspires and fuels us to always go above and beyond in helping those in need. CSR is not just the work of one department in an organization. For TaskUs, the success behind our social responsibility programs is the unwavering dedication of our teammates to create a difference and fulfill a purpose."

### **Rhonda George**

Vice President for Global Corporate People Strategy – (HR/L&D/DEI/CSR/Transformation)

At TaskUs, we are intentional about engaging and contributing to our local communities which have afforded us incredible opportunities. Our CSR initiatives allow us to build deeper relationships with our local stakeholders, foster a culture of purpose and compassion and empower our teammates to drive meaningful change within the communities in which we operate.







## **TUgether We Serve**

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Volunteers are more than individuals with free time. They are people with caring hearts and a desire to make a difference. Employee volunteering experiences foster green initiatives, encourage a sustainability mindset and promote community development. We are grateful to our teammates across the globe for joining these efforts."

### **Rhonda George**

Vice President for Global Corporate People Strategy – (HR/L&D/DEI/CSR/Transformation)

TaskUs believes that our teammates can make a difference in society and add value throughout the world by collectively doing each of our parts. Through their volunteering efforts, our teammates are also able to benefit in many ways, such as building community engagement and connecting with others, gaining a sense of achievement, improving their morale and self-esteem and developing important skills applicable to the workplace (e.g., communication, teamwork, problem solving, planning and organization). Our TUgether We Serve program was born out of the organic commitment of TaskUs teammates to offer their skills and time to community groups and advocacies to which they relate. By nurturing this culture, a global campaign called TUgether We Serve now stands as the collective volunteerism effort of our teammates globally. Through the program, we promote and track the collective positive impact that our teammates have on our local communities through volunteering engagements.

Our teammates volunteer their time towards a wide variety of causes, the most popular of which include:



#### Volunteering Time to Social Community Causes

Giving time and energy to organizations that work on social issues like homelessness, poverty and hunger can help teammates make a difference in the lives of others.

#### Volunteering for Social Inclusion



We believe that working towards inclusion and accessibility for people with disabilities, the LGBTQIA+ community and other marginalized groups can help build a more inclusive and equitable society.



#### **Community Cleaning**

Participation in local clean-up efforts can help keep communities looking their best, protect the environment, and give a sense of accomplishment to volunteers.



#### Animal Rescue and Rehabilitation

Volunteering at local animal shelters or rescue organizations can provide much-needed care and attention to animals in need.



#### Nature Campaigns

Taking part in campaigns to protect and preserve natural habitats or participating in community gardening or tree-planting initiatives can help our teammates connect with nature and make a positive impact on the environment.



#### **Community Learning and Teaching**

Sharing skills or knowledge with others through volunteer teaching can help build stronger communities and empower individuals to improve their lives and skill sets.



By collecting and internally sharing this data, we are able to foster connectedness, support and encouragement for this culture of volunteerism, and develop insight for more strategic impact in the future.

As part of our 15th anniversary celebration, we set a goal in the third quarter of 2023 to provide 1,500 volunteer hours. In 2023, almost 700 of our teammates volunteered over 5,100 hours in total, supporting 250 organizations around the world. In light of our success in 2023, we set an ambitious commitment to complete 10,000 volunteer hours and engage 3,000 volunteer participants in 2024. Thanks to the data we collected in 2023, we relaunched our CSR microsite which now provides new resources to further promote and encourage volunteering. We're proud to report that we exceeded our 2024 CSR targets within the first six months of the year.

In 2023, we held our first and largest leadership CSR event to date, which we called "IgniteUs." More than 80 leaders engaged in three simultaneous CSR activities around Metro Manila in the Philippines, covering SOS Villages, La Mesa Eco Reserve and Home for the Elderly, and partnering with NGOs to support the elderly, children and the environment. While this was the largest leadership CSR event of the year, our leaders continue to be actively involved in other events, embodying our core value of Inspiring Others by Believing in Yourself. Certain members of our leadership have logged some of the highest numbers of volunteer hours among our teammates.

# **TUgether We Serve Engagement Highlights**

### **USA**

Held a 12-hour online fundraiser for Hearts Need Art to support those facing health challenges through the arts, and donated solar glasses for safe eclipse viewing worldwide.

#### Mexico

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Provided the Municipal Animal Control Center with volunteering and assistance by feeding and walking the dogs, as well as cleaning spaces.

#### Colombia

The Arena team planted 100 native tree seedlings in Cuenca Arroyohondo after September's forest fires affected 230 hectares.



#### Greece

Conducted a cleanup drive in Kalmaria, involving employees and locals to improve the area's cleanliness and beauty.

# **TUgether We Serve Engagement Highlights**

### India India

Held a sandwich-making day and hygiene and wellness session for the kids at We Care Foundation.

### • Taiwan

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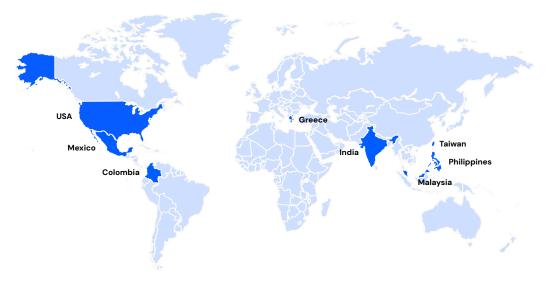
Provided onsite lecture focusing on global protection and plastic reduction to promote zero waste policies.

#### Philippines

The Marketing team planted trees with GForest and donated pre-loved TaskUs desktops to Mariano Gomez National High School.

#### Malaysia

Donated 620 school supplies items to Buku Jalan Chow Kit, an NGO in Malaysia that educates displaced and stateless children.



### NextGen Scholarship Program

Our flagship NextGen Scholarship program continues to widen educational opportunities for the children of TaskUs teammates around the world. We successfully achieved our objective of providing tuition grants to children of 1,500 teammates worldwide in 2023, our highest annual grant since program inception.



We continue to seek out initiatives to create a positive impact on our global communities. Learn more in our 2023 ESG report and on our website.

# Environment



We are committed to strategically addressing climate-related and other environmental challenges so that we can better evaluate how the overall direction of our business aligns with sustainability objectives.

Our holistic management approach intertwines sustainability considerations, technology and client-centric practices, positioning TaskUs as a responsible and forward-thinking organization.





# **Climate Action**

We are investing in mechanisms such as virtual power purchase agreements ("VPPA"), which we believe can contribute to our goal of increasingly utilizing renewable electricity generation to meet our energy needs. We have committed to a fixed price VPPA that will support the Ocotillo wind farm in Howard County, Texas. Through this commitment, TaskUs is part of a cohort of corporate buyers that will purchase a portion of the renewable attributes from Ocotillo in the form of Renewable Energy Certificates ("REC"). By committing to purchase these RECs, we are supporting the addition of clean energy to a grid that largely relies on coal and natural gas. We expect to begin purchasing RECs in 2024. We had previously planned to begin purchasing RECs sooner, but the renewable energy project originally subject to the VPPA faced development delays, which resulted in the Ocotillo wind farm being identified as an alternative project.

We look forward to continuing to support the generation of renewable electricity from projects like Ocotillo as we strive to power our business by utilizing ever greener sources of energy. Recognizing the growing importance of sustainability to many of our clients, we are committed to partnering with them to continually improve our climate-related reporting and evaluate actions that could further our collective pursuit of climate goals.

We closely monitor areas in which we operate for increased weather events such as storms, fires and typhoons so that we can adapt accordingly. As we advance our climate action journey and our analytical capabilities mature, we are gradually integrating climate-related scenario planning into our strategic processes.

# Greenhouse Gas (GHG) Emissions Evaluation & Metrics

As with other aspects of our business, strategic decisions around climate-related considerations are supported by data. We conduct annual GHG emissions measurements and communicate our results.

We comprehensively measured our Scope 1, 2 and 3 GHG emissions for 2023. Our net total GHG emissions, measured in tonnes of carbon dioxide equivalent, increased by 13.7% in 2023 compared to 2022.

As we continue to grow and expand our business, we anticipate our absolute emissions may increase over time. We have therefore identified emission reduction and energy efficiency initiatives with the potential to temper the growth of our emissions relative to the growth of our business.

Additionally, as discussed previously, we are pursuing investments in VPPA projects that can contribute to our efforts to source renewable energy.

We plan to continue evaluating our GHG emissions profile and exploring opportunities for meaningful reductions.



#### Scope 1.

Direct release of greenhouse gasses from sources owned or controlled by TaskUs.

#### Scope 2.

Emissions from the generation of electricity, steam, heat, or cooling purchased by TaskUs.

#### Scope 3.

Indirect emissions (not included in Scope 2) that occur in the value chain of TaskUs, including both upstream and downstream emissions. Our Scope 3 calculation includes the following GHG categories: purchased goods and services, capital goods, fuel and energy related activities, waste generated in operations, business travel and employee commuting.

TaskUs considers the principles and guidance of the World Resources Institute ("WRI") and the World Business Council for Sustainable Development's ("WBCSD") The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (together, the "GHG Protocol"), to guide the criteria to assess, calculate and report GHG emissions, including energy consumption.

# Governance

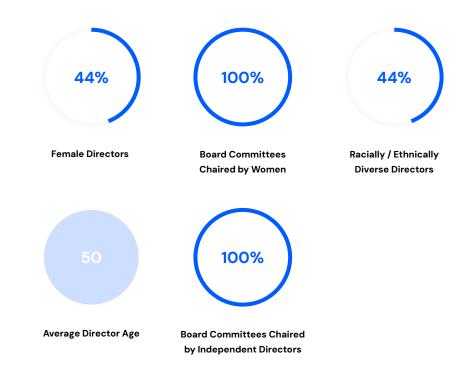


## **Corporate Governance**

The Board of Directors of TaskUs sets high standards for our employees, officers and directors. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the Board to serve as a prudent fiduciary for investors and to oversee the management of the company's business. To fulfill its responsibilities and to discharge its duty, the Board follows the procedures and standards that are set forth in our Corporate Governance Guidelines, which are available for download on the <u>Governance page</u> of our website along with Board Committee Charters. Additional information about Corporate Governance at TaskUs, including information about risk oversight and executive compensation, can be found in our Annual Proxy Statement filed with the U.S. Securities and Exchange Commission.



## **Board Governance Highlights**



## **ESG Strategy & Oversight**

#### **Board Oversight**

The Board has delegated oversight of certain ESG, human capital and executive compensation matters and other risk-related topics to the Board's standing committees.

#### **Board Committees**

Each committee of the TaskUs Board of Directors has oversight responsibility for specific ESG topics as noted below. Please refer to the charter for each committee available on our <u>website</u> for a complete description of committee responsibilities and duties.

#### **Compensation Committee**

The Compensation Committee oversees the company's executive compensation program to further enhance the alignment of executive compensation with individual executive and corporate performance and the company's business strategy, including consideration of ESG components. As part of its oversight function, the Compensation Committee monitors risks related to the company's compensation policies and practices for all employees.

#### Nominating & ESG Committee

The Nominating & ESG Committee has a leadership role in shaping the company's approach to corporate governance and overseeing the company's strategy as it relates to environmental and social matters. The Nominating and ESG Committee identifies and reports to the Board on current and emerging environmental and social trends and issues that may affect the company's business operations, performance and reputation.

## Audit Committee

The Audit Committee oversees the company's guidelines and policies with respect to risk assessment and risk management. The Audit Committee also monitors compliance with legal and regulatory requirements, reviews and evaluates the adequacy of the company's IT security program and controls and oversees the company's system to monitor compliance with and enforce the Code of Conduct.



#### Lead Independent Director

Our lead independent director helps ensure board oversight and sound corporate governance, serving as principal liaison on board-wide issues between the independent directors and the full board and between the full board and the chairperson. Among other duties, the lead independent director is available for consultation and communication with major stockholders upon request.

#### **Executive Oversight**

Our CEO, in consultation with other senior leaders, provides oversight and approves budget needs related to managing the environmental footprint of our global facilities and other ESG initiatives, provides strategic direction for ESG investments and priorities and incorporates ESG considerations into our corporate strategy.

### **ESG Working Group**

The ESG Working Group is composed of members of senior management and subject matter experts across functions and geographies at TaskUs. The ESG Working group provides regular reports to the Nominating & ESG Committee.

# **Ethics & Compliance**



TaskUs is committed to operating ethically as well as building a culture of trust and integrity. We strive to build trust with our various stakeholders, as our success is in part based on our ability to protect trust with our teammates, officers, directors, contractors, consultants, suppliers, clients, the communities in which we operate and investors.

## **Global Code of Conduct**



TaskUs maintains a <u>Global Code of Conduct</u> (the "Code") relating to the conduct of our business by all of our teammates, executive officers and directors. In early 2024, the TaskUs Board of Directors adopted an updated version of the Code. Among other revisions, the Code's amendments included: updates to TaskUs' core mission and vision; updates to TaskUs' ethics and compliance reporting processes and mechanisms; and clarifying updates to rules governing conflicts of interests, charitable contributions, and gifts, entertainment and hospitality for government officials.

All TaskUs teammates are expected to complete a training course and are tested on the Code annually. More than 97% of TaskUs teammates completed the mandatory Code of Conduct training in 2023.

## **Raising Ethics & Compliance Concerns**

TaskUs is committed to creating a business environment where open, honest communications are the expectation, not the exception. As described in the Code, TaskUs encourages the reporting of concerns about violations of the Code, company policies or procedures, and will promptly and thoroughly investigate all such concerns and take appropriate action. TaskUs also prohibits retaliation for reports of misconduct made in good faith, as described in our Whistleblower Policy.

The TaskUs Integrity Line is available 24/7 and serves as an important mechanism in helping ensure that we protect our culture of trust and operate with integrity. As one of several methods available for the reporting of concerns, covered in more detail in the Code, the TaskUs Integrity Line provides a secure, anonymous channel for teammates, contractors, vendors, shareholders, and others to raise concerns, including, but not limited to, compliance violations, improper or unethical activity, violation of Company policies, and accounting and financial fraud.

## **Anti-Corruption & Bribery**

TaskUs strives to operate in strict compliance with anti-bribery laws, as per the Code and various other policies against bribery and corruption, such as our Anti-Corruption Policy and Procurement Policy. TaskUs did not incur any monetary losses in 2023 as a result of legal proceedings associated with bribery or corruption.



# Information Security & Data Privacy

At TaskUs, we take significant measures to safeguard information and maintain compliance with industry security standards. We have developed a comprehensive cybersecurity program, modeled after the National Institute of Standards and Technology ("NIST") Cybersecurity Framework ("CSF"), that forms a critical component of our overall risk management and business strategy and provides for a methodological approach to identifying, assessing and managing material risks from cybersecurity threats. By prioritizing cybersecurity, we endeavor to protect our interests and uphold our commitment to our stakeholders' security and privacy.

Our cybersecurity program undergoes annual certification under Payment Card Industry Data Security Standard ("PCI DSS"), HITRUST, SOC 2 Type II, and ISO 27001.



During 2023, we did not receive any reports of material data breaches and we were not penalized for noncompliance with data privacy requirements. During 2023, we successfully accommodated more than a dozen audits of our cybersecurity program initiated by clients, demonstrating that our cybersecurity defenses, controls, systems and processes meet or exceed the expectations of our clients who entrust us with their data.

For additional information concerning information security and data privacy at TaskUs, please refer to our 2023 ESG Report and our Annual Report on Form 10-K.



# Responsible Supply Chain Management

The <u>TaskUs Global Supplier Code of Conduct</u> ("Supplier Code") is the guiding document for suppliers doing business with TaskUs and sets a minimum standard of conduct.

In 2023, we began incorporating our Supplier Code in every contract or agreement with our suppliers, requiring all suppliers, vendors or business partners to formally accept our Supplier Code, signifying their intent to respect and to adhere to its terms. 99% of suppliers that were onboarded since implementing this as a formal requirement have acknowledged and accepted the terms of our Supplier Code as of mid-2024.

External stakeholders, including members of the TaskUs supply chain, can raise and report grievances or concerns by contacting TaskUs directly or via the TaskUs Integrity Line.

At TaskUs, we recognize that by supporting and partnering with diverse businesses, we can contribute to economic development, job creation and community empowerment for groups that may face social and economic challenges. To that end, suppliers are given the opportunity during onboarding to categorize themselves as a diverse supplier, such as small businesses and businesses owned by minorities, women, veterans and other diverse populations.

As we continue to gather supplier classification data to help us better understand the percentage of our supplier base and supplier spend attributable to diverse businesses, we intend to evaluate opportunities to enhance our supplier diversity going forward.

# Appendix

# Forward Looking Statements

This report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts, and further include, without limitation, statements reflecting the current views of TaskUs, Inc. ("TaskUs" or the "Company") with respect to, among other things, our operations, our financial performance, our industry, the impact of the current macroeconomic environment on our business, and other non-historical statements including the statements in the "Financial Outlook" section of this presentation. In some cases, you can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "predicts," "intends," "trends," "plans," "estimates," "anticipates," "position us" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors include but are not limited to:

the dependence of our business on key clients; the risk of loss of business or non-payment from clients; our failure to cost-effectively acquire and retain new clients; the risk that we may provide inadequate service or cause disruptions in our clients' businesses or fail to comply with the quality standards required by our clients under our agreements; utilization of artificial intelligence by our clients or our

failure to incorporate artificial intelligence into our operations; our inability to anticipate clients' needs by adapting to market and technology trends; unauthorized or improper disclosure of personal or other sensitive information, or security breaches and incidents; negative publicity or liability or difficulty recruiting and retaining employees; our failure to detect and deter criminal or fraudulent activities or other misconduct by our employees or third parties: global economic and political conditions. especially in the social media and meal delivery and transport industries from which we generate significant revenue; the dependence of our business on our international operations, particularly in the Philippines and India; our failure to comply with applicable data privacy and security laws and regulations; fluctuations against the US dollar in the local currencies in the countries in which we operate; our inability to maintain and enhance our brand; competitive pricing pressure; unfavorable or uncertain economic and political conditions; our dependence on senior management and key employees;

increases in employee expenses and changes to labor laws; failure to attract, hire, train and retain a sufficient number of skilled employees to support operations;our inability to effectively expand our operations into countries or industries in which we have no prior operating experience and in which we may be subject to increased business, economic and regulatory risks; reliance on owned and third-party technology and computer systems; failure to maintain asset utilization levels, price appropriately and control costs: the control of affiliates of Blackstone Inc. and our Co-Founders over us: and the dual class structure of our common stock. Additional risks and uncertainties. include but are not limited to those described under "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 (the "Annual Report"), filed with the Securities and Exchange Commission (the "SEC") on March 8, 2024, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary filings with the SEC, which are or will be accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with other cautionary statements that are included in the Company's SEC filings. TaskUs undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

# Sustainability Accounting Standards Board (SASB) Index

Industry: Software and IT Services

Торіс	Accounting Metric	SASB Code	2023 Disclosure	Additional Comment
	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SI-130a.1	1) 130,415 GJ 2) 99% 3) 0%	TaskUs entered into an updated VPPA to purchase renewable energy set to begin Q4 2024.
Environmental Footprint of Hardware Infrastructure	1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	TC-SI-130a.2	See additional comment	Being a Business Process Outsourcing / Information Technology ("BPO/IT") organization, we do not have a water intensive footprint and our operations do not have a significant impact on water conservation areas that have been so designated and notified to us by national or international bodies. Given that this topic is immaterial to us, we haven't conducted a water stress analysis.
	Discussion of the integration of environmental considerations into strategic planning for data centre needs	TC-SI-130a.3	See additional comment	TaskUs is fully cloud based and utilizes third-party vendors for data center management. TaskUs does not partake in direct data center planning activities.

Торіс	Accounting Metric	SASB Code	2023 Disclosure	Additional Comment
	Description of policies and practices relating to targeted advertising and user privacy	TC-SI-220a.1	TaskUs' activities, including advertising (if applicable) are designed to be aligned to the privacy laws of the jurisdictions from where it operates. Our privacy statement is reviewed periodically and updated with reference to global standardized processes to help us comply with the privacy regulations. In addition, TaskUs maintains internal privacy-related policies to promote a comprehensive approach to privacy management.	Refer to the TaskUs Privacy Statement: https://www.taskus.com/privacy-statement/ TaskUs CCPA Privacy Statement: https://www.taskus.com/privacy-notice-for-c alifornia-residents/
Data Privacy and Freedom of Expression	Number of users whose information is used for secondary purposes	TC-SI-220a.2	See additional comment	TaskUs does not process personal data for secondary purposes unless required by applicable data privacy laws. TaskUs seeks to provide information to individuals where their personal data is going to be used for a new purpose prior to the commencement of such processing.
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	The company's total amount of monetary losses as a result of legal proceedings associated with user privacy in 2023 was \$0.	Additional information on legal proceedings is disclosed in our Annual Report on Form 10-K.

Торіс	Accounting Metric	SASB Code	2023 Disclosure	Additional Comment
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	TC-SI-220a.4	See additional comment	As a "Business-to-Business" provider supporting our clients' end customers, TaskUs does not receive requests for user information except in its capacity as a service provider for our client's customers.
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	TC-SI-220a.5	See additional comment	This is not applicable to TaskUs' provided services. TaskUs is engaged in the provision of business-to-business services to our clients. It is therefore the customers and the customer's products or services that may or may not be subject to government-required monitoring, blocking, content filtering or censoring.
Data Security	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of users affected	TC-SI-230a.1	No material data breaches	

Торіс	Accounting Metric	SASB Code		2023	Disclosur	e		Additional Comment
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	Refer to ESG Report 2024: Information Security & Data Privacy, pg. 32					
	Employee engagement as a percentage	TC-SI-330a.2	Our primary culture-re barometer we use to r 59 with a participatior who participated rated	neasure emp n rate of 89%	Refer to ESG Report 2024: Teammate Engagement & Development, pg. 15			
Recruiting & Managing a	Percentage of (1) gender and (2) diversity group representation for	Table 1: Global Data					Table 1: Global information. Note: Based on Birth Gender category Table 2: US-based	
Global, Diverse & Skilled	(a) executive management, (b) non-executive management, (c) technical employees, and (d) all other employees		Level	Female	Male	Other	Not Disclosed	employee information (approx.).
Workforce			Management	48%	52%	0%	0%	
			Technical Staff	28%	72%	0%	0%	
			All Other Employees	51%	49%	0%	0%	
			* Based on Birth Gender	r Data				

Торіс	Accounting Metric	SASB Code		2023 Disclosure						Additional Comment	
			Table 2: Unite	d States D	ata						
			Level	Asian	Black or African American	Hispanic or Latino	White	Other*	Not Disclosed		
			Management	11%	4%	20%	62%	2%	1%		
			Technical Staff	21%	0%	36%	43%	O%	0%		
			All Other Employees	2%	14%	54%	24%	5%	1%		
	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations	TC-SI-520a.1			amount of n ated with anti	-			-	Additional information on legal proceedings disclosed in our Annual Report on Form 10-	
llectual											
perty ection &											
petitive											
avior											

Торіс	Accounting Metric	SASB Code	2023 Disclosure	Additional Comment
	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1	No material instances	
Managing Systemic Risks from Technology Disruptions	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	TaskUs' enterprise risk management (ERM) policy and framework is designed to identify, monitor and mitigate business risks from operations, compliance, strategy, financials, governance, reputation, and processes. Our risk management methodology is aligned to industry standards such as the ISO 31000:2018 Risk Management Guidelines. We regularly scan our external environment and seek input from our stakeholders to identify emerging risks. We typically conduct an annual comprehensive risk assessment to spot internal and external risk drivers. Risks are assessed in terms of their potential financial, operational, regulatory, and reputational impact, the likelihood of their occurrence, and their velocity if they materialize. Mitigation strategies for prioritized risks are developed and executed by risk owners across functions, businesses, and regions. We have a cross-functional risk committee that reviews the organization's risk profile periodically and receives reports for key business risks, alongside the global management team and the board of directors' audit committee. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2023 for more details on our risk factors.	

# Task Force on Climate-Related Financial Disclosures (TCFD) Index

The table below shows how the disclosures in our ESG reports align with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures, as the TCFD has described the categories, and where the relevant information can be found in this report.

TCFD Recommendation	Disclosure location	Page Number
Governance		
Disclose the organization's governance around climate-related risk	s and opportunities	
a) Describe the board's oversight of climate-related risks and	ESG Strategy and Oversight	67
opportunities.	ESG Report 2023: Corporate Governance Risk Management	67
	ESG Report 2023: Environmental Sustainability Climate Action: Embedding Climate Considerations Within our Operations Governance: Board Oversight	56
b) Describe management's role in assessing and managing climate-related risks and opportunities.	ESG Strategy and Oversight	67
	ESG Report 2023: Corporate Governance Risk Management	67
	ESG Report 2023: Environmental Sustainability Climate Action: Embedding Climate Considerations Within our Operations Governance: Management Roles and Responsibilities	56

TCFD Recommendation	Disclosure location	Page Number
Strategy		
Disclose the actual and potential impacts of climate-related risks	and opportunities on the organization's business, strategy and financial planning where such information is material	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.		
<ul> <li>b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</li> </ul>	ESG Report 2023: Environmental Sustainability Climate Action: Embedding Climate Consideration Within our Operations Establishing a Foundation for our Climate Strategy	57
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.		
Risk Management		
Disclose how the organization identifies, assesses and manages cl	imate-related risks	
a) Describe the organization's processes for identifying and assessing climate-related risks.	ESG Report 2023: Corporate Governance Risk Management	67
b) Describe the organization's processes for managing climate-related risks.		
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	ESG Report 2023: Environmental Sustainability Climate Action: Embedding Climate Considerations Within our Operations Climate Risk & Opportunities Assessment	58

TCFD Recommendation	Disclosure location	Page Number
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant	vant climate-related risks and opportunities where such information is material	
a) Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.		
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2024 ESG Update Report: Environment Greenhouse Gas (GHG) Emissions Evaluation and Metrics	35
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.		



# ToskUs" 2024 ESG Report