

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2023

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-35362

**TRIPADVISOR, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**80-0743202**  
(I.R.S. Employer  
Identification No.)

400 1<sup>st</sup> Avenue  
Needham, MA 02494  
(Address of principal executive office) (Zip Code)

Registrant's telephone number, including area code:  
(781) 800-5000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock	TRIP	Nasdaq

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Class	Outstanding Shares at April 27, 2023
Common Stock, \$0.001 par value per share	129,310,431 shares
Class B common stock, \$0.001 par value per share	12,799,999 shares

**Tripadvisor, Inc.**  
**Form 10-Q**  
**For the Quarter Ended March 31, 2023**

**Table of Contents**

	<b><u>Page</u></b>
<b>Part I—Financial Information</b>	
Item 1. Unaudited Condensed Consolidated Financial Statements	
<a href="#">Unaudited Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2023 and 2022</a>	3
<a href="#">Unaudited Condensed Consolidated Statements of Comprehensive Income (Loss) for the Three Months Ended March 31, 2023 and 2022</a>	4
<a href="#">Unaudited Condensed Consolidated Balance Sheets at March 31, 2023 and December 31, 2022</a>	5
<a href="#">Unaudited Condensed Consolidated Statements of Changes in Stockholders' Equity for the Three Months Ended March 31, 2023 and 2022</a>	6
<a href="#">Unaudited Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2023 and 2022</a>	7
<a href="#">Notes to Unaudited Condensed Consolidated Financial Statements</a>	8
<a href="#">Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</a>	27
<a href="#">Item 3. Quantitative and Qualitative Disclosures about Market Risk</a>	41
<a href="#">Item 4. Controls and Procedures</a>	42
 <a href="#">Part II—Other Information</a>	
<a href="#">Item 1. Legal Proceedings</a>	42
<a href="#">Item 1A. Risk Factors</a>	42
<a href="#">Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</a>	42
<a href="#">Item 3. Defaults Upon Senior Securities</a>	43
<a href="#">Item 4. Mine Safety Disclosures</a>	43
<a href="#">Item 5. Other Information</a>	43
<a href="#">Item 6. Exhibits</a>	44
<a href="#">Signatures</a>	45

**PART I – FINANCIAL INFORMATION**

**Item 1. Unaudited Condensed Consolidated Financial Statements**

**TRIPADVISOR, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in millions, except per share amounts)

	Three months ended March 31,	
	2023	2022
Revenue (Note 3)	\$ 371	\$ 262
Costs and expenses:		
Cost of revenue (exclusive of depreciation and amortization as shown separately below)	29	22
Selling and marketing (1)	219	141
Technology and content (1)	68	54
General and administrative (1)	48	40
Depreciation and amortization	21	25
Total costs and expenses	385	282
Operating income (loss)	(14)	(20)
Other income (expense):		
Interest expense	(11)	(12)
Interest income	11	1
Other income (expense), net	(1)	(2)
Total other income (expense), net	(1)	(13)
Income (loss) before income taxes	(15)	(33)
(Provision) benefit for income taxes (Note 8)	(58)	(1)
Net income (loss)	\$ (73)	\$ (34)
Earnings (loss) per share attributable to common stockholders (Note 12):		
Basic	\$ (0.52)	\$ (0.24)
Diluted	\$ (0.52)	\$ (0.24)
Weighted average common shares outstanding (Note 12):		
Basic	141	139
Diluted	141	139
(1) Includes stock-based compensation expense as follows (Note 10):		
Selling and marketing	\$ 4	\$ 3
Technology and content	\$ 10	\$ 9
General and administrative	\$ 9	\$ 10

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**TRIPADVISOR, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**(in millions)**

	Three months ended	
	March 31,	
	2023	2022
Net income (loss)	\$ (73)	\$ (34)
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments, net of tax (1)	4	(4)
Total other comprehensive income (loss), net of tax	4	(4)
Comprehensive income (loss)	<u>\$ (69)</u>	<u>\$ (38)</u>

(1) Deferred income tax liabilities related to these amounts are not material.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**TRIPADVISOR, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in millions, except number of shares and per share amounts)

	March 31, 2023	December 31, 2022
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents (Note 4)	\$ 1,132	\$ 1,021
Accounts receivable and contract assets, net of allowance for credit losses of \$24 and \$28, respectively (Note 3)	210	205
Income taxes receivable (Note 8)	48	—
Prepaid expenses and other current assets	49	44
Total current assets	1,439	1,270
Property and equipment, net of accumulated depreciation of \$529 and \$512, respectively	194	194
Operating lease right-of-use assets	24	27
Intangible assets, net of accumulated amortization of \$200 and \$198, respectively	49	51
Goodwill	825	822
Non-marketable investments (Note 4)	33	34
Deferred income taxes, net	70	78
Other long-term assets, net of allowance for credit losses of \$10 and \$10, respectively (Note 4, Note 8)	50	93
<b>TOTAL ASSETS</b>	<b>\$ 2,684</b>	<b>\$ 2,569</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 34	\$ 39
Deferred merchant payables	311	203
Deferred revenue (Note 3)	81	44
Income taxes payable (Note 8)	126	16
Accrued expenses and other current liabilities (Note 5)	211	231
Total current liabilities	763	533
Long-term debt (Note 6)	837	836
Finance lease obligation, net of current portion	56	58
Operating lease liabilities, net of current portion	13	15
Deferred income taxes, net	1	1
Other long-term liabilities (Note 7)	206	265
Total Liabilities	1,876	1,708
Commitments and contingencies (Note 9)		
Stockholders' equity: (Note 11)		
Preferred stock, \$0.001 par value	—	—
Authorized shares: 100,000,000		
Shares issued and outstanding: 0 and 0		
Common stock, \$0.001 par value	—	—
Authorized shares: 1,600,000,000		
Shares issued: 148,090,833 and 146,891,538, respectively		
Shares outstanding: 129,246,219 and 128,046,924, respectively		
Class B common stock, \$0.001 par value	—	—
Authorized shares: 400,000,000		
Shares issued and outstanding: 12,799,999 and 12,799,999, respectively		
Additional paid-in capital	1,420	1,404
Retained earnings	188	261
Accumulated other comprehensive income (loss)	(78)	(82)
Treasury stock-common stock, at cost, 18,844,614 and 18,844,614 shares, respectively	(722)	(722)
Total Stockholders' Equity	808	861
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 2,684</b>	<b>\$ 2,569</b>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

TRIPADVISOR, INC.  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
(in millions, except number of shares)

**Three months ended March 31, 2023**

	Common stock		Class B common stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury Stock		Total
	Shares	Amount	Shares	Amount				Shares	Amount	
	<b>Balance as of December 31, 2022</b>	<b>146,891,538</b>	<b>\$ —</b>	<b>12,799,999</b>	<b>\$ —</b>	<b>\$ 1,404</b>	<b>\$ 261</b>	<b>\$ (82)</b>	<b>(18,844,614)</b>	
Net income (loss)						(73)				(73)
Other comprehensive income (loss), net of tax							4			4
Issuance of common stock related to exercises of options and vesting of RSUs	1,199,295	—			—					—
Withholding taxes on net share settlements of equity awards					(9)					(9)
Stock-based compensation					25					25
<b>Balance as of March 31, 2023</b>	<b>148,090,833</b>	<b>\$ —</b>	<b>12,799,999</b>	<b>\$ —</b>	<b>\$ 1,420</b>	<b>\$ 188</b>	<b>\$ (78)</b>	<b>(18,844,614)</b>	<b>\$ (722)</b>	<b>\$ 808</b>

**Three months ended March 31, 2022**

	Common stock		Class B common stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury Stock		Total
	Shares	Amount	Shares	Amount				Shares	Amount	
	<b>Balance as of December 31, 2021</b>	<b>144,656,649</b>	<b>\$ —</b>	<b>12,799,999</b>	<b>\$ —</b>	<b>\$ 1,326</b>	<b>\$ 241</b>	<b>\$ (56)</b>	<b>(18,844,614)</b>	
Net income (loss)						(34)				(34)
Other comprehensive income (loss), net of tax							(4)			(4)
Issuance of common stock related to exercises of options and vesting of RSUs	980,051	—			—					—
Withholding taxes on net share settlements of equity awards					(8)					(8)
Stock-based compensation					24					24
<b>Balance as of March 31, 2022</b>	<b>145,636,700</b>	<b>\$ —</b>	<b>12,799,999</b>	<b>\$ —</b>	<b>\$ 1,342</b>	<b>\$ 207</b>	<b>\$ (60)</b>	<b>(18,844,614)</b>	<b>\$ (722)</b>	<b>\$ 767</b>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**TRIPADVISOR, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in millions)

	Three months ended March 31,	
	2023	2022
<b>Operating activities:</b>		
Net income (loss)	\$ (73)	\$ (34)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	21	25
Stock-based compensation expense (Note 10)	23	22
Deferred income tax expense (benefit)	8	—
Other, net	(1)	4
Changes in operating assets and liabilities, net:		
Accounts receivable and contract assets, prepaid expenses and other assets	(9)	(45)
Accounts payable, accrued expenses and other liabilities	(26)	3
Deferred merchant payables	107	86
Income tax receivables/payables, net	48	1
Deferred revenue	37	24
<b>Net cash provided by (used in) operating activities</b>	<b>135</b>	<b>86</b>
<b>Investing activities:</b>		
Capital expenditures, including capitalized website development	(16)	(14)
<b>Net cash provided by (used in) investing activities</b>	<b>(16)</b>	<b>(14)</b>
<b>Financing activities:</b>		
Payment of withholding taxes on net share settlements of equity awards	(9)	(8)
Payments of finance lease obligation	(2)	(2)
<b>Net cash provided by (used in) financing activities</b>	<b>(11)</b>	<b>(10)</b>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	3	(4)
<b>Net increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>111</b>	<b>58</b>
Cash, cash equivalents and restricted cash at beginning of period	1,021	723
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>\$ 1,132</b>	<b>\$ 781</b>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

## NOTE 1: BASIS OF PRESENTATION

We refer to Tripadvisor, Inc. and our wholly-owned subsidiaries as “Tripadvisor”, “Tripadvisor group,” “the Company”, “us”, “we” and “our” in these notes to the unaudited condensed consolidated financial statements.

### Description of Business

The Tripadvisor group operates as a family of brands with a purpose of connecting people to experiences worth sharing. Our vision is to be the world’s most trusted source for travel and experiences. The Company operates across three reportable segments: Tripadvisor Core, Viator, and TheFork. We leverage our brands, technology platforms, and capabilities to connect our large, global audience with partners by offering rich content, travel guidance products and services, and two-sided marketplaces for experiences, accommodations, restaurants, and other travel categories.

Tripadvisor Core’s purpose is to empower everyone to be a better traveler by serving as the world’s most trusted and essential travel guidance platform. The Tripadvisor brand offers travelers and experience seekers an online global platform for travelers to discover, generate, and share authentic user-generated content, or UGC, in the form of ratings and reviews for destinations, points-of-interest, or POIs, experiences, alternative accommodation rentals, restaurants, and cruises in over 40 countries and over 20 languages across the world. As of December 31, 2022, Tripadvisor offered more than 1 billion user-generated ratings and reviews on nearly 8 million experiences, accommodations, restaurants, airlines, and cruises.

Viator enables travelers to discover and book iconic, unique and memorable experiences from operators around the globe. Viator’s online marketplace is comprehensive, connecting travelers to bookable tours, activities and attractions—consisting of over 300,000 experiences from more than 50,000 operators as of December 31, 2022.

TheFork provides an online marketplace that enables diners to discover and book online reservations at more than 55,000 restaurants in 12 countries, as of December 31, 2022, across the UK, western and central Europe, and Australia.

### Basis of Presentation

The accompanying unaudited condensed consolidated financial statements present our results of operations, financial position and cash flows on a consolidated basis. The unaudited condensed consolidated financial statements include Tripadvisor, our wholly-owned subsidiaries, and entities we control, or in which we have a variable interest and are the primary beneficiary of expected cash profits or losses. All inter-company accounts and transactions have been eliminated in consolidation. One of our subsidiaries that operates in China has variable interests in affiliated entities in China in order to comply with Chinese laws and regulations, which restrict foreign investment in internet content provision businesses. Although we do not own the capital stock of these Chinese affiliates, we consolidate their results as we are the primary beneficiary of the cash losses or profits of these variable interest affiliates and have the power to direct the activity of these affiliates. Our variable interest entities’ financial results were not material for all periods presented. Investments in entities in which we do not have a controlling financial interest are accounted for under the equity method, the fair value option, as available-for-sale securities or at cost adjusted for observable price changes and impairments, as appropriate.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (“GAAP”) and include all normal and recurring adjustments that management of the Company considers necessary for a fair presentation of its financial position and operating results. We prepared the unaudited condensed consolidated financial statements following the requirements of the U.S. Securities and Exchange Commission (“SEC”) for interim reporting. As permitted under those rules, we condensed or omitted certain footnotes or other financial information that are normally required by GAAP for annual financial statements. Additionally, certain prior period amounts have been reclassified for comparability with the current period presentation, none of which were material to the presentation of the accompanying unaudited condensed consolidated financial statements. Our interim unaudited condensed consolidated financial statements are not necessarily indicative of results that may be expected for any other interim period or for the full year. These interim unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2022, previously filed with the SEC. The unaudited condensed consolidated balance sheet as of December 31, 2022 included herein was derived from the audited consolidated financial statements as of that date, but does not include all disclosures including notes required by GAAP.

As of March 31, 2023, Liberty Tripadvisor Holdings, Inc. (“LTRIP”) beneficially owned approximately 16.4 million shares of our common stock and 12.8 million shares of our Class B common stock, which constitute 13% of the outstanding shares of common stock and 100% of the outstanding shares of Class B common stock. Assuming the conversion of all LTRIP’s shares of Class B common stock into common stock, LTRIP would beneficially own 21% of the outstanding common stock. Because each share of Class B common stock is entitled to ten votes per share and each share of common stock is entitled to one vote per share, LTRIP may be deemed to beneficially own equity securities representing 56% of our voting power. We had no related party transactions with LTRIP during the three months ended March 31, 2023 and 2022, respectively.



## Risks and Uncertainties

Our business was negatively impacted by the risks and uncertainties related to the COVID-19 pandemic. We believe the travel, leisure, hospitality, and restaurant industries, and our financial results, would be adversely and materially affected upon a resurgence of COVID-19 or the emergency of any new pandemic or other health crisis which result in reinstated travel bans and/or other government restrictions and mandates, all of which would likely negatively impact consumer demand, sentiment and discretionary spending patterns.

Additionally, other health-related events, political instability, geopolitical conflicts, acts of terrorism, fluctuations in currency values, changes in global economic conditions, including the impact of a potential U.S. recession, and increased inflation, are examples of other events that could have a negative impact on the travel industry, and as a result, our financial results in the future.

## Accounting Estimates

We use estimates and assumptions in the preparation of our unaudited condensed consolidated financial statements in accordance with GAAP. Our estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of our unaudited condensed consolidated financial statements. These estimates and assumptions also affect the reported amount of net income or loss during any period. Our actual financial results could differ significantly from these estimates. The significant estimate underlying our unaudited condensed consolidated financial statements is accounting for income taxes.

## Seasonality

Consumer travel expenditures have historically followed a seasonal pattern. Correspondingly, travel partner advertising investments, and therefore our revenue and operating profits, have also historically followed a seasonal pattern. Our financial performance tends to be seasonally highest in the second and third quarters of a given year, which includes the seasonal peak in consumer demand, including traveler accommodation stays, and travel experiences taken, compared to the first and fourth quarters, which represent seasonal low points. In addition, during the first half of the year, experience bookings typically exceed the amount of completed experiences, resulting in higher cash flow related to working capital, while during the second half of the year, particularly in the third quarter, this pattern reverses and cash flows from these transactions are typically negative. Other factors may also impact typical seasonal fluctuations, which factors include further significant shifts in our business mix, adverse economic conditions, or health-related events.

## NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

There have been no material changes to our accounting policies since December 31, 2022, as described under “Note 2: *Significant Accounting Policies*”, in the notes to consolidated financial statements in Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2022.

## NOTE 3: REVENUE RECOGNITION

We generate all our revenue from contracts with customers. We recognize revenue when we satisfy a performance obligation by transferring control of the promised services to a customer in an amount that reflects the consideration that we expect to receive in exchange for those services. When we act as an agent in the transaction, we recognize revenue for only our commission on the arrangement. We determine revenue recognition through the following steps:

- (1) Identification of the contract, or contracts, with a customer
- (2) Identification of the performance obligations in the contract
- (3) Determination of the transaction price
- (4) Allocation of the transaction price to the performance obligations in the contract
- (5) Recognition of revenue when, or as, we satisfy a performance obligation

At contract inception, we assess the services promised in our contracts with customers and identify a performance obligation for each promise to transfer to the customer a service (or bundle of services) that is distinct. To identify the performance obligations, we consider all of the services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. We have provided qualitative information about our performance obligations for our principal revenue streams discussed below. There was no significant revenue recognized in the three months ended March 31, 2023 and 2022, related to performance obligations satisfied in prior periods. We have applied a practical expedient and do not disclose the value of unsatisfied performance obligations that have an original expected duration of less than one year. The Company expects to complete its

performance obligations within one year from the initial transaction date. The value related to our remaining or partially satisfied performance obligations relates to subscription services that are satisfied over time or services that are recognized at a point in time, but not yet achieved. Our timing of services, invoicing and payments are discussed in more detail below and do not include a significant financing component. Our customer invoices are generally due 30 days from the time of invoicing.

The application of our revenue recognition policies and a description of our principal activities, organized by reportable segment, from which we generate our revenue, are presented below.

### ***Tripadvisor Core Segment***

**Tripadvisor-branded Hotels Revenue.** Our largest source of Tripadvisor Core segment revenue is generated from click-based advertising on Tripadvisor-branded websites, which we refer to as hotel meta revenue, and is primarily comprised of contextually-relevant booking links to our travel partners' websites. Our click-based travel partners are predominantly online travel agencies, or OTAs, and hotels. Click-based advertising is generally priced on a cost-per-click, or "CPC" basis, with payments from travel partners determined by the number of travelers who click on a link multiplied by the CPC rate for each specific click. CPC rates are determined in a dynamic, competitive auction process, where the travel partner bids for rates and availability to be listed on our platform. When a CPC bid is submitted, the travel partner agrees to pay us the bid amount each time a traveler clicks on the link to that travel partner's website. Bids can be submitted periodically – as often as daily – on a property-by-property basis. We record click-based advertising revenue as the click occurs and traveler leads are sent to the travel partner's website as our performance obligation is fulfilled at that time. Click-based revenue is generally billed to our travel partners monthly, consistent with the timing of the service. We also generate revenue from our cost-per-action, or "CPA" model, which consists of contextually-relevant booking links to our travel partners' websites which are advertised on our platform. We earn a commission from our travel partners, based on a pre-determined contractual commission rate, for each traveler who clicks to and books a hotel reservation on the travel partner's website, which results in a traveler stay. CPA revenue is billable only upon the completion of each traveler's stay resulting from a hotel reservation. The travel partners provide the service to the travelers and we act as an agent under GAAP. Our performance obligation is complete at the time of the hotel reservation booking, and the commission earned is recognized upon booking, as we have no post-booking service obligations. We recognize this revenue net of an estimate of the impact of cancellations, using historical cancellation rates and current trends. Contract assets are recognized at the time of booking for commissions that are billable upon the completion of a traveler's stay. CPA revenue is generally billed to our travel partners monthly for traveler stays completed in that month.

In addition, we offer business-to-business, or "B2B", solutions to hotels, including subscription-based advertising to hotels, owners of B&Bs, and other specialty lodging properties. Our performance obligation is generally to enable subscribers to advertise their businesses on our platform, as well as to manage and promote their website URL, email address, phone number, special offers and other information related to their business. Subscription-based advertising services are predominantly sold for a flat fee for a contracted period of time of one year or less and revenue is recognized on a straight-line basis over the period of the subscription service as efforts are expended evenly throughout the contract period. Subscription-based advertising services are generally billed at the inception of the service. When prepayments are received, we recognize deferred revenue initially on our consolidated balance sheet for the amount of prepayment in excess of revenue recognized, until the performance obligation is satisfied. To a lesser extent, we offer travel partners the opportunity to advertise and promote their business through hotel sponsored placements on our platform. This service is generally priced on a CPC basis, with payments from travel partners determined by the number of travelers who click on the sponsored link multiplied by the CPC rate for each specific click. CPC rates for hotel sponsored placements that our travel partners pay are generally based on bids submitted as part of an auction by our travel partners. When a CPC bid is submitted, the travel partner agrees to pay us the bid amount each time a traveler clicks on a link to the travel partner's website. Bids may be submitted periodically – as often as daily – on a property-by-property basis. We record this click-based advertising revenue as the click occurs and traveler leads are sent to the travel partner as our performance obligation is fulfilled at that time. Hotel sponsored placements revenue is generally billed to our travel partners monthly, consistent with the timing of the service.

**Tripadvisor-branded Display and Platform Revenue.** We offer travel partners the ability to promote their brands through display-based advertising, or sometimes referred to as "media advertising", placements across our platform. Our display-based advertising clients are predominantly direct suppliers of hotels, airlines and cruises, as well as destination marketing organizations. We also sell display-based advertising to OTAs and other travel related businesses, as well as to advertisers from non-travel categories. Display-based advertising is sold predominantly on a cost per thousand impressions, or "CPM", basis. The performance obligation in our display-based advertising arrangements is to display a number of advertising impressions on our platform and we recognize revenue for impressions as they are delivered. Services are generally billed monthly. We have applied the practical expedient to measure progress toward completion, as we have the right to invoice the customer in an amount that directly corresponds with the value to the customer of our performance to date, which is measured based on impressions delivered.

**Tripadvisor Experiences and Dining Revenue.** We generate revenue from our experiences and restaurant service offerings on Tripadvisor-branded websites and mobile apps. Tripadvisor receives intercompany (intersegment) revenue consisting of affiliate marketing commissions earned primarily from experience bookings and, to a lesser extent, restaurant reservation bookings, on

Tripadvisor-branded websites and mobile apps, fulfilled by Viator and TheFork, respectively, which are eliminated on a consolidated basis. The performance obligations, timing of customer payments for our experiences and dining transactions, and methods of revenue recognition are consistent with the Viator and TheFork segments, as described below. In addition, Tripadvisor restaurant service offerings, or B2B restaurant offerings, generate subscription fees for subscription-based advertising to our restaurant partners that allow restaurants to manage and promote their website URL, email address, phone number, special offers and other information related to their business, as well as access to certain online reservation management services, marketing analytic tools, and menu syndication services. As the performance obligation is to provide restaurants with access to these services over a subscription period, the subscription fee revenue is recognized over the subscription period on a straight-line basis as efforts are expended evenly throughout the contract period. Subscription-based advertising services are generally billed at the inception of the service. When prepayments are received, we recognize deferred revenue initially on our consolidated balance sheet for the amount of prepayment in excess of revenue recognized, until the performance obligation is satisfied. In addition, we offer restaurant partners the opportunity to advertise and promote their business through restaurant media advertising placements on our platform. This service is generally priced on a CPC basis, with payments from restaurant partners determined by the number of clicks by consumers on the sponsored link multiplied by the CPC rate for each specific click. CPC rates for media advertising placements agreed to by our restaurant partners are based on a pre-determined contractual rate. We record this click-based advertising revenue as the click occurs and diner leads are sent to the restaurant partner as our performance obligation is fulfilled at that time. Click-based revenue is generally billed to our restaurant partners monthly, consistent with the timing of the service.

**Other Revenue.** We also offer travelers alternative accommodation rentals, cruises, flights, and rental cars solutions on our platforms which complement our end-to-end travel experience. Our alternative accommodation rentals offering provides information and services that allow travelers to research and book vacation and short-term rental properties, including full homes, condominiums, villas, beach properties, cabins and cottages. Our alternative accommodation rentals offering primarily generates revenue by offering individual property owners and managers the ability to list their properties on our platform thereby connecting with travelers through a free-to-list, commission-based option. These properties are listed on our Tripadvisor-branded websites and mobile apps, and Tripadvisor's portfolio of travel media brands, including, [www.flipkey.com](http://www.flipkey.com), [www.holidaylettings.co.uk](http://www.holidaylettings.co.uk), [www.niumba.com](http://www.niumba.com), and [www.vacationhomerentals.com](http://www.vacationhomerentals.com). We earn commissions associated with rental transactions through our free-to-list model from both the traveler and the property owner or manager. We provide post-booking services to the travelers, property owners and managers until the time the rental commences, which is the time the performance obligation is completed. Revenue from transaction fees is recognized at the time that the rental commences. Under GAAP, we act as an agent in the transactions, as we do not control any properties before the property owner provides the accommodation to the traveler and do not have inventory risk. We generally collect payment from the traveler at the time of booking, representing the amount due to the property owner or manager, as well as our commission. That portion of the payment representing our commission is recorded as deferred revenue on our consolidated balance sheet until revenue is recognized, and that portion of the payment representing the amount due to the property owner is recorded as a deferred merchant payable on our consolidated balance sheet until payment is made to the property owner after the completion of the rental.

In addition, Other Revenue includes revenue generated from cruises, flights, and rental cars offerings on Tripadvisor-branded websites and mobile apps and Tripadvisor's portfolio of brands, which primarily includes click-based advertising and display-based advertising revenue. The performance obligations, timing of customer payments for these offerings, and methods of revenue recognition are generally consistent with click-based advertising and display-based advertising revenue, as described above.

### ***Viator Segment***

We provide an online marketplace that allows travelers to research and book tours, activities and attractions in popular travel destinations across the globe through our Viator-branded platform, which includes website, mobile web, and mobile app. Through Viator, we also power traveler bookings of tours, activities and attractions on behalf of third-party distribution partner websites, including the Tripadvisor platform as well as many of the world's major OTA, airlines, hotels, online and offline travel agencies, and other prominent content and eCommerce brands.

We work with local tour, activity, and experience operators ("operators") to provide travelers ("customers") the ability to book tours, activities and attractions, or "experiences", in destinations around the world. We generate commissions for each booking transaction we facilitate through our online reservation system, in exchange for certain activities, including the use of the Company's booking platform, post-booking 24/7 customer support until the time of the experience and payment processing activities as the merchant of record, which is the completion of the performance obligation. These activities are not distinct from each other and are not separate performance obligations. As a result, the Company's single performance obligation is to facilitate an experience, which is complete upon the time the experience occurs, and when revenue is recognized. We do not control the experience or have inventory risk before the operator provides the experience to our customer and therefore act as agent for substantially all of these transactions under GAAP.

We collect payment from the customer prior to the experience occurring, which includes both our commission and the amount due to the operator. We record our commissions as deferred revenue on our consolidated balance sheet when payment is received, including amounts which are refundable subject to cancellation, until the experience occurs and revenue is recognized. The amount due to the operator is recorded as a deferred merchant payable on our consolidated balance sheet until completion of the experience, after which payment is made to the operator.

To a much lesser extent, we earn commissions from third-party distribution partners, in this case, the customers, who display and promote on their websites the operator experiences available on our platform to generate bookings. In these transactions, we are not the merchant of record, and we generally invoice and receive commissions directly from third-party distribution partners. Our performance obligation is to allow the third-party distribution partners to display and promote on their website experiences offered by operators who utilize our platform, in exchange for which, we earn a commission when travelers book and complete an experience on the third-party distribution partner's website. We do not control the service or have inventory risk, and therefore act as an agent for these transactions under GAAP. We generally receive payment prior to the experience date for these transactions, and make payments to the operators after the experience is complete. Our performance obligation is complete, and revenue is recognized at the time of the booking, as we have no post-booking obligations to the customer. We recognize this revenue net of an estimate of the impact of cancellations, which is not material, using historical cancellation rates and current trends. Contract assets are recognized for commissions that are contractually billable contingent upon completion of the experience.

### **TheFork Segment**

We provide information and services for consumers to research and book restaurants through our online restaurant reservations platform, TheFork. We primarily generate transaction fees (or per seated diner fees) that are paid by our restaurant customers for diners seated primarily from bookings through TheFork's online reservation system. The transaction fee is recognized as revenue after the reservation is fulfilled, or as diners are seated by our restaurant customers. We invoice restaurants monthly for transaction fees. To a lesser extent, we also generate subscription fees for providing access to certain online reservation management services, marketing analytic tools, and menu syndication services. For these services, our performance obligation is to provide restaurants with access to these services over the subscription period, which generally is one-month, and we recognize revenue once our performance obligation is met and invoice restaurants monthly for these subscription services.

We disaggregate revenue from contracts with customers into major products/revenue sources. We have determined that disaggregating revenue into these categories achieves the disclosure objective under GAAP, which is to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. As noted in "Note 13: Segment Information," our business consists of three reportable segments – (1) Tripadvisor Core; (2) Viator; and (3) TheFork. A reconciliation of disaggregated revenue to segment revenue is also included below:

	Three months ended March 31,	
	2023	2022
<b>Major products/revenue sources (1):</b>	<b>(in millions)</b>	
Tripadvisor Core		
Tripadvisor-branded hotels	\$ 168	\$ 135
Tripadvisor-branded display and platform	30	26
Tripadvisor experiences and dining (2)	33	20
Other	13	10
<b>Total Tripadvisor Core</b>	<b>244</b>	<b>191</b>
Viator	115	56
TheFork	35	26
Intersegment eliminations (2)	(23)	(11)
<b>Total Revenue</b>	<b>\$ 371</b>	<b>\$ 262</b>

(1) Our revenue is recognized primarily at a point in time for all reported segments.

(2) Tripadvisor experiences and dining revenue within the Tripadvisor Core segment are shown gross of intersegment (intercompany) revenue, which is eliminated on a consolidated basis. See "Note 13: Segment Information" for a discussion of intersegment revenue for all periods presented.

The following table provides information about the opening and closing balances of accounts receivable and contract assets, net of allowance for credit losses, from contracts with customers:

	March 31, 2023	December 31, 2022
	(in millions)	
Accounts receivable	175	173
Contract assets	35	32
Total	\$ 210	\$ 205

Accounts receivable are recognized when the right to consideration becomes unconditional. Contract assets are rights to consideration in exchange for services that we have transferred to a customer when that right is conditional on something other than the passage of time, such as commission payments that are contingent upon the completion of the service by the principal in the transaction. The difference between the opening and closing balances of our contract assets primarily results from the timing difference between when we satisfy our performance obligations and the time when the principal completes the service in the transaction.

Contract liabilities generally include payments received in advance of performance under the contract and are realized as revenue as the performance obligation to the customer is satisfied, which we present as deferred revenue on our consolidated balance sheet. As of January 1, 2023 and 2022, we had \$44 million and \$36 million, respectively, recorded as deferred revenue on our unaudited condensed consolidated balance sheets, of which \$28 million and \$18 million, respectively, was recognized in revenue and \$2 million was refunded due to cancellations by travelers during each of the three months ended March 31, 2023 and 2022. The difference between the opening and closing balances of our deferred revenue primarily results from the timing differences between when we receive customer payments and the time in which we satisfy our performance obligations. There were no significant changes in contract assets or deferred revenue during each of the three months ended March 31, 2023 and 2022, related to business combinations, impairments, cumulative catch-ups or other material adjustments.

#### NOTE 4: FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

For assets and liabilities required to be reported at fair value, GAAP provides a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels:

Level 1—Valuations are based on quoted market prices for identical assets and liabilities in active markets.

Level 2—Valuations are based on observable inputs other than quoted market prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3—Valuations are based on unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

##### *Cash, Cash Equivalents and Marketable Securities*

As of March 31, 2023 and December 31, 2022, we had approximately \$1.1 billion and \$1.0 billion of cash and cash equivalents, respectively, which consisted of available on demand cash deposits and term deposits, as well as money market funds, with maturities of 90 days or less at the date of purchase, in each case, with major global financial institutions. We had no outstanding investments classified as either short-term or long-term marketable securities as of March 31, 2023 or December 31, 2022, and there were no purchases or sales of any marketable securities during and for the three months ended March 31, 2023 and 2022.

The following table shows our cash and cash equivalents that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy, as well as their classification on our unaudited condensed consolidated balance sheet as of March 31, 2023 and December 31, 2022:

	March 31, 2023			December 31, 2022		
	Amortized Cost	Fair Value (1)	Cash and Cash Equivalents	Amortized Cost	Fair Value (1)	Cash and Cash Equivalents
	(in millions)					
Cash	\$ 630	\$ 630	\$ 630	\$ 821	\$ 821	\$ 821
Level 1:						
Money market funds	302	302	302	—	—	—
Level 2:						
Term deposits	200	200	200	200	200	200
Total	\$ 1,132	\$ 1,132	\$ 1,132	\$ 1,021	\$ 1,021	\$ 1,021

- (1) Unrealized gains and losses related to our cash equivalents were not material.

We generally classify cash equivalents and marketable securities, if any, within Level 1 and Level 2 as we value these financial instruments using quoted market prices (Level 1) or alternative pricing sources (Level 2). The valuation technique we use to measure the fair value of money market funds is derived from quoted prices in active markets for identical assets or liabilities. Fair values for Level 2 investments are considered “Level 2” valuations because they are obtained from independent pricing sources for identical or comparable instruments, rather than direct observations of quoted prices in active markets. Our procedures include controls to ensure that appropriate fair values are recorded, including comparing the fair values obtained from our independent pricing services against fair values obtained from another independent source.

### **Derivative Financial Instruments**

We use forward contracts to reduce the effects of foreign currency exchange rate fluctuations on our cash flows primarily for the Euro versus the U.S. Dollar. For the three months ended March 31, 2023 and 2022, our forward contracts have not been designated as hedges and generally had maturities of less than 90 days. Our outstanding or unsettled forward contracts are carried at fair value on our unaudited condensed consolidated balance sheet as of both March 31, 2023 and December 31, 2022. We measure the fair value of our outstanding or unsettled derivatives using Level 2 fair value inputs, as we use a pricing model that takes into account the contract terms as well as current foreign currency exchange rates in active markets. We recognize any gain or loss resulting from the change in fair value of our foreign currency forward contracts in other income (expense), net on our unaudited condensed consolidated statement of operations, which was not material during both the three months ended March 31, 2023 and 2022.

The following table shows the net notional principal amounts of our outstanding derivative instruments as of the dates presented:

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
	(in millions)	
Foreign currency exchange-forward contracts (1)(2)	\$ 21	\$ 18

- (1) Derivative contracts address foreign currency exchange fluctuations for the Euro versus the U.S. dollar. These outstanding derivatives are not designated as hedging instruments and have an original maturity period of 90 days or less.
- (2) The fair value of our outstanding derivatives as of March 31, 2023 and December 31, 2022, respectively, was not material. The notional amount of a forward contract is the contracted amount of foreign currency to be exchanged and is not recorded on the unaudited condensed consolidated balance sheet.

Counterparties to our outstanding forward contracts consist of major global financial institutions. We monitor our positions and the credit ratings of the counterparties involved and, by policy limits, the amount of credit exposure to any one party. We do not use derivatives for trading or speculative purposes. We were not entered into any cash flow, fair value or net investment hedges as of March 31, 2023 and December 31, 2022.

### **Other Financial Assets and Liabilities**

As of March 31, 2023 and December 31, 2022, financial instruments not measured at fair value on a recurring basis including accounts payable, accrued expenses and other current liabilities, and deferred merchant payables, were carried at cost on our unaudited condensed consolidated balance sheets, which approximates their fair values because of the short-term nature of these items. Accounts receivable and contract assets, on our unaudited condensed consolidated balance sheets, as well as certain other financial assets, were measured at amortized cost and are carried at cost less an allowance for expected credit losses to present the net amount expected to be collected.

The following table shows the aggregate principal and fair value amount of the outstanding 2025 Senior Notes and 2026 Senior Notes as of the dates presented, which are classified as long-term debt on our unaudited condensed consolidated balance sheets and considered Level 2 fair value measurements. Refer to “Note 6: Debt” for additional information on the 2025 Senior Notes and 2026 Senior Notes.

	March 31, 2023	December 31, 2022
	(in millions)	
<b>2025 Senior Notes</b>		
Aggregate principal amount	\$ 500	\$ 500
Carrying value amount (1)	496	495
Fair value amount (2)	503	498
<b>2026 Senior Notes</b>		
Aggregate principal amount	\$ 345	\$ 345
Carrying value amount (3)	341	341
Fair value amount (2)	283	281

(1) Net of \$4 million and \$5 million of unamortized debt issuance costs as of March 31, 2023 and December 31, 2022, respectively.

(2) We estimate the fair value of the 2025 Senior Notes and 2026 Senior Notes based on recently reported market transactions and/or prices for identical or similar financial instruments obtained from a third-party pricing source.

(3) Net of \$4 million in unamortized debt issuance costs as of both March 31, 2023 and December 31, 2022.

The Company did not have any assets or liabilities measured at fair value on a recurring basis using Level 3 unobservable inputs as of March 31, 2023 and December 31, 2022.

### **Risks and Concentrations**

Our business is subject to certain financial risks and concentrations, including concentration related to dependence on our relationships with our customers. For the year ended December 31, 2022, our two most significant travel partners, Expedia Group, Inc. (and its subsidiaries) and Booking Holdings, Inc. (and its subsidiaries), each accounted for 10% or more of our consolidated revenue and together accounted for approximately 35% of our consolidated revenue, with nearly all of this revenue concentrated in our Tripadvisor Core segment.

Financial instruments, which potentially subject us to concentration of credit risk, generally consist, at any point in time, of cash and cash equivalents, corporate debt securities, forward contracts, capped calls, and accounts receivable. We maintain cash balances with financial institutions that are in excess of Federal Deposit Insurance Corporation insurance limits in the U.S. and similar programs outside the U.S. Our cash is generally composed of available on demand bank deposits or term deposits with major global financial institutions, as well as money market funds, primarily denominated in U.S. dollars, and to a lesser extent Euros, British pounds, and Australian dollars. We may invest in highly-rated corporate debt securities, and our investment policy limits the amount of credit exposure to any one issuer, industry group and currency. Our credit risk related to corporate debt securities is also mitigated by the relatively short maturity period required by our investment policy. Forward contracts and capped calls are transacted with major international financial institutions with high credit standings. Forward contracts, which, to date, have typically had maturities of less than 90 days, also mitigates risk.

### **Assets Measured at Fair Value on a Non-recurring Basis**

#### **Non-Marketable Investments**

##### *Equity Securities Accounted for under the Equity Method*

The Company owns a 40% equity investment in Chelsea Investment Holding Company PTE Ltd, which is majority owned by Ctrip Investment Holding Ltd, a majority-owned subsidiary of Trip.com Group Limited. The Company accounts for this minority investment under the equity method, given it has the ability to exercise significant influence, but not control, over the investee. The carrying value of this minority investment was \$31 million and \$32 million as of March 31, 2023 and December 31, 2022, respectively, and is included in non-marketable investments on our unaudited condensed consolidated balance sheets. During the three months ended March 31, 2023, we recognized \$1 million, representing our share of the investee's net loss in other income (expenses), net within the unaudited condensed consolidated statement of operations, while this amount was not material during the three months ended March 31, 2022. The Company evaluates this investment for impairment when factors indicate that a decline in the value of its investment has occurred and the carrying amount of its investment may not be recoverable. An impairment loss, based on the excess of the carrying value over the estimated fair value of the investment based on Level 3 inputs, is recognized in earnings when an impairment is deemed to be other than temporary. During both the three months ended March 31, 2023 and 2022, we did not record any impairment loss on this equity investment.

The Company maintains various commercial agreements with Chelsea Investment Holding Company PTE Ltd. and/or its subsidiaries. Transactions under these agreements are considered related-party transactions, and were not material during the three months ended March 31, 2023 and 2022.

### Other Long-Term Assets

The Company holds collateralized notes (the “Notes Receivable”) issued by a privately held company with a total principal amount of \$20 million. The Company has classified the Notes Receivable as held-to-maturity, as the Company has concluded it has the positive intent and ability to hold the Notes Receivable until maturity, with 50% due in June 2025 and the remaining 50% due in June 2030. As of both March 31, 2023 and December 31, 2022, the carrying value of the Notes Receivable was \$9 million, net of accumulated allowance for credit losses, and is classified in other long-term assets, net on our unaudited condensed consolidated balance sheets at amortized cost. On a quarterly basis, we perform a qualitative assessment considering impairment indicators to evaluate whether the Notes Receivable are impaired and monitor for changes to our allowance for credit losses.

Other non-financial assets, such as property and equipment, goodwill, intangible assets, and operating lease right-of-use assets are adjusted to fair value when an impairment charge is recognized or the underlying investment is sold. Such fair value measurements, if necessary, are based predominately on Level 3 inputs.

### NOTE 5: ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following as of the dates presented:

	March 31, 2023	December 31, 2022	
	(in millions)		
Accrued employee salary, bonus, and related benefits	\$ 47	\$	65
Accrued marketing costs	69		68
Interest payable (1)	8		17
Finance lease liabilities - current portion	6		6
Operating lease liabilities - current portion	13		14
Other	68		61
<b>Total</b>	<b>\$ 211</b>	<b>\$</b>	<b>231</b>

(1) Amount relates primarily to unpaid interest accrued on the 2025 Senior Notes. Refer to “Note 6: Debt” for further information.

### NOTE 6: DEBT

The Company’s outstanding debt consisted of the following as of the dates presented:

March 31, 2023	Outstanding Principal Amount	Unamortized Debt Issuance Costs	Carrying Value
	(in millions)		
Long-Term Debt:			
2025 Senior Notes	\$ 500	\$ (4)	\$ 496
2026 Senior Notes	345	(4)	341
<b>Total Long-Term Debt</b>	<b>\$ 845</b>	<b>\$ (8)</b>	<b>\$ 837</b>
December 31, 2022	Outstanding Principal Amount	Unamortized Debt Issuance Costs	Carrying Value
	(in millions)		
Long-Term Debt:			
2025 Senior Notes	\$ 500	\$ (5)	\$ 495
2026 Senior Notes	345	(4)	341
<b>Total Long-Term Debt</b>	<b>\$ 845</b>	<b>\$ (9)</b>	<b>\$ 836</b>

### Credit Facility

We are party to a credit agreement with a group of lenders initially entered into in June 2015 (as amended, the “Credit Agreement”), which, among other things, provides for a \$500 million secured revolving credit facility (the “Credit Facility”) with a maturity date of May 12, 2024. As of March 31, 2023 and December 31, 2022, the Company had no outstanding borrowings under the Credit Facility and had issued \$4 million of undrawn standby letters of credit under the Credit Facility. For the three months ended



March 31, 2023, total interest expense and commitment fees recorded on the Credit Facility was not material. For the three months ended March 31, 2022, we recorded total interest expense and commitment fees on the Credit Facility of \$1 million to interest expense on our unaudited condensed consolidated statements of operations.

The Company may borrow from the Credit Facility in U.S. dollars and Euros. In addition, the Credit Facility includes \$15 million of borrowing capacity available for letters of credit and \$40 million for Swing Line borrowings on same-day notice. The Credit Facility, among other things, requires us to maintain a maximum leverage ratio and contains certain customary affirmative covenants and events of default, including a change of control.

We amended the Credit Facility during 2020 to, among other things, suspend the leverage ratio covenant for quarterly testing of compliance beginning in the second quarter of 2020, replacing it with a minimum liquidity covenant through June 30, 2021 (requiring the Company to maintain \$150 million of unrestricted cash, cash equivalents and short-term investments less deferred merchant payables plus available revolver capacity), until the earlier of (a) the first day after June 30, 2021 through maturity on which borrowings and other revolving credit utilizations under the revolving commitments exceed \$200 million, and (b) the election of the Company, at which time the leverage ratio covenant will be reinstated (the "Leverage Covenant Holiday").

The Company remained in the Leverage Covenant Holiday as of March 31, 2023. Based on the Company's existing leverage ratio, any outstanding or future borrowings under the Credit Facility generally bear interest, at the Company's option, at a rate per annum equal to either (i) the Eurocurrency Borrowing rate, or the adjusted LIBO rate for the interest period in effect for such borrowing; plus an applicable margin ranging from 1.25% to 2.00% with a London Inter-Bank Offered Rate ("LIBOR rate") floor of 1.00% per annum; or (ii) the Alternate Base Rate Borrowing, which is the greatest of (a) the Prime Rate in effect on such day, (b) the New York Fed Bank Rate in effect on such day plus 1/2 of 1.00% per annum, and (c) the Adjusted LIBOR (or LIBOR multiplied by the Statutory Reserve Rate) for an interest period of one month plus 1.00%; in addition to an applicable margin ranging from 0.25% to 1.00%. In addition, based on the Company's existing leverage ratio, we are required to pay a quarterly commitment fee, at an applicable rate ranging from 0.15% to 0.30% as of March 31, 2023, on the daily unused portion of the Credit Facility for each fiscal quarter during the Leverage Covenant Holiday and in connection with the issuance of letters of credit.

There is no specific repayment date prior to the maturity date for any borrowings under the Credit Agreement. We may voluntarily repay any outstanding borrowing under the Credit Facility at any time without premium or penalty, other than customary breakage costs with respect to Eurocurrency loans. Additionally, the Company believes that the likelihood of the lender exercising any subjective acceleration rights, which would permit the lenders to accelerate repayment of any outstanding borrowings, is remote. As such, we classify any borrowings under this facility as long-term debt. The Credit Agreement contains a number of covenants that, among other things, restrict our ability to incur additional indebtedness, create liens, enter into sale and leaseback transactions, engage in mergers or consolidations, sell or transfer assets, pay dividends and distributions, make investments, loans or advances, prepay certain subordinated indebtedness, make certain acquisitions, engage in certain transactions with affiliates, amend material agreements governing certain subordinated indebtedness, and change our fiscal year. The Credit Agreement also limits the Company from repurchasing shares of its common stock and paying dividends, among other restrictions, during the Leverage Covenant Holiday. In addition, to secure the obligations under the Credit Agreement, the Company and certain subsidiaries have granted security interests and liens in and on substantially all of their assets as well as pledged shares of certain of the Company's subsidiaries. The Credit Agreement also contains certain customary affirmative covenants and events of default, including a change of control. If an event of default occurs, the lenders under the Credit Agreement will be entitled to take various actions, including the acceleration of all amounts due under the Credit Facility. As of March 31, 2023 and December 31, 2022, we were in compliance with our covenants.

## 2025 Senior Notes

On July 9, 2020, the Company completed the sale of \$500 million aggregate principal amount of 7.0% Senior Notes due 2025 (the "2025 Senior Notes"), pursuant to a purchase agreement, dated July 7, 2020, among the Company, the guarantors party thereto and the initial purchasers party thereto in a private offering to qualified institutional buyers. The 2025 Senior Notes were issued pursuant to an indenture, dated July 9, 2020 (the "2025 Indenture"), among the Company, the guarantors and the trustee. The 2025 Indenture provides, among other things, that interest is payable on the 2025 Senior Notes semiannually on January 15 and July 15 of each year, and continues until their maturity date of July 15, 2025. The 2025 Senior Notes are senior unsecured obligations of the Company and are guaranteed by certain of the Company's domestic subsidiaries.

The Company has the option to redeem all or a portion of the 2025 Senior Notes at any time on or after July 15, 2022 at the redemption prices set forth in the 2025 Indenture, plus accrued and unpaid interest, if any. Subject to certain limitations, in the event of a Change of Control Triggering Event (as defined in the 2025 Indenture), the Company will be required to make an offer to purchase the 2025 Senior Notes at a price equal to 101% of the aggregate principal amount of the 2025 Senior Notes repurchased, plus accrued and unpaid interest, if any, to the date of repurchase. These features have been evaluated as embedded derivatives under GAAP; however, the Company has concluded they do not meet the requirements to be accounted for separately.

As of March 31, 2023 and December 31, 2022, unpaid interest on the 2025 Senior Notes of \$7 million and \$16 million, respectively, was included in accrued expenses and other current liabilities on our unaudited condensed consolidated balance sheet, and \$9 million was recorded as interest expense on our unaudited condensed consolidated statements of operations for both the three months ended March 31, 2023 and 2022.

The 2025 Indenture contains covenants that, among other things and subject to certain exceptions and qualifications, restrict the ability of the Company and certain of its subsidiaries to incur or guarantee additional indebtedness or issue disqualified stock or certain preferred stock; pay dividends and make other distributions or repurchase stock; make certain investments; create or incur liens; sell assets; create restrictions affecting the ability of restricted subsidiaries to make distributions, loans or advances or transfer assets to the Company or the restricted subsidiaries; enter into certain transactions with the Company's affiliates; designate restricted subsidiaries as unrestricted subsidiaries; and merge, consolidate or transfer or sell all or substantially all of the Company's assets.

## 2026 Senior Notes

On March 25, 2021, we entered into a purchase agreement for the sale of \$300 million aggregate principal amount of 0.25% Convertible 2026 Senior Notes due 2026 (the "2026 Senior Notes") in a private offering to qualified institutional buyers. The 2026 Senior Notes included an over-allotment option that provided the initial purchasers of the 2026 Senior Notes with the option to purchase an additional \$45 million aggregate principal amount of the 2026 Senior Notes; such over-allotment option was fully exercised. In connection with the issuance of the 2026 Senior Notes, the Company entered into an Indenture, dated March 25, 2021 (the "2026 Indenture"), among the Company, the guarantors party thereto and the trustee. The terms of the 2026 Senior Notes are governed by the 2026 Indenture. The 2026 Senior Notes mature on April 1, 2026, unless earlier converted, redeemed or repurchased. The 2026 Senior Notes are senior unsecured obligations of the Company, although guaranteed by certain of the Company's domestic subsidiaries, with interest payable semiannually in arrears on April 1 and October 1 of each year. During the three months ended March 31, 2023 and 2022, our effective interest rate, including debt issuance costs, was 0.45% and 0.52%, respectively, and total interest expense incurred from the 2026 Senior Notes was not material in any period. As of March 31, 2023 and December 31, 2022, unpaid interest on the 2026 Senior Notes was also not material.

The 2026 Senior Notes will be redeemable, in whole or in part, at our option at any time, and from time to time, on or after April 1, 2024 and on or before the 30<sup>th</sup> scheduled trading day immediately before the maturity date, at a cash redemption price equal to the principal amount of the 2026 Senior Notes to be redeemed, plus accrued and unpaid interest, if any, but only if the last reported sale price per share of our common stock exceeds 130% of the conversion price on (1) each of at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the trading day immediately before the date we send the related redemption notice; and (2) the trading day immediately before the date we send such notice. In addition, calling any such note for redemption will constitute a make-whole fundamental change with respect to that note, in which case the conversion rate applicable to the conversion of that note will be increased in certain circumstances if it is converted after it is called for redemption.

The 2026 Senior Notes are unconditionally guaranteed, on a joint and several basis, by the guarantors on a senior, unsecured basis. The 2026 Senior Notes are our general senior unsecured obligations and rank equally in right of payment with all of our existing and future senior indebtedness, and senior in right of payment to all of our future subordinated indebtedness. The 2026 Senior Notes will be effectively subordinated to any of our existing and future secured indebtedness, including borrowings under the Credit Facility, to the extent of the value of the assets securing such indebtedness.

Holders may convert their 2026 Senior Notes at any time prior to the close of business on the business day immediately preceding January 1, 2026, in multiples of \$1,000 principal amount, only under the following conditions and circumstances:

- during any calendar quarter commencing after the calendar quarter ending on June 30, 2021 (and only during such calendar quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- during the five business day period after any five consecutive trading day period (the "measurement period") in which the trading price per \$1,000 principal amount of 2026 Senior Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; or
- upon the occurrence of specified corporate events as described in the 2026 Indenture.

In addition, holders may convert their 2026 Senior Notes, in multiples of \$1,000 principal amount, at their option at any time beginning on or after January 1, 2026, and prior to the close of business on the second scheduled trading day immediately preceding the stated maturity date of the 2026 Senior Notes, without regard to the foregoing circumstances.

The initial conversion rate for the 2026 Senior Notes is 13.5483 shares of common stock per \$1,000 principal amount of 2026 Senior Notes, which is equivalent to an initial conversion price of approximately \$73.81 per share of common stock, or approximately 4.7 million shares of common stock, subject to adjustment upon the occurrence of certain specified events as set forth in the 2026 Indenture. Upon conversion, the Company may choose to pay or deliver, as the case may be, cash, shares of common stock or a combination of cash and shares of common stock.

The Company accounts for the 2026 Senior Notes as a liability measured at its amortized cost, and no other features of the 2026 Senior Notes are bifurcated and recognized as a derivative. The 2026 Senior Notes are unsecured and do not contain any financial covenants, restrictions on dividends, incurrence of senior debt or other indebtedness, or restrictions on the issuance or repurchase of securities by the Company.

#### ***Capped Call Transactions***

In connection with the issuance of the 2026 Senior Notes, the Company entered into privately negotiated capped call transactions (the “Capped Calls”) with certain of the initial purchasers of the 2026 Senior Notes and/or their respective affiliates and/or other financial institutions (the “Option Counterparties”) at a cost of approximately \$35 million. The Capped Calls are separate transactions entered into by the Company with each of the Option Counterparties, and are not part of the terms of the 2026 Senior Notes and therefore will not affect any noteholder’s rights under the 2026 Senior Notes. Noteholders will not have any rights with respect to the Capped Calls.

The Capped Calls cover, subject to anti-dilution adjustments, substantially similar to those applicable to the conversion rate of the 2026 Senior Notes, the number of shares of common stock initially underlying the 2026 Senior Notes, or up to approximately 4.7 million shares of our common stock. The Capped Calls are expected generally to reduce potential dilution to the common stock upon any conversion of 2026 Senior Notes and/or offset any potential cash payments the Company is required to make in excess of the principal amount of such converted 2026 Senior Notes, as the case may be, with such reduction and/or offset subject to a cap. The strike price of the Capped Calls is \$73.81, while the cap price of the Capped Calls will initially be \$107.36 per share of our common stock, which represents a premium of 100% over the close price of our common stock of \$53.68 per share on March 22, 2021 and is subject to certain customary adjustments under the terms of the Capped Calls.

The Capped Calls are considered indexed to our own stock and are considered equity classified under GAAP, and are included as a reduction to additional paid-in-capital within stockholders’ equity on the unaudited condensed consolidated balance sheets as of both March 31, 2023 and December 31, 2022. The Capped Calls are not accounted for as derivatives and their fair value is not remeasured each reporting period.

#### **NOTE 7: OTHER LONG-TERM LIABILITIES**

Other long-term liabilities consisted of the following as of the dates presented:

	March 31, 2023	December 31, 2022
	(in millions)	
Unrecognized tax benefits (1)	\$ 148	\$ 204
Deferred gain on equity method investment (2)	28	28
Long-term income taxes payable (3)	27	27
Other	3	6
<b>Total</b>	<b>\$ 206</b>	<b>\$ 265</b>

- (1) Refer to “Note 8: *Income Taxes*” for information regarding our unrecognized tax benefits. Amounts include accrued interest related to this liability.
- (2) Amount relates to long-term portion of a deferred income liability recorded as a result of an equity method investment made in the fourth quarter of 2019. Refer to “Note 4: *Financial Instruments and Fair Value Measurements*” for additional information.
- (3) Amount relates to the long-term portion of transition tax payable related to the 2017 Tax Act.

#### **NOTE 8: INCOME TAXES**

Each interim period is considered an integral part of the annual period; accordingly, we measure our income tax expense using an estimated annual effective tax rate. An enterprise is required, at the end of each interim reporting period, to make its best estimate of the annual effective tax rate for the full fiscal year and use that rate to provide for income taxes on a current year-to-date basis, as adjusted for discrete taxable events that occur during the interim period.

Our income tax provision was \$58 million and \$1 million for the three months ended March 31, 2023 and 2022, respectively. The change in our income tax provision during the three months ended March 31, 2023, when compared to the same period in 2022, was primarily the result of an Internal Revenue Service ("IRS") audit settlement and the adjustment to our existing transfer pricing income tax reserves for subsequent tax years recorded during the three months ended March 31, 2023. Our effective tax rate for the three months ended March 31, 2023 differs from the U.S. federal statutory rate of 21%, primarily due to the reasons noted above.

A reconciliation of the provision (benefit) for income taxes to the amounts computed by applying the statutory federal income tax rate to income (loss) before income taxes is as follows for the periods presented:

	Three months ended March 31,	
	2023	2022
	(in millions)	
Income tax expense (benefit) at the federal statutory rate	\$ (3)	\$ (7)
State income taxes, net of effect of federal tax benefit	—	(1)
Unrecognized tax benefits and related interest	1	2
Stock-based compensation	2	4
Research tax credit	—	1
Change in valuation allowance	2	3
IRS audit settlement	31	—
Transfer pricing reserves adjustment	24	—
Other, net	1	(1)
Provision (benefit) for income taxes	<u>\$ 58</u>	<u>\$ 1</u>

Our accounting policy is to recognize accrued interest and penalties related to unrecognized tax benefits and income tax liabilities as part of our income tax expense. As of March 31, 2023, we had an accrued interest liability of \$40 million, which was included in unrecognized tax benefits in other long-term liabilities on our unaudited condensed consolidated balance sheet, and no penalties were accrued.

By virtue of consolidated income tax returns previously filed with Expedia, we are currently under an IRS audit for the 2009, 2010 and short-period 2011 tax years. We are separately under examination by the IRS for the 2014 through 2016 and 2018 tax years, and have various ongoing audits for foreign and state income tax returns. These audits include questioning the timing and amount of income and deductions and the allocation of income among various tax jurisdictions. These examinations may lead to proposed or ordinary course adjustments to our taxes. We are no longer subject to tax examinations by tax authorities for years prior to 2009. As of March 31, 2023, no material assessments have resulted, except as noted below regarding our 2009, 2010, and 2011 IRS audit with Expedia, our 2014 through 2016 standalone IRS audit, and our 2012 through 2016 HM Revenue & Customs ("HMRC") audit.

As disclosed in previous filings, including in our Annual Report on Form 10-K for the year ended December 31, 2022, we had received Notices of Proposed Adjustments ("NOPA") from the IRS for the 2009, 2010, and 2011 tax years relating to certain transfer pricing arrangements with our foreign subsidiaries. In response, we had requested competent authority assistance under the Mutual Agreement Procedure ("MAP") for the 2009 through 2011 tax years. In January 2023, we received a final notice from the IRS regarding a MAP settlement for the 2009 through 2011 tax years, which the Company accepted in February 2023. In the first quarter of 2023, we recorded additional income tax expense as a discrete item, inclusive of interest, of \$31 million specifically related to this settlement. We reviewed the impact of the acceptance of this settlement position against our existing transfer pricing income tax reserves for the subsequent tax years during the first quarter of 2023, which resulted in incremental income tax expense, inclusive of estimated interest, of \$24 million. The total impact of these adjustments resulted in an incremental income tax expense of \$55 million for the three months ended March 31, 2023.

In addition, and separately, during August 2020, we received a NOPA from the IRS for the 2014, 2015, and 2016 tax years. These proposed adjustments pertain to certain transfer pricing arrangements with our foreign subsidiaries and would result in additional income tax expense above our existing tax reserves in an estimated range of \$55 million to \$65 million at the close of the audit if the IRS prevails. This estimated range takes into consideration competent authority relief, existing income tax reserves, and transition tax regulations and is exclusive of deferred tax consequences and interest expense, which would also be significant. We disagree with the proposed adjustments, and we intend to defend our position through applicable administrative and, if necessary, judicial remedies. Based on our interpretation of the regulations and available case law, we believe the position we have taken with regard to transfer pricing with our foreign subsidiaries is sustainable. In addition to the risk of additional tax for the years discussed above, if the IRS were to seek transfer pricing adjustments of a similar nature for transactions in subsequent years, we may be subject to significant additional tax liabilities. We have previously requested competent authority assistance under MAP for the years of 2014 through 2016 tax years. As discussed above, we reviewed our transfer pricing reserves as of March 31, 2023, based on the facts and circumstances that existed as of the reporting date, and consider them to be the Company's best estimate as of March 31, 2023.

As of December 31, 2022, we had recorded \$204 million of unrecognized tax benefits, inclusive of interest, classified as other long-term liabilities on our unaudited condensed consolidated balance sheet. As a result of the Company's acceptance of MAP with the IRS for the years 2009 through 2011, and its impact on other ongoing IRS audits, as described above, we reduced this unrecognized tax benefits liability by \$59 million during the three months ended March 31, 2023, while increasing our current income taxes payable by \$109 million, representing a short-term payment obligation to the IRS, and increasing our current income taxes receivable balance by \$46 million, representing short-term competent authority relief, or payment due from a foreign jurisdiction. In addition, we reduced our long-term income taxes receivable, previously recorded to other long-term assets on our unaudited condensed consolidated balance sheet as of December 31, 2022, by \$45 million, which represented our previous estimate of competent authority relief.

In January 2021, we received an issue closure notice from HMRC relating to adjustments for the 2012 through 2016 tax years. These proposed adjustments are related to certain transfer pricing arrangements with our foreign subsidiaries and would result in an increase to our consolidated income tax expense in an estimated range of \$25 million to \$35 million, exclusive of interest expense, at the close of the audit if HMRC prevails. We disagree with the proposed adjustments and we intend to defend our position through applicable administrative and, if necessary, judicial remedies. Our policy is to review and update tax reserves as facts and circumstances change. Based on our interpretation of the regulations and available case law, we believe the position the Company has taken with regard to transfer pricing with our foreign subsidiaries is sustainable.

#### **NOTE 9: COMMITMENTS AND CONTINGENCIES**

As of March 31, 2023, there have been no material changes to our commitments and contingencies since December 31, 2022. Refer to "Note 12: *Commitments and Contingencies*," in the notes to our consolidated financial statements in Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2022.

#### **Legal Proceedings**

In the ordinary course of business, we are party to legal, regulatory and administrative matters, including threats thereof, arising out of, or in connection with our operations. These matters may involve claims involving intellectual property rights (including privacy, alleged infringement of third-party intellectual property rights), tax matters (including value-added, excise, transient occupancy and accommodation taxes), regulatory compliance (including competition and consumer protection matters), defamation and reputational claims, personal injury claims, labor and employment matters and commercial disputes. Periodically, we review the status of all significant outstanding matters to assess any potential financial exposure. We record the estimated loss in our consolidated statements of operations when (i) it is probable that an asset has been impaired or a liability has been incurred; and (ii) the amount of the loss can be reasonably estimated and is material. We provide disclosures in the notes to the consolidated financial statements for loss contingencies that do not meet both of these conditions if there is a reasonable possibility that a loss may have been incurred that would be material to the consolidated financial statements. We base accruals on the best information available at the time which can be highly subjective. Although occasional adverse decisions or settlements may occur, we do not believe that the final disposition of any of these matters will have a material adverse effect on our business. However, the final outcome of these matters could vary significantly from our estimates. Finally, there may be claims or actions pending or threatened against us of which we are currently not aware and the ultimate disposition of which could have a material adverse effect on us. All legal fees incurred by the Company related to any regulatory and legal matters are expensed in the period incurred.

#### **Income and Non-Income Taxes**

We are under audit by the IRS and various other domestic and foreign tax authorities with regards to income tax and non-income tax matters. We have reserved for potential adjustments that may result from examinations by, or any negotiated agreements with, these tax authorities. Although we believe our tax estimates are reasonable, the final determination of audits could be materially different from our historical tax provisions and accruals. The results of an audit could have a material effect on our financial position, results of operations, or cash flows in the period for which that determination is made. Refer to "Note 8: *Income Taxes*" for further information on potential contingencies surrounding income taxes.

## NOTE 10: STOCK BASED AWARDS AND OTHER EQUITY INSTRUMENTS

### Stock-Based Compensation Expense

The following table presents the amount of stock-based compensation expense related to stock-based awards, primarily stock options and restricted stock units ("RSUs"), on our unaudited condensed consolidated statements of operations during the periods presented:

	Three months ended	
	March 31,	
	2023	2022
	(in millions)	
Selling and marketing	\$ 4	\$ 3
Technology and content	10	9
General and administrative	9	10
Total stock-based compensation	23	22
Income tax benefit from stock-based compensation	(5)	(4)
Total stock-based compensation, net of tax effect	\$ 18	\$ 18

We capitalized \$2 million of stock-based compensation expense as website development costs during both the three months ended March 31, 2023 and 2022.

### Stock-Based Award Activity and Valuation

#### 2023 Stock Option Activity

A summary of our stock option activity, consisting of service-based non-qualified stock options, is presented below:

	Options Outstanding (in thousands)	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in millions)
Options outstanding at December 31, 2022	5,462	\$ 43.48		
Granted	100	22.49		
Cancelled or expired	(125)	42.92		
Options outstanding at March 31, 2023	5,437	\$ 43.11	4.8	\$ 1
Exercisable as of March 31, 2023	3,953	\$ 49.19	3.2	\$ —
Vested and expected to vest after March 31, 2023 (1)	5,292	\$ 43.54	4.7	\$ 1

(1) The Company accounts for forfeitures as they occur, rather than estimate expected forfeitures as allowed under GAAP and therefore does not include a forfeiture rate in our vested and expected to vest calculation unless necessary for a performance condition award.

Aggregate intrinsic value represents the difference between the closing stock price of our common stock and the exercise price of outstanding, in-the-money options. Our closing stock price as reported on Nasdaq as of March 31, 2023 was \$19.86. The total intrinsic value of stock options exercised was not material for both the three months ended March 31, 2023 and 2022.

The fair value of stock option grants has been estimated at the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions for the periods presented:

	Three months ended	
	March 31,	
	2023	2022
Risk free interest rate	3.56%	1.53%
Expected term (in years)	5.14	5.15
Expected volatility	52.28%	50.32%
Expected dividend yield	— %	— %
Weighted-average grant date fair value	\$ 11.16	\$ 12.26

Our stock options generally have a term of ten years from the date of grant and typically vest equally over a four-year requisite service period. We amortize the grant-date fair value of our stock option grants as stock-based compensation expense over the vesting term on a straight-line basis, with the amount of compensation expense recognized at any date at least equaling the portion of the grant-date fair value of the award that is vested at that date. The total fair value of stock options vested was \$2 million and \$6 million for the three months ended March 31, 2023 and 2022, respectively.

## 2023 RSU Activity

A summary of our RSUs activity, consisting of service-based vesting terms, is presented below:

	RSUs Outstanding (in thousands)	Weighted Average Grant- Date Fair Value Per Share	Aggregate Intrinsic Value (in millions)
Unvested RSUs outstanding as of December 31, 2022	8,572	\$ 28.41	
Granted	5,994	22.13	
Vested and released (1)	(1,548)	32.17	
Cancelled	(263)	28.01	
Unvested RSUs outstanding as of March 31, 2023 (2)	<u>12,755</u>	\$ 25.01	\$ 253

- (1) Inclusive of approximately 358,000 RSUs withheld due to net share settlement to satisfy required employee tax withholding requirements. Potential shares which had been convertible under RSUs that were withheld under net share settlement remain in the authorized but unissued pool under the 2018 Plan and can be reissued by the Company. Total payments for the employees' tax obligations to the taxing authorities due to net share settlements are reflected as a financing activity within the consolidated statements of cash flows.
- (2) The Company accounts for forfeitures as they occur, rather than estimate expected forfeitures as allowed under GAAP and therefore does not include a forfeiture rate in our vested and expected to vest calculation unless necessary for a performance condition award.

RSUs are measured at fair value based on the quoted price of our common stock at the date of grant. We amortize the grant-date fair value of RSUs as stock-based compensation expense over the vesting term, which is typically over a four-year requisite service period on a straight-line basis, with the amount of compensation expense recognized at any date at least equaling the portion of the grant-date fair value of the award that is vested at that date.

A summary of our performance-based RSUs ("PSUs") and market-based RSUs ("MSUs") activity is presented below:

	PSUs (1)			MSUs (2)		
	Outstanding (in thousands)	Weighted Average Grant- Date Fair Value Per Share	Aggregate Intrinsic Value (in millions)	Outstanding (in thousands)	Weighted Average Grant- Date Fair Value Per Share	Aggregate Intrinsic Value (in millions)
Unvested and outstanding as of December 31, 2022	—	\$ —		592	\$ 10.00	
Granted	546	18.45		34	14.80	
Unvested and outstanding as of March 31, 2023	<u>546</u>	\$ 18.45	\$ 11	<u>626</u>	\$ 10.26	\$ 12

- (1) Represents PSUs awarded in February 2023. The PSU awards provide for vesting in two equal annual installments on each of February 15, 2024 and February 15, 2025, based on the extent to which the Company achieves certain financial metrics relative to targets established by the Company's Compensation Committee. The estimated grant-date fair value per PSU was measured based on the quoted price of our common stock at the date of grant, calculated upon the establishment of performance targets, and will be amortized on a straight-line basis over the requisite service period. Based upon actual attainment relative to the target financial metrics, employees have the ability to receive up to 200% of the target number originally granted, or to be issued none at all.
- (2) MSUs shall vest three years from their grant date, with 25% vesting if our stock price is equal to or greater than \$35.00 but less than \$45.00, 50% if our stock price is equal to or greater than \$45.00 but less than \$55.00 and 100% if our stock price is equal to or greater than \$55.00, subject to continuous employment with, or performance of services for, the Company. A Monte-Carlo simulation model, which simulated the present value of the potential outcomes of future stock prices was used to calculate the grant-date fair value of our MSU awards. The estimated grant-date fair value of these awards is amortized on a straight-line basis over the requisite service period.

Total current income tax benefits associated with the exercise or settlement of Tripadvisor stock-based awards held by our employees was \$3 million and \$2 million during the three months ended March 31, 2023 and 2022, respectively.

### Unrecognized Stock-Based Compensation

A summary of our remaining unrecognized stock-based compensation expense and the weighted average amortization period remaining as of March 31, 2023 related to our non-vested equity awards is presented below:

	Stock Options	RSUs
	(in millions, except in years information)	
Unrecognized stock-based compensation expense	\$ 12	\$ 306
Weighted average period remaining (in years)	2.9	3.2

### NOTE 11: STOCKHOLDERS' EQUITY

On November 1, 2019, our Board of Directors authorized the repurchase of an additional \$100 million in shares of our common stock under our existing share repurchase program, which increased the amount available to the Company under this share repurchase program to \$250 million. During the three months ended March 31, 2023 and 2022, the Company did not repurchase any shares of outstanding common stock under the share repurchase program. As of March 31, 2023 and December 31, 2022, we had \$75 million remaining available to repurchase shares of our common stock under this share repurchase program, with 18,844,614 shares of the Company's common stock held in treasury with an aggregate cost of \$722 million.

Our Board of Directors authorized and directed management, working with the Executive Committee of our Board of Directors, to affect the share repurchase program discussed above in compliance with applicable legal requirements. While the Board of Directors has not suspended or terminated the share repurchase program, the terms of the Credit Agreement currently limit the Company from engaging in share repurchases during the Leverage Covenant Holiday and the terms of the 2025 Indenture also imposes certain limitations and restrictions on share repurchases. Refer to "Note 6: Debt" for further information about the Credit Agreement and the 2025 Indenture.

### NOTE 12: EARNINGS PER SHARE

#### Basic Earnings Per Share Attributable to Common Stockholders

We compute basic earnings per share, or Basic EPS, by dividing net income (loss) by the weighted average number of common shares outstanding during the period. We compute the weighted average number of common shares outstanding during the reporting period using the total of common stock and Class B common stock outstanding as of the last day of the previous year end reporting period plus the weighted average of any additional shares issued and outstanding less the weighted average of any common shares repurchased during the reporting period.

#### Diluted Earnings Per Share Attributable to Common Stockholders

Diluted earnings per share, or Diluted EPS, includes the potential dilution of common equivalent shares outstanding that could occur from stock-based awards and other stock-based commitments using the treasury stock method. We compute Diluted EPS by dividing net income (loss) by the sum of the weighted average number of common and common equivalent shares outstanding during the period. We compute the weighted average number of common and common equivalent shares outstanding during the period using the sum of (i) the number of shares of common stock and Class B common stock used in the Basic EPS calculation as indicated above, (ii) if dilutive, the incremental weighted average common stock that we would issue upon the assumed exercise of outstanding common equivalent shares, primarily related to stock options and the vesting of service-based restricted stock units using the treasury stock method, and (iii) if dilutive, performance-based and market-based awards based on the number of shares that would be issuable as of the end of the reporting period assuming the end of the reporting period was also the end of the contingency period.

Under the treasury stock method, the assumed proceeds calculation includes the actual proceeds to be received from the employee upon exercise of outstanding equity awards and the average unrecognized compensation cost during the period. The treasury stock method assumes that a company uses the proceeds from the exercise of an equity award to repurchase common stock at the average market price for the reporting period.

In periods of net income, shares of our common stock subject to the potential conversion of the 2026 Senior Notes outstanding during the period is also included in our weighted average number of shares outstanding used to calculate Diluted EPS using the if-converted method under GAAP, as share settlement is presumed. When the convertible notes are dilutive, interest expense, net of tax, is added back to net income attributable to common stockholders to calculate diluted net income per share. The Capped Calls are excluded from the calculation of Diluted EPS, as they would be antidilutive. However, upon conversion of the 2026 Senior Notes, unless the market price of our common stock exceeds the cap price, an exercise of the Capped Calls would generally offset any



dilution from the 2026 Senior Notes from the conversion price up to the cap price. As of March 31, 2023 and 2022, the market price of a share of our common stock did not exceed the \$107.36 cap price.

In periods of a net loss, common equivalent shares are excluded from the calculation of Diluted EPS as their inclusion would have an antidilutive effect. Accordingly, for periods in which we report a net loss, such as for the three months ended March 31, 2023 and 2022, Diluted EPS is the same as Basic EPS, since dilutive common equivalent shares are not assumed to have been issued if their effect is antidilutive.

Below is a reconciliation of the weighted average number of shares of common stock outstanding used in calculating Diluted EPS for the periods presented:

	Three months ended March 31,	
	2023	2022
	(shares in thousands and dollars in millions, except per share amounts)	
<b>Numerator:</b>		
Net income (loss)	\$ (73)	\$ (34)
<b>Denominator:</b>		
Weighted average shares used to compute Basic EPS	141,451	139,092
Weighted average effect of dilutive securities:		
Stock options	—	—
RSUs (including PSUs and MSUs)	—	—
2026 Senior Notes (Note 6)	—	—
Weighted average shares used to compute Diluted EPS	141,451	139,092
Basic EPS	\$ (0.52)	\$ (0.24)
Diluted EPS	\$ (0.52)	\$ (0.24)

Potential common shares, consisting of outstanding stock options, RSUs, and those issuable under the 2026 Senior Notes, totaling approximately 22.9 million shares and 19.0 million shares for the three months ended March 31, 2023 and 2022, respectively, have been excluded from the calculation of Diluted EPS because their effect would have been antidilutive. In addition, potential common shares from certain performance-based awards of approximately 1.2 million and 0.1 million for the three months ended March 31, 2023 and 2022, respectively, for which all targets required to trigger vesting had not been achieved, were also excluded from the calculation of weighted average shares used to compute Diluted EPS.

The earnings per share amounts are the same for common stock and Class B common stock because the holders of each class are legally entitled to equal per share distributions whether through dividends or in liquidation. In addition, our non-vested RSUs are entitled to dividend equivalents, which are payable to the holder subject to, and only upon vesting of, the underlying awards and are therefore forfeitable. Given such dividend equivalents are forfeitable, we do not consider them to be participating securities and, consequently, they are not subject to the two-class method of determining earnings per share.

### NOTE 13: SEGMENT INFORMATION

We have three reportable segments: (1) Tripadvisor Core; (2) Viator; and (3) TheFork. Our Tripadvisor Core segment includes the following revenue sources: (1) Tripadvisor-branded hotels – consisting of hotel meta revenue, primarily click-based advertising revenue, and hotel B2B revenue, which includes primarily subscription-based advertising and hotel sponsored placements revenue; (2) Tripadvisor-branded display and platform revenue – consisting primarily of display-based advertising revenue; (3) Tripadvisor experiences and dining revenue – consisting of intercompany (intersegment) revenue related to affiliate marketing commissions earned primarily from experience bookings, and to a lesser extent, restaurant reservation bookings on Tripadvisor-branded websites and mobile apps, fulfilled by Viator and TheFork segments, respectively, which are eliminated on a consolidated basis, in addition to external revenue generated from Tripadvisor restaurant service offerings; and (4) Other revenue – consisting of cruises, alternative accommodation rentals, flights, and rental cars revenue. The nature of the services provided and related revenue recognition policies are summarized by reportable segment in “Note 3: Revenue Recognition.”

Our operating segments are determined based on how our chief executive officer, who also serves as our chief operating decision maker (“CODM”) manages our business, regularly accesses information, and evaluates performance for operating decision-making purposes, including allocation of resources. Adjusted EBITDA is our segment profit measure and a key measure used by our CODM and Board of Directors to understand and evaluate the operating performance of our business and on which internal budgets and forecasts are based and approved. We define Adjusted EBITDA as net income (loss) plus: (1) (provision) benefit for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled

obligations; (5) goodwill, long-lived asset, and intangible assets impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) non-recurring expenses and income.

Direct costs are included in the applicable operating segments, including certain corporate general and administrative personnel costs, which have been allocated to each segment. We base these allocations on time-spent analyses, headcount, and other allocation methods we believe are reasonable. We do not allocate certain shared expenses to our reportable segments, such as certain information system costs, technical infrastructure costs, and other costs supporting the Tripadvisor platform and operations, that we do not believe are a material driver of individual segment performance, which is consistent with the financial information used by our CODM. We include these expenses in our Tripadvisor Core segment. Our allocation methodology is periodically evaluated and may change.

The following tables present our reportable segment information for the three months ended March 31, 2023 and 2022 and include a reconciliation of Adjusted EBITDA to Net income (loss). We record depreciation and amortization, stock-based compensation and other stock-settled obligations, goodwill, long-lived asset and intangible asset impairments, legal reserves and settlements, restructuring and other related reorganization costs, and other non-recurring expenses and income, net, which are excluded from segment operating performance, in Corporate and Eliminations. In addition, we do not report total assets, capital expenditures and related depreciation expense by segment as our CODM does not use this information to evaluate operating segment performance. Accordingly, we do not regularly provide such information by segment to our CODM.

Our segment disclosure includes intersegment revenues, which consist of affiliate marketing fees for services provided by our Tripadvisor Core segment to both our Viator and TheFork segments. These intersegment transactions are recorded by each segment at amounts that we believe approximate fair value as if the transactions were between third parties and, therefore, impact segment performance. However, the revenue and corresponding expense are eliminated in consolidation. The elimination of such intersegment transactions is included within the "Corporate & Eliminations" columns in the tables below.

	Three months ended March 31, 2023				
	Tripadvisor Core (1)	Viator (2)	TheFork (3) (in millions)	Corporate & Eliminations	Total
External revenue	\$ 221	\$ 115	\$ 35	\$ —	\$ 371
Intersegment revenue	23	—	—	(23)	—
<b>Total Revenue</b>	<b>\$ 244</b>	<b>\$ 115</b>	<b>\$ 35</b>	<b>\$ (23)</b>	<b>\$ 371</b>
Adjusted EBITDA	72	(30)	(9)	—	33
Depreciation and amortization				(21)	(21)
Stock-based compensation				(23)	(23)
Non-recurring income (expense) (4)				(3)	(3)
Operating income (loss)					(14)
Other income (expense), net					(1)
Income (loss) before income taxes					(15)
(Provision) benefit for income taxes					(58)
Net income (loss)					(73)

	Three months ended March 31, 2022				
	Tripadvisor Core (1)	Viator (2)	TheFork (3) (in millions)	Corporate & Eliminations	Total
External revenue	\$ 180	\$ 56	\$ 26	\$ —	\$ 262
Intersegment revenue	11	—	—	(11)	—
<b>Total Revenue</b>	<b>\$ 191</b>	<b>\$ 56</b>	<b>\$ 26</b>	<b>\$ (11)</b>	<b>\$ 262</b>
Adjusted EBITDA	55	(20)	(8)	—	27
Depreciation and amortization				(25)	(25)
Stock-based compensation				(22)	(22)
Operating income (loss)					(20)
Other income (expense), net					(13)
Income (loss) before income taxes					(33)
(Provision) benefit for income taxes					(1)
Net income (loss)					(34)

- (1) Corporate general and administrative personnel costs of \$2 million for both the three months ended March 31, 2023 and 2022, were allocated to the Viator and TheFork segments.
- (2) Includes allocated corporate general and administrative personnel costs from the Tripadvisor Core segment of \$1 million each of the three months ended March 31, 2023 and 2022.

- (3) Includes allocated corporate general and administrative personnel costs from the Tripadvisor Core segment of \$1 million each of the three months ended March 31, 2023 and 2022.
- (4) The Company expensed \$3 million of previously capitalized transaction costs during the three months ended March 31, 2023 to general and administrative expenses on our unaudited condensed consolidated statement of operations. The Company considers such costs to be non-recurring in nature.

### *Customer Concentrations*

Refer to “Note 4: *Financial Instruments and Fair Value Measurements*” under the section entitled “Risks and Concentrations” for information regarding our major customer concentrations.

### *Product Information*

Revenue sources within our Tripadvisor Core segment, consisting of Tripadvisor-branded hotels revenue, Tripadvisor-branded display and platform revenue, Tripadvisor experiences and dining revenue, and other revenue, along with our Viator and TheFork segment revenue sources, comprise our products. Refer to “Note 3: *Revenue Recognition*” for our revenue by product.

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

The information included in this Management’s Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our unaudited condensed consolidated financial statements and the accompanying notes included in this Quarterly Report on Form 10-Q, and the consolidated financial statements and accompanying notes, as well as Management’s Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended December 31, 2022.

This Quarterly Report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the views of our management regarding current expectations and projections about future events and are based on currently available information. Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons, including, but not limited to, those discussed in our Annual Report on Form 10-K for the year ended December 31, 2022, Part I, Item 1A, “*Risk Factors*,” as well as those discussed elsewhere in this report. Other unknown or unpredictable factors also could have a material adverse effect on our business, financial condition and results of operations. Accordingly, readers should not place undue reliance on these forward-looking statements. The use of words such as “anticipates,” “estimates,” “expects,” “intends,” “plans” and “believes,” among others, generally identify forward-looking statements; however, these words are not the exclusive means of identifying such statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. These forward-looking statements are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. We are not under any obligation to, and do not intend to, publicly update or review any of these forward-looking statements, whether as a result of new information, future events or otherwise, even if experience or future events make it clear that any expected results expressed or implied by those forward-looking statements will not be realized. Please carefully review and consider the various disclosures made in this report and in our other reports filed with the SEC that attempt to advise interested parties of the risks and factors that may affect our business, prospects and results of operations.

### **Overview**

The Tripadvisor group operates as a family of brands with a purpose of connecting people to experiences worth sharing. Our vision is to be the world’s most trusted source for travel and experiences. The Company operates across three reportable segments: Tripadvisor Core, Viator, and TheFork. We leverage our brands, technology platforms, and capabilities to connect our large, global audience with partners by offering rich content, travel guidance products and services, and two-sided marketplaces for experiences, accommodations, restaurants, and other travel categories.

Tripadvisor Core’s purpose is to empower everyone to be a better traveler by serving as the world’s most trusted and essential travel guidance platform. Since Tripadvisor’s founding in 2000, the Tripadvisor brand has developed a relationship of trust and community with travelers and experience seekers by providing an online global platform for travelers to discover, generate, and share authentic user-generated content, or UGC, in the form of ratings and reviews for destinations, points-of-interest, or POIs, experiences, alternative accommodation rentals, restaurants, and cruises in over 40 countries and over 20 languages across the world. As of December 31, 2022, Tripadvisor offered more than 1 billion user-generated ratings and reviews on nearly 8 million experiences, accommodations, restaurants, airlines, and cruises. Tripadvisor’s online platform attracts one of the world’s largest travel audiences, with hundreds of millions of visitors annually.

Viator’s purpose is to bring more wonder into the world—to bring extraordinary, unexpected, and forever memorable experiences to more people, more often, wherever they are traveling. In doing so, Viator elevates tens of thousands of businesses,

large and small. Viator delivers on its purpose by enabling travelers to discover and book iconic, unique and memorable experiences from operators around the globe. Viator's online marketplace is comprehensive and easy-to-use, connecting millions of travelers to the world's largest supply of bookable tours, activities and attractions—over 300,000 experiences from more than 50,000 operators as of December 31, 2022. Viator is an experiences OTA singularly focused on the needs of both travelers and operators with the largest supply of bookable experiences available to travelers.

TheFork's purpose is to deliver happiness through amazing dining experiences. TheFork delivers on its purpose by providing an online marketplace that enables diners to discover and book online reservations at more than 55,000 restaurants in 12 countries, as of December 31, 2022, across the UK, western and central Europe, and Australia. TheFork has become an urban, gastronomic guide with a strong community that offers more than 20 million restaurant reviews.

## **Our Business Strategy**

The Tripadvisor group operates in a unique position in the travel and experiences ecosystem:

- Large, global, and growing addressable markets including travel, experiences, and digital advertising;
- A large, global, and engaged audience making meaningful contributions that reinforces a relationship of trust and community; and
- A wealth of high-intent data that comes from serving our audience of travelers and experience seekers at different points along their journey - whether they are engaging on our platforms for inspiration on their next experience, planning a trip, or making a purchasing decision.

The Tripadvisor group is united in a shared purpose and vision, but operates different value creation strategies for each segment. We manage priorities and levels of investment based upon factors that include the size and maturity of each segment, the size and maturity of the addressable market, growth opportunities, and competitive positioning.

In our Tripadvisor Core segment, we offer a compelling value proposition to both travelers and partners across a number of key categories that include accommodations, experiences, and media. This value proposition is delivered through a collection of durable assets that we believe is difficult to replicate: a trusted brand, authentic UGC, a large community of contributors, and one of the largest global travel audiences. Our strategy in this segment is to leverage these core assets as well as our technology capabilities to provide travelers with a compelling user experience that helps travelers make the best decisions in each phase of their travel journey, including pre-trip planning, in-destination, and post-trip sharing. We intend to drive new traveler acquisition and repeat audience engagement on our platform by offering meaningful travel guidance solutions and services that reduce friction in the traveler journey and create a deeper, more persistent relationship with travelers. We evaluate investment opportunities across data, product, marketing, and technology that we believe will improve the monetization of our audience through deeper engagement, which, in turn, we expect will drive more value to our partners.

In our Viator and TheFork segments, we provide two-sided marketplaces that connect travelers and diners to operators of bookable experiences and restaurants, respectively. Within our Viator segment, we are investing in growth, future scale, and market share gains to accelerate our market leadership position, while improving booking unit economics that provide visibility to sustainable future profitability. This means driving awareness and higher quality audience engagement, which we believe will drive greater repeat behavior, more direct traffic, and translate into improved unit economics over time. Our investments on both sides of our marketplace, as well as in our core offerings, are intended to deliver a differentiated value proposition that will drive sustainable market leadership as our partners, operators, and travelers find themselves in an increasingly competitive marketplace environment. Similarly, in TheFork segment, we are also investing in growth, future scale, and market share gains. Our investments are focused on continuing to grow both our restaurant base and our diner base by offering innovative tools and features on our platform, and through continued awareness of our brand.

We expect to drive growth across the Tripadvisor group through organic investment in data, products, marketing and technology to further enhance the value we deliver to travelers and partners across our brands, platforms, and segments. In addition, we may accelerate growth inorganically by opportunistically pursuing strategic acquisitions.

In particular, the Tripadvisor Core segment plays an important role in our portfolio. For over two decades, we believe we have built difficult to replicate assets such as a trusted brand, authentic content, a large community of contributors, and one of the largest global travel audiences available. Our long-term strategy for the Tripadvisor Core segment builds on our heritage and the reasons hundreds of millions of travelers come to Tripadvisor each year. Fundamental to this strategy will be: (1) innovating world-class travel guidance and planning products to help travelers make confident decisions in a world where it is hard to find advice you can trust; (2) prioritizing deeper engagement with travelers by leveraging our rich data and technology assets to provide more relevant, curated, and contextual content throughout the traveler journey; and (3) driving a step change in the value we can deliver to our partners by

accelerating and diversifying the monetization of our valuable audience across key categories, including hotel meta, media advertising, and experiences. Taken together, and underpinned by a foundation of operational execution excellence, these strategic priorities are integrated and reinforcing, powered by first party data and signals of intent. We believe an increasingly personalized experience delivers more relevance, greater engagement, and more opportunities for monetization; and that with each interaction we can serve travelers better.

## **Trends**

The online travel industry in which we operate is large, highly dynamic and competitive. We describe below current trends affecting our overall business and reportable segments, including uncertainties that may impact our ability to execute on our objectives and strategies. Health-related events, such as a pandemic, political instability, geopolitical conflicts, acts of terrorism, fluctuations in currency values, changes in global economic conditions, including the impact of a potential U.S. recession, and increased inflation, are examples of other events that could have a negative impact on the travel industry, and as a result, our financial results in the future.

Our consolidated revenue for the three months ended March 31, 2023 was \$371 million, an increase of 42%, when compared to the same period in 2022. In the first quarter of 2023, we continued to observe strong consumer travel demand for our products and services in our core geographies of North America and Europe across all our segments. During the first quarter of 2022, we experienced a significant negative impact from the Omicron variant, across our business, which also contributed to the year-over-year revenue growth rate during the first quarter of 2023. Asia-Pacific, which represents a small portion of our overall business, has been slower to recover due to longer and sustained travel restrictions as a result of the COVID-19 pandemic. However, in the first quarter of 2023, travel restrictions across Asia began to ease relative to 2022, contributing to increased year-over-year revenue growth within this region.

In response to increased consumer travel demand across all our segments, we continued to increase performance marketing investments during the first quarter of 2023. In Tripadvisor Core, we continue to observe strong performance in hotel meta primarily driven by increased CPC pricing. This environment continued to allow us to increase performance marketing at a profitable ROAS (return on advertising spend), while our direct traffic, including SEO (search engine optimization) or free traffic, continued to be slower to recover. Prior to Google introducing changes to its SERP (search engine results page), we generated a significant amount of direct traffic from search engines, such as Google, through strong SEO performance. We believe our SEO traffic acquisition performance has been negatively impacted in the past, and may be impacted in the future by search engines (primarily Google) increasing the prominence of their own products in search results. Over the long-term, we are focused on driving a greater percentage of our traffic from direct sources and channels which are more profitable than performance marketing channels.

The global experiences market is large, growing, and highly fragmented, with the vast majority of bookings still occurring through traditional offline sources. We are observing a secular shift, however, as this market continues to grow and accelerate the pace of online adoption. Likewise, the global restaurants category is also benefiting from increased online adoption by both consumers and partners, particularly in Europe. Given the competitive positioning of our businesses relative to the attractive growth prospects in these categories, we expect to continue to invest in these categories across the Tripadvisor group, and in particular, within the Viator and TheFork segments, to continue accelerating revenue growth, operating scale, and market share gains for the long-term.

## **Employees**

As of March 31, 2023, the Company had approximately 3,115 employees. Approximately 56%, 34%, and 10% of the Company's current employees are based in Europe, the U.S., and the rest of world, respectively. Additionally, we use independent contractors to supplement our workforce. We believe we have good relationships with our employees and contractors, including relationships with employees represented by international works councils or other similar organizations.

## **Seasonality**

Consumer travel expenditures have historically followed a seasonal pattern. Correspondingly, travel partner advertising investments, and therefore our revenue and operating profits, have also historically followed a seasonal pattern. Our financial performance tends to be seasonally highest in the second and third quarters of a given year, which includes the seasonal peak in consumer demand, including traveler accommodation stays, and travel experiences taken, compared to the first and fourth quarters, which represent seasonal low points. In addition, during the first half of the year, experience bookings typically exceed the amount of completed experiences, resulting in higher cash flow related to working capital, while during the second half of the year, particularly in the third quarter, this pattern reverses and cash flows from these transactions are typically negative. Other factors may also impact typical seasonal fluctuations, which factors include further significant shifts in our business mix, adverse economic conditions, or health-related events.

## Critical Accounting Policies and Estimates

Critical accounting policies and estimates are those that we believe are important in the preparation of our consolidated financial statements because they require that management use judgment and estimates in applying those policies. We prepare our consolidated financial statements and accompanying notes in accordance with GAAP. Preparation of the consolidated financial statements and accompanying notes requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements as well as revenue and expenses during the periods reported. Management bases its estimates on historical experience, when applicable and other assumptions that it believes are reasonable under the circumstances. Actual results may differ from estimates under different assumptions or conditions.

There are certain critical estimates that we believe require significant judgment in the preparation of our consolidated financial statements. We consider an accounting estimate to be critical if:

- it requires us to make an assumption because information was not available at the time or it included matters that were highly uncertain at the time we were making the estimate; and/or
- changes in the estimate or different estimates that we could have selected may have had a material impact on our financial condition or results of operations.

There have been no material changes to our critical accounting policies and estimates as compared to the critical accounting policies and estimates described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

## Significant Accounting Policies and New Accounting Pronouncements

There have been no material changes to our significant accounting policies since December 31, 2022, as compared to those described under “Note 2: Significant Accounting Policies”, in the notes to consolidated financial statements in Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2022.

### Statements of Operations Selected Financial Data (in millions, except percentages)

	Three months ended March 31,		% Change 2023 vs. 2022
	2023	2022	
Revenue	\$ 371	\$ 262	42 %
Costs and expenses:			
Cost of revenue	29	22	32 %
Selling and marketing	219	141	55 %
Technology and content	68	54	26 %
General and administrative	48	40	20 %
Depreciation and amortization	21	25	(16) %
Total costs and expenses:	385	282	37 %
Operating income (loss)	(14)	(20)	(30) %
Other income (expense)			
Interest expense	(11)	(12)	(8) %
Interest income	11	1	1000 %
Other income (expense), net	(1)	(2)	(50) %
Total other income (expense), net	(1)	(13)	(92) %
Income (loss) before income taxes	(15)	(33)	(55) %
(Provision) benefit for income taxes	(58)	(1)	5700 %
Net income (loss)	\$ (73)	\$ (34)	115 %
Other Financial Data:			
Adjusted EBITDA (1)	\$ 33	\$ 27	22 %

(1) Adjusted EBITDA is considered a non-GAAP measure as defined by the SEC. Please refer to “Adjusted EBITDA” below for more information, including tabular reconciliations to the most directly comparable GAAP financial measure.

## Revenue and Segment Information

	Three months ended March 31,		% Change
	2023	2022	2023 vs. 2022
(in millions)			
<b>Revenue by Segment:</b>			
Tripadvisor Core (1)	\$ 244	\$ 191	28 %
Viator	115	56	105 %
TheFork	35	26	35 %
Intersegment eliminations (1)	(23)	(11)	109 %
Total revenue	<u>\$ 371</u>	<u>\$ 262</u>	42 %
<b>Adjusted EBITDA by Segment:</b>			
Tripadvisor Core	\$ 72	\$ 55	31 %
Viator	(30)	(20)	50 %
TheFork	(9)	(8)	13 %
Total Adjusted EBITDA	<u>\$ 33</u>	<u>\$ 27</u>	22 %
<b>Adjusted EBITDA Margin by Segment (2):</b>			
Tripadvisor Core	30 %	29 %	
Viator	(26)%	(36)%	
TheFork	(26)%	(31)%	

- (1) Tripadvisor Core segment revenue figures are shown gross of intersegment (intercompany) revenue, which is eliminated on a consolidated basis. Refer to "Note 13: Segment Information" in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report for a discussion of intersegment revenue for all periods presented.
- (2) "Adjusted EBITDA Margin by Segment" is defined as Adjusted EBITDA by segment divided by revenue by segment.

### Tripadvisor Core Segment

Tripadvisor Core segment revenue increased by \$53 million, or 28%, during the three months ended March 31, 2023, when compared to the same period in 2022, primarily due to increased hotel meta revenue, and, to a lesser extent, an increase in Tripadvisor experiences and dining and Tripadvisor-branded display and platform revenue, all of which was primarily driven by increased consumer travel demand, in addition to the negative impact on this segment's revenue from the Omicron variant in the first quarter of 2022.

Adjusted EBITDA in our Tripadvisor Core segment increased \$17 million, or 31%, during the three months ended March 31, 2023, when compared to the same period in 2022. This was primarily due to an increase in revenue as noted above, partially offset by an increase in direct selling and marketing expenses related to SEM and other online paid traffic acquisition costs in response to increased consumer travel demand, and to a lesser extent, increased personnel and overhead costs to support business growth related to the travel demand recovery during 2022.

The following is a detailed discussion of the revenue sources within our Tripadvisor Core segment:

	Three months ended March 31,		% Change
	2023	2022	2023 vs. 2022
(in millions)			
<b>Tripadvisor Core:</b>			
Tripadvisor-branded hotels	\$ 168	\$ 135	24 %
Tripadvisor-branded display and platform	30	26	15 %
Tripadvisor experiences and dining (1)	33	20	65 %
Other	13	10	30 %
Total Tripadvisor Core Revenue	<u>\$ 244</u>	<u>\$ 191</u>	28 %

- (1) Tripadvisor experiences and dining revenue within the Tripadvisor Core segment is shown gross of intersegment (intercompany) revenue, which is eliminated on a consolidated basis. Refer to "Note 13: Segment Information" in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report for a discussion of intersegment revenue for all periods presented.

### Tripadvisor-branded Hotels Revenue

For the three months ended March 31, 2023 and 2022, 69% and 71%, respectively, of our Tripadvisor Core segment revenue was derived from Tripadvisor-branded hotels revenue. Tripadvisor-branded hotels revenue increased \$33 million during the three

months ended March 31, 2023 when compared to the same period in 2022. This increase was primarily driven by improved hotel meta revenue across all geographic markets, as well as improved hotel B2B revenue, primarily driven by increased consumer travel demand compared to the first quarter of 2022, which was negatively impacted by the Omicron variant. As consumer travel demand increased, the Company saw continued improvement in hotel meta monetization, as CPC rates increased when compared to the same quarter of 2022, which enabled increased efficient marketing investment on performance channels.

#### *Tripadvisor-branded Display and Platform Revenue*

For the three months ended March 31, 2023 and 2022, 12% and 14%, respectively, of Tripadvisor Core segment revenue was derived from our Tripadvisor-branded display and platform revenue, which consists of revenue from Tripadvisor-branded display-based advertising (or “media advertising”) across our platform. Tripadvisor-branded display and platform revenue increased by \$4 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily driven by an increase in marketing spend from our advertisers, in correlation with increased consumer travel demand.

#### *Tripadvisor Experiences and Dining Revenue*

For the three months ended March 31, 2023 and 2022, 14% and 10%, respectively, of our Tripadvisor Core segment revenue was derived from our Tripadvisor experiences and dining revenue, which includes intercompany (intersegment) revenue consisting of affiliate marketing commissions earned primarily from experience bookings, and to a lesser extent, restaurant reservation bookings on Tripadvisor-branded websites and mobile apps, fulfilled by Viator and TheFork, respectively, which are eliminated on a consolidated basis, in addition to revenue earned from Tripadvisor's restaurants service offerings. Tripadvisor experiences and dining revenue increased by \$13 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily driven by marketing investment on performance channels to capture increased demand, conversion rate improvements and enhancements to our online user experience.

#### *Other Revenue*

For each of the three months ended March 31, 2023 and 2022, 5% of our Tripadvisor Core segment revenue was derived from Other revenue, which includes alternative accommodation rentals revenue, in addition to primarily click-based advertising and display-based advertising revenue from our cruise, flights, and rental cars offerings on Tripadvisor websites and mobile apps. Other revenue increased by \$3 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily due to strong performance in our cruise category as the cruise industry continues to recover.

#### *Viator Segment*

Viator segment revenue increased by \$59 million, or 105%, during the three months ended March 31, 2023 when compared to the same period in 2022, primarily driven by increased consumer demand for experiences across all geographies. Viator is also benefitting from a larger macro trend, or secular shift, as the large global market in which it operates continues to grow and migrate online from traditional offline sources. In addition, we estimate this segment's revenue growth rate was negatively impacted by foreign currency fluctuations of approximately 10% during the three months ended March 31, 2023 when compared to the same period in 2022.

Adjusted EBITDA loss in our Viator segment increased by \$10 million during the three months ended March 31, 2023 when compared to the same period in 2022. This increase was primarily due to an increase in selling and marketing expenses related to SEM, other online paid traffic acquisition costs, and other marketing costs in response to increased consumer demand for experiences and to grow market share, and, to a lesser extent, an increase in direct costs from credit card payments and other revenue-related transaction costs in direct correlation with the increase in revenue. In addition, personnel and overhead costs increased to support business growth related to consumer demand and travel demand recovery during 2022. This was largely offset by an increase in revenue as noted above.

#### *TheFork Segment*

TheFork segment revenue increased by \$9 million, or 35%, during the three months ended March 31, 2023 when compared to the same period in 2022. This improvement was driven by increased consumer travel demand compared to the first quarter of 2022, which was negatively impacted by the Omicron variant. In addition, we estimate this segment's revenue growth rate was negatively impacted by foreign currency fluctuations of approximately 6% during the three months ended March 31, 2023 when compared to the same period in 2022.

Adjusted EBITDA loss in TheFork segment increased by \$1 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily due to an increase in selling and marketing expenses related to television advertising costs, in response to consumer travel and local demand recovery as COVID-19 related government restrictions on restaurants were



lifted during 2022 and, to a lesser extent, an increase in personnel and overhead costs to support business growth related to the travel demand recovery during 2022. This was largely offset by an increase in revenue as noted above.

## Consolidated Expenses

### Cost of Revenue

Cost of revenue consists of expenses that are directly related or closely correlated to revenue generation, including direct costs, such as credit card and other booking transaction payment fees, data center costs, costs associated with prepaid tour tickets, ad serving fees, flight search fees, and other transaction costs. In addition, cost of revenue includes personnel and overhead expenses, including salaries, benefits, stock-based compensation and bonuses for certain customer support personnel who are directly involved in revenue generation.

	Three months ended March 31,		% Change 2023 vs. 2022
	2023	2022	
	(in millions)		
Direct costs	\$ 22	\$ 15	47 %
Personnel and overhead	7	7	0 %
Total cost of revenue	<u>\$ 29</u>	<u>\$ 22</u>	32 %
% of revenue	7.8 %	8.4 %	

Cost of revenue increased \$7 million during the three months ended March 31, 2023 when compared to the same period in 2022, the majority of which was due to increased direct costs from credit card payment processing fees and other revenue-related transaction costs in our Viator segment in direct correlation with the increase in revenue, as Viator serves as the merchant of record for the majority of its experience booking transactions.

### Selling and Marketing

Selling and marketing expenses consist of direct costs, including traffic generation costs from SEM and other online traffic acquisition costs, syndication costs and affiliate marketing commissions, social media costs, brand advertising (including television and other offline advertising), promotions and public relations. In addition, our selling and marketing expenses consist of indirect costs such as personnel and overhead expenses, including salaries, commissions, benefits, stock-based compensation, and bonuses for sales, sales support, customer support and marketing employees.

	Three months ended March 31,		% Change 2023 vs. 2022
	2023	2022	
	(in millions)		
Direct costs	\$ 164	\$ 94	74 %
Personnel and overhead	55	47	17 %
Total selling and marketing	<u>\$ 219</u>	<u>\$ 141</u>	55 %
% of revenue	59.0 %	53.8 %	

Direct selling and marketing costs increased \$70 million during the three months ended March 31, 2023 when compared to the same period in 2022, while direct selling and marketing costs as a percentage of consolidated revenue was 44% during the three months ended March 31, 2023, an increase from 36% when compared to the same period in 2022, primarily due to increased marketing investments related to growth opportunities in our experiences category.

The increase in direct selling and marketing costs was primarily due to an increase of approximately \$63 million in paid online traffic acquisition costs, including SEM and other paid online traffic acquisition spend, and also other marketing costs, the substantial majority of which was incurred within our Viator and Tripadvisor Core segments, in order to capture increased consumer travel demand and investment in the marketing of our experiences offerings within these segments, as well as, and to a lesser extent, increased television advertising costs of \$6 million in TheFork segment in order to increase brand awareness.

Personnel and overhead costs increased \$8 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily due to an increase in headcount and contingent staff to support business growth related to the travel demand recovery during 2022.

## Technology and Content

Technology and content expenses consist primarily of personnel and overhead expenses, including salaries and benefits, stock-based compensation expense, and bonuses for salaried employees and contractors engaged in the design, development, testing, content support, and maintenance of our platform. Other costs include licensing, maintenance, computer supplies, telecom, content translation and localization, and consulting.

	Three months ended March 31,		% Change 2023 vs. 2022
	2023	2022	
	(in millions)		
Personnel and overhead	\$ 60	\$ 48	25 %
Other	8	6	33 %
<b>Total technology and content</b>	<b>\$ 68</b>	<b>\$ 54</b>	<b>26 %</b>
% of revenue	18.3 %	20.6 %	

Technology and content costs increased \$14 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily due to increased personnel and overhead costs resulting from additional headcount and contingent staff to support business growth related to the travel demand recovery during 2022.

## General and Administrative

General and administrative expenses consist primarily of personnel and related overhead costs, including personnel engaged in leadership, finance, legal, and human resources, as well as stock-based compensation expense for those same personnel. General and administrative costs also include professional service fees and other fees including audit, legal, tax and accounting, and other operating costs including bad debt expense, non-income taxes, such as sales, use, digital services, and other non-income related taxes.

	Three months ended March 31,		% Change 2023 vs. 2022
	2023	2022	
	(in millions)		
Personnel and overhead	\$ 34	\$ 31	10 %
Professional service fees and other	14	9	56 %
<b>Total general and administrative</b>	<b>\$ 48</b>	<b>\$ 40</b>	<b>20 %</b>
% of revenue	12.9 %	15.3 %	

General and administrative costs increased \$8 million during the three months ended March 31, 2023 when compared to the same period in 2022, the majority due to a \$5 million increase in professional service fees and other costs, primarily due to a non-recurring cost of \$3 million related to previously capitalized transaction costs and increased digital service tax costs. In addition, an increase in personnel and overhead costs of \$3 million was driven by additional headcount to help support business growth related to the travel demand recovery during 2022.

## Depreciation and Amortization

Depreciation expense consists of depreciation on computer equipment, leasehold improvements, furniture, office equipment and other assets, and amortization of capitalized website development costs and right-of-use (“ROU”) assets related to our finance lease. Amortization consists of the amortization of definite-lived intangibles purchased in business acquisitions.

	Three months ended March 31,	
	2023	2022
	(in millions)	
Depreciation	\$ 19	\$ 22
Amortization of intangible assets	2	3
<b>Total depreciation and amortization</b>	<b>\$ 21</b>	<b>\$ 25</b>
% of revenue	5.7 %	9.5 %

Depreciation and amortization decreased \$4 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily due to the completion of amortization related to certain intangible assets from business acquisitions and capitalized website development costs in previous years.

### **Interest Expense**

Interest expense primarily consists of interest incurred, commitment fees, and debt issuance cost amortization related to the Credit Facility, 2025 Senior Notes, 2026 Senior Notes, as well as interest on finance leases.

	Three months ended March 31,	
	2023	2022
	(in millions)	
Interest expense	\$ (11)	\$ (12)

The majority of interest expense reported during the three months ended March 31, 2023 and 2022 was related to the 2025 Senior Notes. Refer to “Note 6: Debt” in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report for further information on the 2025 Senior Notes.

### **Interest Income**

Interest income primarily consists of interest earned from bank deposits available on demand, term deposits, money market funds, and marketable securities, including amortization of discounts and premiums on our marketable securities.

	Three months ended March 31,	
	2023	2022
	(in millions)	
Interest income	\$ 11	\$ 1

Interest income increased \$10 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily due to an increase in the average amount of cash invested and increased interest rates received on bank and term deposits, and return on money market funds during the quarter.

### **Other Income (Expense), Net**

Other income (expense), net generally consists of net foreign exchange gains and losses, forward contract gains and losses, earnings/(losses) from equity method investments, gain/(loss) and impairments on non-marketable investments, gain/(loss) on sale/disposal of businesses, and other non-operating income (expenses).

	Three months ended March 31,	
	2023	2022
	(in millions)	
Other income (expense), net	\$ (1)	\$ (2)

Other expense, net decreased \$1 million during the three months ended March 31, 2023 when compared to the same period in 2022, primarily due to net foreign exchange gains and losses related to foreign currency fluctuations.

### **(Provision) Benefit for Income Taxes**

	Three months ended March 31,	
	2023	2022
	(in millions)	
(Provision) benefit for income taxes	\$ (58)	\$ (1)
Effective tax rate	(386.7%)	(3.0%)

Our first quarter of 2023 effective tax rate differs from the U.S. federal statutory rate of 21%, primarily as a result of a discrete item recorded during the quarter, as described below.

We recorded an income tax provision of \$58 million for the three months ended March 31, 2023. The change in our income tax provision and our effective tax rate during the three months ended March 31, 2023, when compared to the same period in 2022, was primarily the result of an IRS audit settlement and the adjustment to our existing transfer pricing income tax reserves for subsequent tax years, totaling \$55 million, recorded during the three months ended March 31, 2023. Refer to “Note 8: Income Taxes” in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report for further information.

## Net income (loss)

	Three months ended March 31,	
	2023	2022
	(in millions)	
Net income (loss)	\$ (73)	\$ (34)
Net income (loss) margin	(19.7%)	(13.0%)

Net loss increased by \$39 million during the three months ended March 31, 2023 when compared to the same period in 2022. The increase in net loss was largely driven by increased direct selling and marketing costs in response to increasing consumer travel demand and to grow market share, as well as an incremental income tax expense of \$55 million during the first quarter as a result of an IRS audit settlement and the adjustment to our existing transfer pricing income tax reserves for subsequent tax years and, to a lesser extent, an increase in personnel and overhead costs to help support business growth and increased direct costs from credit card payment and other revenue-related transaction costs in direct correlation with the increase in experiences revenue during the three months ended March 31, 2023, all of which is described in more detail above under “*Consolidated Expenses*,” largely offset by an increase in revenue, as described in more detail above under “*Revenue and Segment Information*.”

## Adjusted EBITDA

To provide investors with additional information regarding our financial results, we also disclose consolidated Adjusted EBITDA, which is a non-GAAP financial measure. A “non-GAAP financial measure” refers to a numerical measure of a company’s historical or future financial performance, financial position, or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP in such company’s financial statements.

Adjusted EBITDA is also our segment profit measure and a key measure used by our management and Board of Directors to understand and evaluate the financial performance of our business and on which internal budgets and forecasts are based and approved. In particular, the exclusion of certain expenses in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons and better enables management and investors to compare financial results between periods as these costs may vary independent of ongoing core business performance. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and Board of Directors. We define Adjusted EBITDA as net income (loss) plus: (1) (provision) benefit for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived asset, and intangible assets impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) other non-recurring expenses and income.

Our use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results reported in accordance with GAAP. Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures, including net income (loss) and our other GAAP results.

Some of these limitations are:

- Adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the interest expense, or cash requirements necessary to service interest or principal payments on our debt;
- Adjusted EBITDA does not consider the potentially dilutive impact of stock-based compensation or other stock-settled obligations;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Adjusted EBITDA does not reflect certain income and expenses not directly tied to the ongoing core operations of our business, such as legal reserves and settlements, restructuring and other related reorganization costs;
- Adjusted EBITDA does not reflect tax payments that may represent a reduction in cash available to us;
- Adjusted EBITDA is unaudited and does not conform to SEC Regulation S-X, and as a result such information may be presented differently in our future filings with the SEC; and

- other companies, including companies in our own industry, may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

The following table presents a reconciliation of Adjusted EBITDA to Net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, for the periods presented:

	Three months ended March 31,	
	2023	2022
	(in millions)	
<b>Net income (loss)</b>	<b>\$</b>	<b>(\$)</b>
Add: Provision (benefit) for income taxes	58	1
Add: Other expense (income), net	1	13
Add: Non-recurring (income) expense (1)	3	—
Add: Stock-based compensation	23	22
Add: Depreciation and amortization	21	25
Adjusted EBITDA	<u>\$ 33</u>	<u>\$ 27</u>

(1) The Company expensed \$3 million of previously capitalized transaction costs during the first quarter of 2023 to general and administrative expenses on our unaudited condensed consolidated statement of operations. The Company considers such costs to be non-recurring in nature.

### Related Party Transactions

For information on our relationship with LTRIP, which may be deemed to beneficially own equity securities representing 56% of our voting power as of March 31, 2023, refer to “Note 1: *Basis of Presentation*” in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report. We had no related party transactions with LTRIP during both the three months ended March 31, 2023 and 2022.

### Stock-Based Compensation

Refer to “Note 10: *Stock Based Awards and Other Equity Instruments*” in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report for further information on current year equity award activity, including the issuance of nearly 6.0 million service-based RSUs with a weighted average grant-date fair value of \$22.13 during the three months ended March 31, 2023.

### Liquidity and Capital Resources

Our principal source of liquidity is cash flow generated from operations and our existing cash and cash equivalents balance. Our liquidity needs can also be met through drawdowns under the Credit Facility. As of March 31, 2023 and December 31, 2022, we had approximately \$1.1 billion and \$1.0 billion, respectively, of cash and cash equivalents, and \$496 million of available borrowing capacity under the Credit Facility. As of March 31, 2023, approximately \$210 million of our cash and cash equivalents were held by our international subsidiaries outside of the U.S., of which nearly 45% was located in the U.K. As of March 31, 2023, the significant majority of our cash was denominated in U.S. dollars.

As of March 31, 2023, we had \$471 million of cumulative undistributed earnings in foreign subsidiaries that are no longer considered to be indefinitely reinvested. As of March 31, 2023, we maintained a deferred income tax liability on our unaudited condensed consolidated balance sheet, which was not material, for the U.S. federal and state income tax and foreign withholding tax liabilities on the cumulative undistributed foreign earnings that we no longer consider indefinitely reinvested.

As of March 31, 2023, we are party to the Credit Agreement, which, among other things, provides for a \$500 million revolving credit facility with a maturity date of May 12, 2024. The Company may borrow from the Credit Facility in U.S. dollars and Euros. The Credit Facility requires us to maintain a maximum leverage ratio and contains certain customary affirmative covenants and events of default, including a change of control.

We amended the Credit Facility during 2020 to, among other things, suspend the leverage ratio covenant for quarterly testing of compliance beginning in the second quarter of 2020, replacing it with a minimum liquidity covenant through June 30, 2021 (requiring the Company to maintain \$150 million of unrestricted cash, cash equivalent and short-term investments less deferred merchant payables plus available revolver capacity), until the earlier of (a) the first day after June 30, 2021 through maturity on which borrowings and other revolving credit utilizations under the revolving commitments exceed \$200 million, and (b) the election of the Company, at which time the leverage ratio covenant will be reinstated.

The Company remained in the Leverage Covenant Holiday as of March 31, 2023. Based on the Company's existing leverage ratio, any outstanding or future borrowings under the Credit Facility generally bear interest, at the Company's option, at a rate per annum equal to either (i) the Eurocurrency Borrowing rate, or the adjusted LIBO rate for the interest period in effect for such borrowing; plus an applicable margin ranging from 1.25% to 2.00% with a London Inter-Bank Offered Rate ("LIBOR rate") floor of 1.00% per annum; or (ii) the Alternate Base Rate Borrowing, which is the greatest of (a) the Prime Rate in effect on such day, (b) the New York Fed Bank Rate in effect on such day plus 1/2 of 1.00% per annum, and (c) the Adjusted LIBOR (or LIBOR multiplied by the Statutory Reserve Rate) for an interest period of one month plus 1.00%; in addition to an applicable margin ranging from 0.25% to 1.00%. In addition, based on the Company's existing leverage ratio, we are required to pay a quarterly commitment fee, at an applicable rate ranging from 0.15% to 0.30% as of March 31, 2023, on the daily unused portion of the Credit Facility for each fiscal quarter during the Leverage Covenant Holiday and in connection with the issuance of letters of credit. The Credit Facility includes restrictions on the Company's ability to make certain payments and distributions, including share repurchases and dividends.

As of March 31, 2023 and December 31, 2022, we had no outstanding borrowings and were in compliance with our covenant requirements in effect under the Credit Facility. While there can be no assurance that we will be able to meet the leverage ratio covenant after the Leverage Covenant Holiday ceases, based on our current projections, we do not believe there is a material risk that we will not remain in compliance throughout the next twelve months.

As of March 31, 2023, the Company had \$845 million in long-term debt, as a result of the issuance of the 2025 Senior Notes in July 2020 and 2026 Senior Notes in March 2021, as discussed below.

In July 2020, the Company completed the sale of \$500 million in 2025 Senior Notes. The 2025 Senior Notes provide, among other things, that interest, at an interest rate of 7.0% per annum, is payable on January 15 and July 15 of each year until their maturity on July 15, 2025. The 2025 Senior Notes are senior unsecured obligations of the Company and are guaranteed by certain of the Company's domestic subsidiaries. In March 2021, the Company completed the sale of \$345 million of the 2026 Senior Notes. The 2026 Senior Notes provide, among other things, that interest, at an interest rate of 0.25% per annum, is payable on April 1 and October 1 of each year until their maturity on April 1, 2026. The 2026 Senior Notes are senior unsecured obligations of the Company and are guaranteed by certain of the Company's domestic subsidiaries.

The 2025 Senior Notes and 2026 Senior Notes are not registered securities and there are currently no plans to register these notes as securities in the future. We may from time to time repurchase our outstanding 2025 Senior Notes or 2026 Senior Notes through tender offers, open market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

For further information related to the Credit Facility, 2025 Senior Notes, and 2026 Senior Notes, refer to "Note 6: Debt" in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report.

As of March 31, 2023, we had \$75 million remaining available to repurchase shares of our common stock under our existing share repurchase program authorized by our Board of Directors. During the three months ended March 31, 2023 and 2022, the Company did not repurchase any shares of outstanding common stock under the share repurchase program. The terms of the Credit Agreement were amended to limit the Company from share repurchases during the Leverage Covenant Holiday and the terms of the 2025 Indenture related to the 2025 Senior Notes also impose certain limitations and restrictions on share repurchases.

Our business typically experiences seasonal fluctuations that affect the timing of our annual cash flows during the year related to working capital. From our experience bookings, we receive cash from travelers at the time of booking or prior to the occurrence of an experience, and we record these amounts, net of commissions, on our consolidated balance sheet as deferred merchant payables. We pay the experience operator, or the experience supplier, after the travelers' use. Therefore, we generally receive cash from the traveler prior to paying the experience operator and this operating cycle represents a source or use of cash to us. During the first half of the year, experiences bookings typically exceed the amount of completed experiences, resulting in higher cash flow related to working capital, while during the second half of the year, particularly in the third quarter, this pattern reverses and cash flows from these transactions are typically negative. Other factors, such as a resurgence of COVID-19, may also impact typical seasonal fluctuations, which include further significant shifts in our business mix or adverse economic conditions that could result in future seasonal patterns that are different from historical trends. In addition, new or different payment options offered to our customers could impact the timing of cash flows. For example, our "Reserve Now, Pay Later" payment option, which allows our travelers the option to reserve certain experiences and defer payment until a date no later than two days before the experience date, which although growing is still used in the minority of bookings to date, may continue to increase, and affect the timing of our future cash flows and working capital.

As discussed in "Note 8: Income Taxes" in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report, we received a final notice regarding a MAP settlement for the 2009 through 2011 tax years in January 2023, which the Company subsequently accepted in February 2023. Accepting this MAP settlement will result in an estimated net cash

outflow of \$60 million to \$70 million, inclusive of related interest expense, which is expected to be substantially paid by the Company in the next twelve months.

Furthermore, as discussed in “Note 8: *Income Taxes*” in the notes to our unaudited condensed consolidated financial statements in Item 1, during August 2020 we separately received a NOPA issued by the IRS for the 2014, 2015, and 2016 tax years. These proposed adjustments are related to certain transfer pricing arrangements with our foreign subsidiaries and would result in additional income tax expense above our existing tax reserves in an estimated range of \$55 million to \$65 million, exclusive of interest expense, at the close of the audit if the IRS prevails. In addition, we received an issue closure notice from HMRC relating to adjustments for 2012 through 2016 tax years in January 2021. These proposed adjustments are related to certain transfer pricing arrangements with our foreign subsidiaries and would result in an increase to our consolidated income tax expense in an estimated range of \$25 million to \$35 million, exclusive of interest expense, at the close of the audit if HMRC prevails. Although the ultimate timing for resolution of these matters is uncertain, any future payments would negatively impact our operating cash flows.

We believe that our available cash and cash equivalents will be sufficient to fund our foreseeable working capital requirements, capital expenditures, existing business growth initiatives, debt and interest obligations, lease commitments, and other financial commitments through at least the next twelve months. Our future capital requirements may also include capital needs for acquisitions and/or other expenditures in support of our business strategy, which may potentially reduce our cash balance and/or require us to borrow under the Credit Facility or to seek other financing alternatives.

Our cash flows for the three months ended March 31, 2023 and 2022, as reflected in our unaudited condensed consolidated statements of cash flows, are summarized in the following table:

	Three months ended March 31,	
	2023	2022
	(in millions)	
Net cash provided by (used in):		
Operating activities	\$ 135	\$ 86
Investing activities	(16)	(14)
Financing activities	(11)	(10)

During the three months ended March 31, 2023, our primary source of cash was from operations, while our primary use of cash was from financing activities (including payment of withholding taxes on net share settlements of our equity awards of \$9 million), and investing activities (including capital expenditures of \$16 million). This use of cash was funded with cash and cash equivalents and cash flows from operations.

During the three months ended March 31, 2022, our primary source of cash was from operations, while our primary use of cash was financing activities (including payment of withholding taxes on net share settlements of our equity awards of \$8 million), and investing activities (including capital expenditures incurred during the three months ended March 31, 2022 of \$14 million). This use of cash was funded with cash and cash equivalents, and cash flows from operations.

Net cash provided by operating activities for the three months ended March 31, 2023 increased \$49 million when compared to the same period in 2022, primarily due to an increase in working capital of \$88 million, largely driven by increased income tax expense as a result of a discrete tax item pertaining to an IRS audit settlement, and related increase in transfer pricing income tax reserves, as discussed above, an increase in deferred revenue and deferred merchant payables resulting from cash received in advance for experiences bookings, net of cancellations, reflecting experiences bookings growth and seasonality, and the timing of when cash is received from travelers and then remitted to experience operators, in addition to the timing of and improvement in collection from customers, resulting in increased cashflows from accounts receivable. These increases were partially offset by an increase in net loss of \$39 million as well as increased cash outflows from accounts payable due to timing of vendor payments.

Net cash used in investing activities for the three months ended March 31, 2023 increased by \$2 million when compared to the same period in 2022, due to an increase in capital expenditures in the business.

Net cash used in financing activities for the three months ended March 31, 2023 was materially consistent when compared to the same period in 2022.

### **Contractual Obligations, Commercial Commitments and Off-Balance Sheet Arrangements**

There have been no material changes outside the normal course of business to our contractual obligations and commercial commitments since December 31, 2022. As of March 31, 2023, other than our contractual obligations and commercial commitments, we did not have any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K promulgated by the SEC.

Refer to “*Liquidity and Capital Resources*” in Part II, Item 7. —Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Annual Report on Form 10-K for the year ended December 31, 2022 for a discussion of our contractual obligations and commercial commitments.

## Contingencies

In the ordinary course of business, we are party to legal, regulatory and administrative matters, including threats thereof, arising out of or in connection with our operations. These matters may involve claims involving patent and other intellectual property rights (including privacy, alleged infringement of third-party intellectual property rights), tax matters (including value-added, excise, transient occupancy and accommodation taxes), regulatory compliance (including competition, consumer matters and data privacy), defamation and reputational claims. Periodically, we review the status of all significant outstanding matters to assess any potential financial exposure. When (i) it is probable that an asset has been impaired or a liability has been incurred; and (ii) the amount of the loss can be reasonably estimated and is material, we record the estimated loss in our consolidated statements of operations. We provide disclosures in the notes to the consolidated financial statements for loss contingencies that do not meet both of these conditions if there is a reasonable possibility that a loss may have been incurred that would be material to the consolidated financial statements. We base accruals on the best information available at the time which can be highly subjective. Although occasional adverse decisions or settlements may occur, we do not believe that the final disposition of any of these matters will have a material adverse effect on our business. However, the final outcome of these matters could vary significantly from our estimates. Finally, there may be claims or actions pending or threatened against us of which we are currently not aware and the ultimate disposition of which could have a material adverse effect on us.

We are also under audit by the IRS and various other domestic and foreign tax authorities with regards to income tax and non-income tax matters. We have reserved for potential adjustments to our provision for income taxes that may result from examinations by, or any negotiated agreements with, these tax authorities. Although we believe our tax estimates are reasonable, the final determination of audits could be materially different from our historical income tax provisions and accruals. The results of an audit could have a material effect on our financial position, results of operations, or cash flows in the period for which that determination is made.

By virtue of consolidated income tax returns previously filed with Expedia, we are currently under an IRS audit for the 2009, 2010 and short-period 2011 tax years. We are separately under examination by the IRS for the 2014 through 2016 and 2018 tax years, and have various ongoing audits for foreign and state income tax returns. These audits include questioning of the timing and the amount of income and deductions and the allocation of income among various tax jurisdictions. These examinations may lead to proposed or ordinary course adjustments to our taxes. We are no longer subject to tax examinations by tax authorities for years prior to 2009. As of March 31, 2022, no material assessments have resulted, except as noted below regarding our 2009, 2010, and 2011 IRS audit with Expedia, our 2014 through 2016 standalone IRS audit, and our 2012 through 2016 HMRC audit.

As disclosed in previous filings, including in our Annual Report on Form 10-K for the year ended December 31, 2022, we had received a NOPA from the IRS for the 2009, 2010, and 2011 tax years relating to certain transfer pricing arrangements with our foreign subsidiaries. In response, we had requested competent authority assistance under the MAP for the 2009 through 2011 tax years. In January 2023, we received a final notice from the IRS regarding a MAP settlement for the 2009 through 2011 tax years, which the Company accepted in February 2023. In the first quarter of 2023, we recorded additional income tax expense as a discrete item, inclusive of interest, of \$31 million specifically related to this settlement. We reviewed the impact of the acceptance of this settlement position against our existing transfer pricing income tax reserves for the subsequent tax years during the first quarter of 2023, which resulted in incremental income tax expense, inclusive of estimated interest, of \$24 million. The total impact of these adjustments resulted in an incremental income tax expense of \$55 million for the three months ended March 31, 2023.

In addition, and separately, during August 2020, we received a Notice of Proposed Adjustment from the IRS for the 2014, 2015, and 2016 tax years. These proposed adjustments pertain to certain transfer pricing arrangements with our foreign subsidiaries and would result in additional income tax expense above our existing tax reserves in an estimated range of \$55 million to \$65 million at the close of the audit if the IRS prevails. This estimated range takes into consideration competent authority relief, existing income tax reserves, and transition tax regulations and is exclusive of deferred tax consequences and interest expense, which would also be significant. We disagree with the proposed adjustments, and we intend to defend our position through applicable administrative and, if necessary, judicial remedies. Based on our interpretation of the regulations and available case law, we believe the position we have taken with regard to transfer pricing with our foreign subsidiaries is sustainable. In addition to the risk of additional tax for the years discussed above, if the IRS were to seek transfer pricing adjustments of a similar nature for transactions in subsequent years, we may be subject to significant additional tax liabilities. We have previously requested competent authority assistance under MAP for the years of 2014 through 2016 tax years. As discussed above, we have reviewed our transfer pricing reserves as of March 31, 2023, based on the facts and circumstances that existed as of the reporting date, and consider them to be the Company’s best estimate as of March 31, 2023.



In January 2021, we received an issue closure notice from HMRC relating to adjustments for the 2012 through 2016 tax years. These proposed adjustments are related to certain transfer pricing arrangements with our foreign subsidiaries and would result in an increase to our consolidated income tax expense in an estimated range of \$25 million to \$35 million, exclusive of interest expense, at the close of the audit if HMRC prevails. We disagree with the proposed adjustments and we intend to defend our position through applicable administrative and, if necessary, judicial remedies. Our policy is to review and update tax reserves as facts and circumstances change. Based on our interpretation of the regulations and available case law, we believe the position the Company has taken with regard to transfer pricing with our foreign subsidiaries is sustainable.

Over the last several years, the Organization for Economic Cooperation and Development (“OECD”) has been working on a Base Erosion and Profit Shifting Project to address the tax challenges arising from digitalization. The OECD/G20 Inclusive Framework has issued various guidelines, policy notes, and proposals that if adopted could result in an overhaul of the international taxation system under which our current tax obligations are determined. In October 2021, more than 130 countries tentatively signed on to a framework, which calls for a minimum tax rate on corporations of 15% and a reallocation of profits from the largest and most profitable businesses to countries where they make sales. The proposed framework, once enacted, envisages new international tax rules and the removal of all digital services taxes. As this framework is subject to further negotiation and implementation by each member country, the timing and ultimate impact of any such changes on our tax obligations is uncertain. As the OECD/G20 continues to drive toward a consensus framework, several countries which have previously enacted unilateral digital services tax initiatives, such as France, Italy, Spain, and the U.K., will continue to impose these revenue-based taxes until implementation of the consensus framework. Further, certain U.S. states, such as Maryland, have deployed comparable digital services tax initiatives, and we continue to monitor these developments to determine the financial impact to the Company. During the three months ended March 31, 2023 and 2022, we recorded \$2 million and \$1 million, respectively, of digital service tax to general and administrative expense on our unaudited condensed consolidated statement of operations.

Due to the one-time transition tax on the deemed repatriation of undistributed foreign subsidiary earnings and profits in 2017, as a result of the 2017 Tax Act, the majority of previously unremitted earnings have been subjected to U.S. federal income tax. To the extent future distributions from these subsidiaries will be taxable, a deferred income tax liability has been accrued on our unaudited condensed consolidated balance sheet, which was not material as of March 31, 2023. As of March 31, 2023, \$471 million of our cumulative undistributed foreign earnings were no longer considered to be indefinitely reinvested.

Refer to “Note 8: *Income Taxes*” in the notes to our unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report for further information on potential tax contingencies, including current audits by the IRS and various other domestic and foreign tax authorities, and other income tax and non-income tax matters.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

There has been no material change in our market risk profile during the three months ended March 31, 2023 since December 31, 2022. For additional information about our market risk profile, refer to “Quantitative and Qualitative Disclosures About Market Risk” in Item 7A. in Part II of our Annual Report on Form 10-K for the year ended December 31, 2022.

Market risk refers to the risk of loss arising from adverse changes in stock prices, interest rates and foreign currency exchange rates. We are exposed to market risks primarily due to our international operations, our ongoing investment and financial activities, as well as changes in economic conditions in all significant markets in which we operate. The risk of loss can be assessed from the perspective of adverse changes in our future earnings, cash flows, fair values of our assets, and financial condition. Our exposure to market risk, at any point in time, may include risks related to any borrowings under the Credit Facility, or outstanding debt related to the 2025 Senior Notes and 2026 Senior Notes, derivative instruments, capped calls, cash and cash equivalents, short-term and long-term marketable securities, if any, accounts receivable, intercompany receivables/payables, accounts payable, deferred merchant payables and other balances and transactions denominated in foreign currencies. We have established policies, procedures and internal processes governing our management of market risks and the use of financial instruments to manage and attempt to mitigate our exposure to such risks.

We expect that we will continue to increase our operations internationally. Our exposure to potentially volatile movements in foreign currency exchange rates will increase as we increase our operations in these international markets. The economic impact to us of foreign currency exchange rate movements is linked to variability in real growth, inflation, interest rates, governmental actions, and other factors. We continue to monitor the current economic environment, including the impact of a potential U.S. recession, increasing interest rates, and increased inflation globally, which has been heightened by the conflict between Russia and Ukraine. These changes, if material, could cause us to adjust our foreign currency risk strategies. Continued uncertainty regarding our international operations and U.K. and E.U. relations may result in future currency exchange rate volatility which may impact our business and results of operations. In addition, the geopolitical tensions resulting from Russia’s invasion of Ukraine, including increased cyberattacks, military conflicts and sanctions, may result in additional financial volatility that may adversely affect our results of operations.

## **Item 4. Controls and Procedures**

### **Evaluation of Disclosure Controls and Procedures**

As of March 31, 2023, our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Based upon that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that, as of March 31, 2023, our disclosure controls and procedures were effective in ensuring that material information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's, or the SEC's, rules and forms, including ensuring that such material information is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

### **Changes in Internal Control over Financial Reporting**

There were no changes to our internal control over financial reporting that occurred during the quarter ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **PART II—OTHER INFORMATION**

### **Item 1. Legal Proceedings**

In the ordinary course of business, we are party to legal, regulatory and administrative matters, including threats thereof, arising out of, or in connection with our operations. These matters may involve claims involving intellectual property rights (including privacy, alleged infringement of third-party intellectual property rights), tax matters (including value-added, excise, transient occupancy and accommodation taxes), regulatory compliance (including competition and consumer protection matters), defamation and reputational claims, personal injury claims, labor and employment matters and commercial disputes. Periodically, we review the status of all significant outstanding matters to assess any potential financial exposure. We record the estimated loss in our consolidated statements of operations when (i) it is probable that an asset has been impaired or a liability has been incurred; and (ii) the amount of the loss can be reasonably estimated and is material. We provide disclosures in the notes to the consolidated financial statements for loss contingencies that do not meet both of these conditions if there is a reasonable possibility that a loss may have been incurred that would be material to the consolidated financial statements. We base accruals on the best information available at the time which can be highly subjective. Although occasional adverse decisions or settlements may occur, we do not believe that the final disposition of any of these matters will have a material adverse effect on our business. However, the final outcome of these matters could vary significantly from our estimates. Finally, there may be claims or actions pending or threatened against us of which we are currently not aware and the ultimate disposition of which could have a material adverse effect on us.

### **Item 1A. Risk Factors**

While we attempt to identify, manage and mitigate risks and uncertainties associated with our business to the extent practical under the circumstances, some level of risk and uncertainty will always be present. Refer to Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 for a description of the risks and uncertainties which could materially and adversely affect our business, financial condition, cash flows and results of operations, and the trading price of our common stock. The risks and uncertainties described are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently believe are immaterial may also impair our business, results of operations or financial condition. During the quarter ended March 31, 2023, there have been no material changes in our risk factors from those disclosed in Part 1, Item 1A., "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

### **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

#### **Unregistered Sales of Equity Securities**

During the quarter ended March 31, 2023, we did not issue or sell any shares of our common stock, Class B common stock or other equity securities pursuant to unregistered transactions in reliance upon an exemption from the registration requirements of the Securities Act of 1933, as amended.

## Share Repurchases

During the quarter ended March 31, 2023, we did not repurchase any shares of our common stock under our existing share repurchase program. As of March 31, 2023, we had \$75 million remaining available to repurchase shares of our common stock under our previously authorized share repurchase program.

While the Board of Directors has not suspended or terminated the share repurchase program, the terms of the Credit Agreement limit the Company from engaging in share repurchases and the terms of the 2025 Indenture related to the 2025 Senior Notes impose certain limitations and restrictions on share repurchases. In addition, the Inflation Reduction Act of 2022 imposes a 1% excise tax on certain corporate stock buybacks. Refer to “Note 6: *Debt*” in the notes to the unaudited condensed consolidated financial statements in Item 1 in this Quarterly Report for further information about the Credit Agreement and the 2025 Indenture.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

Not applicable.

### Item 5. Other Information

Not Applicable.

**Item 6. Exhibits**

The exhibits listed below are filed as part of this Quarterly Report.

Exhibit No.	Exhibit Description	Filed Herewith	Incorporated by Reference			
			Form	SEC File No.	Exhibit	Filing Date
10.1+	<a href="#">Form of Restricted Stock Unit Agreement (Domestic)</a>	X				
10.2+	<a href="#">Form of Restricted Stock Unit Agreement (International)</a>	X				
10.3+	<a href="#">Form of Restricted Stock Unit Agreement (French)</a>	X				
10.4+	<a href="#">Form of Restricted Stock Unit Agreement (Performance Based)</a>	X				
31.1	<a href="#">Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>	X				
31.2	<a href="#">Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>	X				
32.1	<a href="#">Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>	X				
32.2	<a href="#">Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>	X				
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	X				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	X				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	X				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	X				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	X				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	X				
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).	X				

+ Indicates a management contract or a compensatory plan, contract or arrangement.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Tripadvisor, Inc.

By \_\_\_\_\_ /s/ Michael Noonan  
**Michael Noonan**  
**Chief Financial Officer**

By \_\_\_\_\_ /s/ Geoffrey Gouvalaris  
**Geoffrey Gouvalaris**  
**Chief Accounting Officer**

May 3, 2023

**TRIPADVISOR, INC. RESTRICTED STOCK UNIT AGREEMENT**  
**(Domestic)**

THIS RESTRICTED STOCK UNIT AGREEMENT (this “Agreement”), dated as of the grant date specified on the Grant Details referenced below (the “Grant Date”), between TripAdvisor, Inc., a Delaware corporation (the “Company”), and the employee, director or consultant of the Company or one of its Subsidiaries or Affiliates designated on the Grant Details (as defined below) (the “Eligible Individual”), describes the terms of an award of restricted stock units (“RSUs”) to the Eligible Individual by the Company (the “Award”).

All capitalized terms used herein, to the extent not defined, shall have the meanings set forth in the Company’s 2018 Stock and Annual Incentive Plan or any subsequent plan adopted by the Company (in either case, the “Plan”).

**1. Award and Vesting of RSUs**

(a) Subject to the terms and conditions of this Agreement, the Plan and the Grant Details, the Company hereby grants RSUs to the Eligible Individual. Reference is made to the “Grant Details” that can be found on the equity plan website of the current professional selected by the Company to administer the Plan (the “Plan Administrator”), currently located at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) (or any successor equity administration system selected by the Company to manage the Plan from time to time). The Grant Details, which sets forth the number of RSUs granted to the Eligible Individual by the Company, the Grant Date and the vesting schedule of the RSUs (among other information), are hereby incorporated by reference into, and shall be read as part and parcel of, this Agreement.

(b) Subject to the terms and conditions of this Agreement, the Grant Details and the Plan, RSUs shall vest and no longer subject to any restriction (such period during which restrictions apply referred to as the “RSU Restriction Period”) on the dates detailed in the Grant Details.

**2. Settlement of RSUs**

As soon as practicable after any RSUs have vested and are no longer subject to the RSU Restriction Period (but in no event later than thirty (30) days thereafter), such RSUs shall be settled. Subject to Section 8 (pertaining to the withholding of taxes), for each RSU settled pursuant to this Section 2, the Company may, in its sole discretion, settle the RSUs in cash or Shares by causing to be delivered to the Eligible Individual freely-transferable Shares upon settlement of the vested RSUs. Notwithstanding the foregoing, the Company shall be entitled to hold the Shares issuable upon settlement of RSUs that have vested until the Company or Plan Administrator shall have received from the Eligible Individual a duly executed Form W-9 or Form W-8, as applicable, as well as such other documents as may be legally required.

**3. Recoupment or “Clawback” Policy**

U.S. Employee – Version February 2023

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All awards received and any shares or other amount or property that may be issued, delivered, or paid in respect of the Award, as well as any consideration that may be received in respect of a sale or other disposition of any such shares or property, will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with any Company clawback or similar policy or any applicable law related to such actions. An Eligible Individual's acceptance of an Award will constitute the Eligible Individual's acknowledgment of and consent to the Company's application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Eligible Individual, whether adopted before or after the Grant Date, and any applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Eligible Individual's agreement that the Company may take any actions that may be necessary to effectuate any such policy or applicable law, without further consideration or action.

#### **4. Termination of Employment**

(a) In the event a Termination of Employment of the Eligible Individual occurs during the RSU Restriction Period for any reason (whether or not in breach of local labor laws), except as otherwise provided in the Plan or any written employment agreement between the Company and the Eligible Individual (an "Employment Arrangement"), the Eligible Individual's right to receive the RSUs under the Plan, if any, will terminate effective as of the date of the Termination of Employment and will not be extended by any notice period mandated under local law; furthermore, in the event of a Termination of Employment (whether or not in breach of local labor laws), the Eligible Individual's right to receive the RSUs after such Termination of Employment, if any, will be measured to the date of the Termination of Employment and will not be extended by any notice period mandated under local law, unless otherwise provided in the Plan or an Employment Arrangement. The Eligible Individual shall not be entitled by way of compensation for loss of office or otherwise howsoever to any sum or other benefit to compensate the Eligible Individual for the loss of any rights under this Agreement or the Plan.

(b) Notwithstanding the provisions of Section 1 above, in the event the Eligible Individual incurs a Termination of Employment by the Company for Cause, or the Eligible Individual voluntarily incurs a Termination of Employment within two years after any event or circumstance that would have been grounds for a Termination of Employment for Cause, the Eligible Individual's RSUs (whether or not vested) shall be forfeited and cancelled in their entirety upon such Termination of Employment without any consideration being paid therefor and otherwise without any further action of the Company whatsoever. In such event, the Company may cause the Eligible Individual, immediately upon notice from the Company, to either (i) return the Shares issued upon settlement of RSUs that vested during the two-year period after the events or circumstances giving rise to or constituting grounds for such Termination of Employment for Cause or (ii) pay to the Company an amount equal to the aggregate amount, if any, that the Eligible Individual had previously realized in respect of any and all Shares issued upon settlement of RSUs that vested during the two-year period after the events or circumstances giving rise to or constituting grounds for such Termination of Employment for Cause (i.e., the value of the RSUs upon vesting), in each case including any dividend equivalents or other distributions received in respect of any such RSUs.

(c) Notwithstanding anything herein to the contrary, the Eligible Individual and Company acknowledge and agree that in the event of any conflict or inconsistency between the terms of any employment arrangement and the Plan, whichever term is more beneficial to the Eligible Individual between the Plan and the employment arrangement shall prevail. In no event shall Eligible Individual be entitled to the same type of benefits under both the Plan and any employment arrangement for the same event or qualifying termination.

(d) For purpose of this Agreement, employment with the Company shall include employment with the Company's Subsidiaries or Affiliates. The Committee shall have the exclusive discretion to determine whether there has been any interruption or Termination of Employment, whether there existed Cause or whether there occurred a Change in Control.

**5. Non-Transferability of the RSUs**

During the RSU Restriction Period and until the RSUs are settled as provided herein or on the website of the Plan Administrator, the RSUs shall not be transferable by the Eligible Individual by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise.

**6. Rights as a Stockholder**

Except as otherwise specifically provided in this Agreement, during the RSU Restriction Period, the Eligible Individual shall not be entitled to any rights of a stockholder with respect to the RSUs. Notwithstanding the foregoing, if the Company declares and pays ordinary cash dividends on the Common Stock during the RSU Restriction Period, the Eligible Individual will be credited with additional amounts for each RSU equal to the dividend that would have been paid with respect to such RSU if it had been an actual share of Common Stock, which amount shall remain subject to restrictions (and as determined by the Committee may be reinvested in RSUs or may be held in kind as restricted property) and shall vest concurrently with the vesting of the RSUs upon which such dividend equivalent amounts were paid. Notwithstanding the foregoing, dividends and distributions other than ordinary cash dividends, if any, may result in an adjustment pursuant to Section 7 below, rather than under this Section 6.

**7. Adjustment in the Event of Change in Stock; Change in Control**

(a) In the event of (i) a stock dividend, stock split, reverse stock split, share combination or recapitalization or similar event affecting the capital structure of the Company (each, a "Share Change"), or (ii) a merger, consolidation, acquisition of property or shares, separation, spinoff, reorganization, stock rights offering, liquidation, Disaffiliation, payment of dividends other than an ordinary dividends or similar event affecting the Company or any of its Subsidiaries (each, a "Corporate Transaction"), the Committee or the Board may in its discretion make such substitutions or adjustments as it deems appropriate and equitable to the number of RSUs and the number and kind of shares of Common Stock underlying the RSUs.

(b) In the case of Corporate Transactions, such adjustments may include, without limitation (i) the cancellation of RSUs in exchange for payments of cash, property or a combination thereof having an aggregate value equal to the value of such RSUs, as determined by the



Committee or the Board in its sole discretion, (ii) the substitution of other property (including, without limitation, cash or other securities of the Company and securities of entities other than the Company) for the shares of Common Stock underlying the RSUs and (iii) in connection with any Disaffiliation, arranging for the assumption of the RSUs, or the replacement of the RSUs with new Awards based on other property or other securities (including, without limitation, other securities of the Company and securities of entities other than the Company), by the affected Subsidiary or Affiliate or by the entity that controls such Subsidiary or Affiliate following such Disaffiliation (as well as any corresponding adjustments to any RSUs that remain based upon securities of the Company).

(c) The determination of the Committee regarding any such adjustment will be final and conclusive and need not be the same for all Eligible Individuals.

## **8. Taxes, Fees and Withholding**

(a) The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of shares received by an Eligible Individual in connection with the RSUs, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

(b) Regardless of any action taken by the Company, its Affiliate or Subsidiary with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding (“Tax-Related Items”), the Eligible Individual acknowledges that the ultimate liability for all Tax-Related Items legally due by him or her is and remains the Eligible Individual’s responsibility and that the Company and/or its Affiliate or Subsidiary (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant and vesting of the RSUs, the receipt of cash or any dividends or dividend equivalents; and (ii) do not commit to structure the terms of the Award or any aspect of the RSUs to reduce or eliminate the Eligible Individual’s liability for Tax-Related Items.

(c) In the event that the Company, Subsidiary or Affiliate is required to withhold any Tax-Related Items as a result of the award or vesting of the RSUs, or the receipt of cash or any dividends or dividend equivalents, the Eligible Individual shall pay or make adequate arrangements satisfactory to the Company, Subsidiary or Affiliate to satisfy all withholding and payment on account of obligations of the Company, Subsidiary and/or Affiliate. The obligations of the Company under this Agreement shall be conditioned on compliance by the Eligible Individual with this Section 8. In this regard, the Eligible Individual authorizes the Company and/or its Subsidiary or Affiliate to withhold all applicable Tax-Related Items legally payable by the Eligible Individual from his or her wages or other cash compensation paid to the Eligible Individual by the Company and/or its Subsidiary or Affiliate. The Company may, in its sole discretion and pursuant to such provisions as it may specify from time to time, withhold in Shares the amount of Shares necessary to satisfy the minimum withholding amount or arrange for the sale of such number of Shares as is necessary to pay any Tax-Related Items. In connection herewith, the Eligible Individual (i) authorizes, empowers and directs the Company and the Plan Administrator (or such brokerage firm as is contracted to manage the Company’s employee equity

award program, the “Broker”) to sell, at the market price and on the Exercise Date or as soon thereafter as is practicable, the number of Shares sufficient to pay the Tax-Related Items, and (ii) agrees to indemnify and hold harmless the Broker and the Company from and against all losses, liabilities, damages, claims and expenses, including reasonable attorneys’ fees and court costs, arising out of carrying out such actions. Finally, the Eligible Individual will pay to the Company any amount of Tax-Related Items that the Company may be required to withhold as a result of the Eligible Individual’s participation in the Plan or the Eligible Individual’s Award that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares underlying the RSU if the Eligible Individual fails to comply with his or her obligations in connection with the Tax-Related Items as described in this Section.

(d) In particular, the Eligible Individual understands and acknowledges that all income to which the Eligible Individual is entitled under this Agreement is pre-tax and the Company or its Subsidiaries or Affiliates has the right to withhold and pay on behalf of the Eligible Individual any individual income tax in connection with such income in accordance with applicable law. In the event the Company or its Subsidiaries or Affiliates is not required under applicable law to serve as the withholding agent to withhold and pay on behalf of the Eligible Individual such individual income tax, the Eligible Individual shall have sole responsibility to make such payment, in which case the Eligible Individual shall provide, as requested by the Company or its Subsidiaries or Affiliates from time to time, relevant tax receipts to certify full and prompt payment. The Eligible Individual agrees to indemnify the Company and/or its Subsidiaries or Affiliates for any liability which may arise as a result of his or her failure to pay any and all taxes associated with any income derived pursuant to the Awards.

## **9. Other Restrictions**

(a) The Award shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the shares of Common Stock subject or related thereto upon any securities exchange or under any state or federal law, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the Award shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) The Eligible Individual acknowledges that the Eligible Individual is subject to the Company’s policies regarding compliance with securities laws, including but not limited to its Insider Trading Policy (as in effect from time to time and any successor policies), and, pursuant to these policies, if the Eligible Individual is on the Company’s insider list, the Eligible Individual shall be required to obtain pre-clearance from the Company’s General Counsel prior to purchasing or selling any of the Company’s securities, including any shares issued upon vesting of the RSUs, and may be prohibited from selling such shares other than during an open trading window. The Eligible Individual further acknowledges that, in its discretion, the Company may prohibit the Eligible Individual from selling such shares even during an open trading window if the Company has concerns over the potential for insider trading.

## **10. Nature of Award**

In accepting the Award, the Eligible Individual acknowledges that:

U.S. Employee – Version February 2023

(e) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;

(f) the Award is voluntary and occasional and does not create any contractual or other right to receive future Awards, or benefits in lieu of Awards, even if Awards have been made repeatedly in the past;

(g) all decisions with respect to future Awards, if any, will be at the sole discretion of the Company;

(h) the Eligible Individual's participation in the Plan will not create a right to further employment with the Company, its Subsidiary or Affiliate and shall not interfere with the ability of the Company to terminate the Eligible Individual's employment relationship at any time with or without Cause;

(i) the Eligible Individual is voluntarily participating in the Plan;

(j) the Award is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, Subsidiary, or Affiliate, and such Award is outside the scope of the Eligible Individual's employment contract, if any;

(k) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, Subsidiary or Affiliate;

(l) in the event that the Eligible Individual is not an employee of the Company, a Subsidiary or an Affiliate, the Award will not be interpreted to form an employment contract or relationship with the Company; and

(m) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from termination of the Award or diminution in value of the Award resulting from Termination of the Eligible Individual's employment by the Company, Subsidiary or Affiliate (for any reason whatsoever and whether or not in breach of local labor laws) and the Eligible Individual irrevocably releases the Company, Subsidiary or Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Eligible Individual will be deemed irrevocably to have waived his or her entitlement to pursue such claim.

#### **11. No Advice Regarding Grant.**

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Eligible Individual's participation in the Plan, or his or her acquisition or sale of the underlying Shares. The Eligible Individual is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding the Eligible

Individual's participation in the Plan, receipt of the Award and/or disposition of the Award before taking any action related to the Plan or the Award.

**12. Notices**

Any notices, communications or changes to this Agreement shall be communicated (either directly by the Company or indirectly through any of its Subsidiaries, Affiliates or the Plan Administrator) to the Eligible Individual electronically via email (or otherwise in writing) promptly after such change becomes effective.

**13. Effect of Agreement; Severability**

Except as otherwise provided hereunder, this Agreement shall be binding upon and shall inure to the benefit of any successor or successors of the Company. The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

**14. Laws Applicable to Construction; Consent to Jurisdiction**

(a) The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the RSUs are subject to the terms and conditions of the Plan, which are hereby incorporated by reference.

(b) Any and all disputes arising under, as a result of or out of this Agreement, including without limitation any issues involving the construction, enforcement or interpretation of any of the provisions of this Agreement, the Plan or the Plan Prospectus, shall be determined and resolved by the Committee or its authorized delegate. Such determination or resolution by the Committee or its authorized delegate will be final, binding and conclusive for all purposes.

**15. Conflicts; Interpretation and Correction of Errors**

(a) In the event of any (i) conflict between the Grant Details, this Agreement, any information posted on the system of the Plan Administrator and/or the books and records of the Company, or (ii) ambiguity in the Grant Details, this Agreement, any information posted on the system of the Plan Administrator and/or the books and records of the Company, the Plan shall control.

(b) The Committee shall have the power to interpret the Plan, this Agreement, the Grant Details, any information posted on the system of the Plan Administrator and/or the books and records of the Company, and to adopt such rules for the administration, interpretation and application of the Plan and the Award as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any RSUs have vested). All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon the Eligible Individual, the Company and all other interested parties. The Committee shall not be personally responsible for any action, determination

or interpretation made in good faith with respect to the Plan or this Agreement. The Committee shall, in their absolute discretion, determine when any conditions have been fulfilled.

(c) In the event that, due to administrative error, this Agreement does not accurately reflect an Award properly granted to the Eligible Individual pursuant to the Plan, the Company, acting through the executive compensation and benefits team, reserves the right to cancel any erroneous document and, if appropriate, to replace the cancelled document with a corrected document.

## **16. Data Privacy**

(a) The Eligible Individual understands that the Company, Subsidiary, Affiliate and/or Plan Administrator may hold certain personal information about the Eligible Individual, including, but not limited to, the Eligible Individual's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Eligible Individual's favor, for the purpose of implementing, administering and managing the Plan ("Data"). The Eligible Individual hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her Data as described in this document by and among, as applicable, the Company and its Subsidiaries or Affiliates for the exclusive purpose of implementing, administering and managing the Eligible Individual's participation in the Plan.

(b) The Eligible Individual understands that Data will be transferred to the Plan Administrator, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Eligible Individual understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country may have different data privacy laws and protections than the Eligible Individual's country. The Eligible Individual authorizes the Company, its Subsidiary or Affiliate, the Plan Administrator and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Eligible Individual's participation in the Plan.

(c) The Eligible Individual understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Eligible Individual's local human resources representative. The Eligible Individual understands, however, that refusing or withdrawing his or her consent may affect the Eligible Individual's ability to participate in the Plan. For more information on the consequences of the Eligible Individual's refusal to consent or withdrawal of consent, the Eligible Individual understands that he or she may contact his or her local human resources representative.

## **17. Amendment**

(a) The Company may modify, amend or waive the terms of this Award, prospectively or retroactively, but no such modification, amendment or waiver shall impair the rights of the Eligible Individual without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

(b) This Award and payments made pursuant to this Agreement and the Plan are intended to qualify for an exemption from, or comply with, the applicable requirements of Section 409A of the Code. If the Company makes a good faith determination that any compensation provided under this Agreement is likely to be subject to the additional tax imposed by Section 409A of the Code, the Company may, to the extent it deems necessary or advisable, modify this Agreement, without the Eligible Individual's consent, to reduce the risk that such additional tax will apply, in a manner designed to preserve the material economic benefits intended to be provided to the Eligible Individual under this Agreement (other than any diminution of such benefit that may be attributable to the time value of money resulting from a delay in the timing of payments hereunder for a period of approximately six months or such longer period as may be required).

## **18. Choice of Language**

The Eligible Individual has received this Agreement and any other related communications and consents to having received these documents solely in English. If, however, the Eligible Individual receives this or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version in any way, the English version will control.

## **19. Electronic Delivery**

The Company may, in its sole discretion, decide to deliver any documents related to the Award and participation in the Plan or future awards that may be awarded under the Plan by electronic means or to request the Eligible Individual's consent to participate in the Plan by electronic means. The Eligible Individual hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

By electronically accepting this Agreement and participating in the Plan, the Eligible Individual agrees to be bound by the terms and conditions of the Plan and this Agreement, including the Grant Details. If Eligible Individual has not electronically accepted this Agreement on the Plan Administrator's website within six months of the Grant Date, then this Award shall automatically be deemed accepted and Eligible Individual shall be bound by the terms and conditions in the Plan, this Agreement, including the Grant Details.

**TRIPADVISOR, INC. RESTRICTED STOCK UNIT AGREEMENT  
(International)**

THIS RESTRICTED STOCK UNIT AGREEMENT (this “Agreement”), dated as of the grant date specified on the Grant Details referenced below (the “Grant Date”), between TripAdvisor, Inc., a U.S. Delaware corporation (the “Company”), and the employee, director or consultant of the Company or one of its Subsidiaries or Affiliates designated on the Grant Details (as defined below) (the “Eligible Individual”), describes the terms of an Award of restricted stock units (“RSUs”) to the Eligible Individual by the Company (the “Award”).

All capitalized terms used herein, to the extent not defined, shall have the meanings set forth in the Company’s 2018 Stock and Annual Incentive Plan or any subsequent plan adopted by the Company (in either case, the “Plan”).

**1. Award and Vesting of RSUs**

(a) Subject to the terms and conditions of this Agreement, the Plan and the Grant Details, the Company hereby grants RSUs to the Eligible Individual. Reference is made to the “Grant Details” that can be found on the equity plan website of the current professional selected by the Company to administer the Plan (the “Plan Administrator”), currently located at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) (or any successor equity administration system selected by the Company to manage the Plan from time to time). The Grant Details, which set forth the number of RSUs granted to the Eligible Individual by the Company, the Grant Date and the vesting schedule of the RSUs (among other information), are hereby incorporated by reference into, and shall be read as part and parcel of, this Agreement.

(b) Subject to the terms and conditions of this Agreement, the Grant Details and the Plan, RSUs shall vest and no longer subject to any restriction (such period during which restrictions apply referred to as the “RSU Restriction Period”) on the dates detailed in the Grant Details.

**2. Settlement of RSUs**

As soon as practicable after any RSUs have vested and are no longer subject to the RSU Restriction Period (but in no event later than thirty (30) days thereafter), such RSUs shall be settled. Subject to Section 8 (pertaining to the withholding of taxes), for each RSU settled pursuant to this Section 2, the Company may, in its sole discretion, settle the RSUs in cash and shares by causing to be delivered to the Eligible Individual freely-transferable Shares upon settlement of the vested RSUs. Notwithstanding the foregoing, the Company shall be entitled to hold the Shares issuable upon settlement of RSUs that have vested until the Company or Plan Administrator shall have received from the Eligible Individual a duly executed Form W-9 or Form W-8, as applicable, as well as such other documents as may be legally required.

Non-U.S. Employee – Version February 2023

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### **3. Recoupment or “Clawback” Policy**

All awards received and any shares or other amount or property that may be issued, delivered, or paid in respect of the Award, as well as any consideration that may be received in respect of a sale or other disposition of any such shares or property, will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with any Company clawback or similar policy or any applicable law related to such actions. An Eligible Individual’s acceptance of an Award will constitute the Eligible Individual’s acknowledgment of and consent to the Company’s application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Eligible Individual, whether adopted before or after the Grant Date, and any applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Eligible Individual’s agreement that the Company may take any actions that may be necessary to effectuate any such policy or applicable law, without further consideration or action.

### **4. Termination of Employment**

(a) In the event a Termination of Employment of the Eligible Individual occurs during the RSU Restriction Period for any reason (whether or not in breach of local labor laws), except as otherwise provided in the Plan or any written employment agreement between the Company and the Eligible Individual (an “Employment Arrangement”), the Eligible Individual’s right to receive the RSUs under the Plan, if any, will terminate effective as of the date of the Termination of Employment and will not be extended by any notice period mandated under local law (*e.g.*, active employment would not include a period of “garden leave” or similar period pursuant to local law); furthermore, in the event of a Termination of Employment (whether or not in breach of local labor laws), the Eligible Individual’s right to receive the RSUs after such Termination of Employment, if any, will be measured to the date of the Termination of Employment and will not be extended by any notice period mandated under local law, unless otherwise provided in the Plan or an Employment Arrangement. The Eligible Individual shall not be entitled by way of compensation for loss of office or otherwise howsoever to any sum or other benefit to compensate the Eligible Individual for the loss of any rights under this Agreement or the Plan.

(b) Notwithstanding the provisions of Section 1 above, in the event the Eligible Individual incurs a Termination of Employment by the Company for Cause, or the Eligible Individual voluntarily incurs a Termination of Employment within two years after any event or circumstance that would have been grounds for a Termination of Employment for Cause, the Eligible Individual’s RSUs (whether or not vested) shall be forfeited and cancelled in their entirety upon such Termination of Employment without any consideration being paid therefor and otherwise without any further action of the Company whatsoever. In such event, the Company may cause the Eligible Individual, immediately upon notice from the Company, to either (i) return the Shares issued upon settlement of RSUs that vested during the two-year period after the events or circumstances giving rise to or constituting grounds for such Termination of Employment for Cause or (ii) pay to the Company an amount equal to the aggregate amount, if any, that the Eligible Individual had previously realized in respect of any and all Shares issued upon settlement of RSUs that vested during the two-year period after the events or circumstances giving rise to or constituting grounds for such Termination of Employment for Cause (*i.e.*, the value of the RSUs



upon vesting), in each case including any dividend equivalents or other distributions received in respect of any such RSUs.

(c) Notwithstanding anything herein to the contrary, the Eligible Individual and Company acknowledge and agree that in the event of any conflict or inconsistency between the terms of any employment arrangement and the Plan, whichever term is more beneficial to the Eligible Individual between the Plan and the employment arrangement shall prevail. In no event shall Eligible Individual be entitled to the same type of benefits under both the Plan and any employment arrangement for the same event or qualifying termination.

(d) For purpose of this Agreement, employment with the Company shall include employment with the Company's Subsidiaries or Affiliates. The Committee shall have the exclusive discretion to determine whether there has been any interruption or Termination of Employment, whether there existed Cause or whether there occurred a Change in Control.

#### **5. Non-Transferability of the RSUs**

During the RSU Restriction Period and until the RSUs are settled as provided herein or on the website of the Plan Administrator, the RSUs shall not be transferable by the Eligible Individual by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise.

#### **6. Rights as a Stockholder**

Except as otherwise specifically provided in this Agreement, during the RSU Restriction Period, the Eligible Individual shall not be entitled to any rights of a stockholder with respect to the RSUs. Notwithstanding the foregoing, if the Company declares and pays ordinary cash dividends on the Common Stock during the RSU Restriction Period, the Eligible Individual will be credited with additional amounts for each RSU equal to the dividend that would have been paid with respect to such RSU if it had been an actual share of Common Stock, which amount shall remain subject to restrictions (and as determined by the Committee may be reinvested in RSUs or may be held in kind as restricted property) and shall vest concurrently with the vesting of the RSUs upon which such dividend equivalent amounts were paid. Notwithstanding the foregoing, dividends and distributions other than regular ordinary cash dividends, if any, may result in an adjustment pursuant to Section 7 below, rather than under this Section 6.

#### **7. Adjustment in the Event of Change in Stock; Change in Control**

(a) In the event of (i) a stock dividend, stock split, reverse stock split, share combination, or recapitalization or similar event affecting the capital structure of the Company (each, a "Share Change"), or (ii) a merger, consolidation, acquisition of property or shares, separation, spinoff, reorganization, stock rights offering, liquidation, Disaffiliation, payment of dividends other than an ordinary dividends or similar event affecting the Company or any of its Subsidiaries (each, a "Corporate Transaction"), the Committee or the Board may in its discretion make such substitutions or adjustments as it deems appropriate and equitable to the number of RSUs and the number and kind of shares of Common Stock underlying the RSUs.

(b) In the case of Corporate Transactions, such adjustments may include, without limitation (i) the cancellation of RSUs in exchange for payments of cash, property or a combination

thereof having an aggregate value equal to the value of such RSUs, as determined by the Committee or the Board in its sole discretion, (ii) the substitution of other property (including, without limitation, cash or other securities of the Company and securities of entities other than the Company) for the shares of Common Stock underlying the RSUs and (iii) in connection with any Disaffiliation, arranging for the assumption of the RSUs, or the replacement of the RSUs with new Awards based on other property or other securities (including, without limitation, other securities of the Company and securities of entities other than the Company), by the affected Subsidiary or Affiliate or by the entity that controls such Subsidiary or Affiliate following such Disaffiliation (as well as any corresponding adjustments to any RSUs that remain based upon securities of the Company).

(c) The determination of the Committee regarding any such adjustment will be final and conclusive and need not be the same for all Eligible Individuals.

## **8. Taxes, Fees and Withholding**

(a) The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of shares received by an Eligible Individual in connection with the RSUs, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

(b) Regardless of any action taken by the Company, its Affiliate or Subsidiary with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding (“Tax-Related Items”), the Eligible Individual acknowledges that the ultimate liability for all Tax-Related Items legally due by him or her is and remains the Eligible Individual’s responsibility and that the Company and/or its Affiliate or Subsidiary (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant and vesting of the RSUs, the receipt of cash or any dividends or dividend equivalents; and (ii) do not commit to structure the terms of the Award or any aspect of the RSUs to reduce or eliminate the Eligible Individual’s liability for Tax-Related Items.

(c) In the event that the Company, Subsidiary or Affiliate is required to withhold any Tax-Related Items as a result of the award, vesting or exercise of the RSUs, or the receipt of cash or any dividends or dividend equivalents, the Eligible Individual shall pay or make adequate arrangements satisfactory to the Company, Subsidiary or Affiliate to satisfy all withholding and payment on account of obligations of the Company, Subsidiary and/or Affiliate. The obligations of the Company under this Agreement shall be conditioned on compliance by the Eligible Individual with this Section 8. In this regard, the Eligible Individual authorizes the Company and/or its Subsidiary or Affiliate to withhold all applicable Tax-Related Items legally payable by the Eligible Individual from his or her wages or other cash compensation paid to the Eligible Individual by the Company and/or its Subsidiary or Affiliate. The Company may, in its sole discretion and pursuant to such provisions as it may specify from time to time, withhold in Shares the amount of Shares necessary to satisfy the minimum withholding amount or arrange for the sale of such number of Shares as is necessary to pay any Tax-Related Items. In connection herewith, the Eligible Individual (i) authorizes, empowers and directs the Company and the Plan Administrator (or such brokerage firm as is contracted to manage the Company’s employee equity award program, the “Broker”) to sell, at the market price and on the Exercise Date or as soon

thereafter as is practicable, the number of Shares sufficient to pay the Tax-Related Items, and (ii) agrees to indemnify and hold harmless the Broker and the Company from and against all losses, liabilities, damages, claims and expenses, including reasonable attorneys' fees and court costs, arising out of carrying out such actions. Finally, the Eligible Individual will pay to the Company any amount of Tax-Related Items that the Company may be required to withhold as a result of the Eligible Individual's participation in the Plan or the Eligible Individual's award that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares issuable upon the vesting of the award if the Eligible Individual fails to comply with his or her obligations in connection with the Tax-Related Items as described in this Section."

(d) In particular, the Eligible Individual understands and acknowledges that all income to which the Eligible Individual is entitled under this Agreement is pre-tax and the Company or its Subsidiaries or Affiliates has the right to withhold and pay on behalf of the Eligible Individual any individual income tax in connection with such income in accordance with applicable law. In the event the Company or its Subsidiaries or Affiliates is not required under applicable law to serve as the withholding agent to withhold and pay on behalf of the Eligible Individual such individual income tax, the Eligible Individual shall have sole responsibility to make such payment, in which case the Eligible Individual shall provide, as requested by the Company or its Subsidiaries or Affiliates from time to time, relevant tax receipts to certify full and prompt payment. The Eligible Individual agrees to indemnify the Company and/or its Subsidiaries or Affiliates for any liability which may arise as a result of his or her failure to pay any and all taxes associated with any income derived pursuant to the Awards.

## **9. Other Restrictions**

(a) The Awards shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the shares of Common Stock subject or related thereto upon any securities exchange or under any state or federal law, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the Award shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) The Eligible Individual acknowledges that the Eligible Individual is subject to the Company's policies regarding compliance with securities laws, including but not limited to its Insider Trading Policy (as in effect from time to time and any successor policies), and, pursuant to these policies, if the Eligible Individual is on the Company's insider list, the Eligible Individual shall be required to obtain pre-clearance from the Company's General Counsel prior to purchasing or selling any of the Company's securities, including any shares issued upon vesting of the RSUs, and may be prohibited from selling such shares other than during an open trading window. The Eligible Individual further acknowledges that, in its discretion, the Company may prohibit the Eligible Individual from selling such shares even during an open trading window if the Company has concerns over the potential for insider trading.

## **10. Nature of Award**

In accepting the Award, the Eligible Individual acknowledges that:

Non-U.S. Employee – Version February 2023

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;

(b) the Award is voluntary and occasional and does not create any contractual or other right to receive future Awards, or benefits in lieu of Awards, even if Awards have been made repeatedly in the past;

(c) all decisions with respect to future Awards, if any, will be at the sole discretion of the Company;

(d) the Eligible Individual's participation in the Plan will not create a right to further employment with the Company, its Affiliate or Subsidiary and shall not interfere with the ability of the Company to terminate the Eligible Individual's employment relationship at any time with or without Cause;

(e) the Eligible Individual is voluntarily participating in the Plan;

(f) the Award is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, Subsidiary or Affiliate, and such Award is outside the scope of the Eligible Individual's employment contract, if any;

(g) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service Awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, Subsidiary or Affiliate;

(h) in the event that the Eligible Individual is not an employee of the Company, Subsidiary or Affiliate, the Award will not be interpreted to form an employment contract or relationship with the Company; and

(i) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from termination of the Award or diminution in value of the Award resulting from Termination of the Eligible Individual's employment by the Company, Subsidiary or Affiliate (for any reason whatsoever and whether or not in breach of local labor laws) and the Eligible Individual irrevocably releases the Company, Subsidiary or Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Eligible Individual will be deemed irrevocably to have waived his or her entitlement to pursue such claim.

#### **11. No Advice Regarding Grant.**

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Eligible Individual's participation in the Plan, or his or her acquisition or sale of the underlying Shares. The Eligible Individual is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding the Eligible

Individual's participation in the Plan, receipt of the Award and/or disposition of the Award before taking any action related to the Plan or the Award.

## **12. Notices**

Any notices, communications or changes to this Agreement shall be communicated (either directly by the Company or indirectly through any of its Subsidiaries, Affiliates or the Plan Administrator) to the Eligible Individual electronically via email (or otherwise in writing).

## **13. Effect of Agreement; Severability**

Except as otherwise provided hereunder, this Agreement shall be binding upon and shall inure to the benefit of any successor or successors of the Company. The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

## **14. Laws Applicable to Construction; Consent to Jurisdiction**

(a) The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the RSUs are subject to the terms and conditions of the Plan, which are hereby incorporated by reference.

(b) Any and all disputes arising under, as a result of or out of this Agreement, including without limitation any issues involving the construction, enforcement or interpretation of any of the provisions of this Agreement, the Plan or the Plan Prospectus, shall be determined and resolved by the Committee or its authorized delegate. Such determination or resolution by the Committee or its authorized delegate will be final, binding and conclusive for all purposes.

## **15. Conflicts; Interpretation and Correction of Errors**

(a) In the event of any (i) conflict between the Grant Details, this Agreement, any information posted on the system of the Plan Administrator and/or the books and records of the Company, or (ii) ambiguity in the Grant Details, this Agreement, any information posted on the system of the Plan Administrator and/or the books and records of the Company, the Plan shall control.

(b) The Committee shall have the power to interpret the Plan, this Agreement, the Grant Details, any information posted on the system of the Plan Administrator and/or the books and records of the Company, and to adopt such rules for the administration, interpretation and application of the Plan and the Award as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any RSUs have vested). All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon the Eligible Individual, the Company and all other interested parties. The Committee shall not be personally responsible for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement. The Committee shall, in their absolute discretion, determine when any conditions have been fulfilled.

(c) In the event that, due to administrative error, this Agreement does not accurately reflect an Award properly granted to the Eligible Individual pursuant to the Plan, the Company, acting through the executive compensation and benefits team, reserves the right to cancel any erroneous document and, if appropriate, to replace the cancelled document with a corrected document.

## **16. Data Privacy**

(a) The Eligible Individual understands that the Company, Subsidiary, Affiliate and/or Plan Administrator may hold certain personal information about Eligible Individual, including, but not limited to, the Eligible Individual's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all options or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Eligible Individual's favor, for the purpose of implementing, administering and managing the Plan ("Data"). The Eligible Individual hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her Data as described in this document by and among, as applicable, the Company and its Subsidiaries or Affiliates for the exclusive purpose of implementing, administering and managing the Eligible Individual's participation in the Plan.

(b) The Eligible Individual understands that Data will be transferred to the Plan Administrator, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Eligible Individual understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country may have different data privacy laws and protections than the Eligible Individual's country. The Eligible Individual authorizes the Company, its Subsidiary or Affiliate, the Plan Administrator and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Eligible Individual's participation in the Plan.

(c) The Eligible Individual understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Eligible Individual's local human resources representative. The Eligible Individual understands, however, that refusing or withdrawing his or her consent may affect the Eligible Individual's ability to participate in the Plan. For more information on the consequences of the Eligible Individual's refusal to consent or withdrawal of consent, the Eligible Individual understands that he or she may contact his or her local human resources representative.

## **17. Amendment**

The Company may modify, amend or waive the terms of the Award, prospectively or retroactively, but no such modification, amendment or waiver shall impair the rights of the Eligible Individual without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any

provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

#### **18. Choice of Language**

The Eligible Individual has received this Agreement and any other related communications and consents to having received these documents solely in English. If, however, the Eligible Individual receives this or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version in any way, the English version will control.

#### **19. Electronic Delivery**

The Company may, in its sole discretion, decide to deliver any documents related to the Award and participation in the Plan or future Awards that may be awarded under the Plan by electronic means or to request the Eligible Individual's consent to participate in the Plan by electronic means. The Eligible Individual hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

By electronically accepting this Agreement and participating in the Plan, the Eligible Individual agrees to be bound by the terms and conditions of the Plan and this Agreement, including the Grant Details and Appendix. If Eligible Individual has not electronically accepted this Agreement on the Plan Administrator's website within six months of the Grant Date, then this Award shall automatically be deemed accepted and Eligible Individual shall be bound by the terms and conditions in the Plan, this Agreement, including the Grant Details and Appendix.

#### **20. Currency Exchange Risk**

The Eligible Individual agrees and acknowledges that that Eligible Individual shall bear any and all risks associated with the exchange or fluctuation of currency associated with the Award, including without limitation the settlement of the Award and/or sale of the Shares (the "Currency Risk"). Eligible Individual waives and releases the Company, its Subsidiaries and Affiliates and the Plan Administrator from any potential claims arising out of the Currency Risk. Eligible Individual acknowledges and agrees that Eligible Individual shall with any and all exchange control requirements applicable to the Award and the sale of the Shares and any resulting funds including, without limitation, reporting or repatriation requirements.

#### **21. Appendix**

Notwithstanding any provisions in this Agreement to the contrary, the RSUs shall be subject to any special terms and conditions set forth in the Appendix to the Agreement. Moreover, if Eligible Individual relocates to one of the countries included in the Appendix, the special terms and conditions for such country will apply to Eligible Individual to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Eligible

Individual's relocation). The Appendix constitutes a part of this Agreement and is incorporated by reference as fully as though set forth herein.

## **22. No Public Offer**

The grant of RSUs is not intended to be a public offering of securities in the Eligible Individual's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of RSUs is not subject to the supervision of the local securities authorities.

## **23. Imposition of Other Requirements**

The Company reserves the right to impose other requirements on the Eligible Individual's participation in the Plan, on the Award of RSUs and on any shares of Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable to comply with local law or facilitate the administration of the Plan, and to require the Eligible Individual to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.



**APPENDIX  
ADDITIONAL TERMS AND CONDITIONS OF THE TRIPADVISOR, INC.  
RSU AGREEMENT  
(INTERNATIONAL)**

**Terms and Conditions**

This Appendix includes special terms and conditions applicable to Eligible Individuals residing in one of the countries listed below. These terms and conditions are in addition to or, if so indicated, in place of, the terms and conditions set forth in the Agreement. Unless otherwise provided below, capitalized terms used but not defined herein shall have the meaning assigned to them in the Plan and/or the Agreement.

**Notifications**

This Appendix also includes country-specific information of which Eligible Individual should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of March 2022. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Eligible Individual does not rely on the information noted herein as the only source of information relating to the consequences of Eligible Individual's participation in the Plan because the information may be out of date at the time that Eligible Individual vests in Share Awards or sells Shares acquired under the Plan.

In addition, the information is general in nature and may not apply to Eligible Individual's particular situation, and the Company is not in a position to assure Eligible Individual of any particular result. Accordingly, Eligible Individual is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to his or her situation. Finally, please note that if Eligible Individual is a citizen or resident of a country other than the country in which he or she is currently working, or transfers employment after grant, the information contained in this Appendix may not be applicable to Eligible Individual.

**European Union ("EU")/ European Economic Area ("EEA") Data Privacy**

The following replaces Section 16 of the Agreement:

In order to offer participation in the Plan, it is necessary for the Company to collect and process certain information about Eligible Individual. Further detail about this is set out below.

Eligible Individual's participation in the Plan is voluntary. Eligible Individual may withdraw from the Plan at any time. Withdrawal from the Plan will not affect Eligible Individual's salary as an employee or his or her employment; Eligible Individual would merely forfeit the opportunities and benefits associated with the Plan.

If Eligible Individual withdraws from the Plan, the Company will cease to use Eligible Individual's information for the purpose of the Plan (subject to the data retention requirements set out below).

Non-U.S. Employee – Version February 2023

**Data Collection and Usage.** The Company collects personal information about Eligible Individual for purposes of administration of the Plan, including: name, home address, telephone number and email address, date of birth, social insurance number, passport or other identification number, salary, citizenship, nationality, job title, any equity, shares of stock or directorships held in the Company and its Affiliates, details of all RSUs or any other entitlement to equity granted, canceled, vested, unvested or outstanding in Eligible Individual's favor, which the Company receives from Eligible Individual or the Employer ("Eligible Individual Data").

The Company will process and use Eligible Individual Data for the purposes of allocating stock and implementing, administering and managing the Plan. The Company's legal basis for the processing of Eligible Individual's Data is based on contractual necessity for the performance of the Plan.

**Stock Plan Administration Service Providers.** The Company currently uses Fidelity and its affiliated companies ("Fidelity") as its service provider for the Plan. The Company shares your Eligible Individual Data with Fidelity for the purposes of implementing, administering and managing the Plan. Fidelity is based in the United States. In the future, the Company may select a different service provider and share Eligible Individual Data with another company that serves in a similar manner. The Company's service provider(s) will open an account for Eligible Individual to receive and trade stock. Eligible Individual may be asked to agree to separate terms and data processing practices with the service provider(s), which is a condition to his or her participation in the Plan.

**International Data Transfers.** The Company and its service provider(s), including Fidelity, are based in the United States, which means that it will be necessary for Eligible Individual Data to be transferred to, and processed in, the US. Eligible Individual should note that his or her country may have enacted data privacy laws that are different from the United States and which may offer different levels of protection. The legal basis for the transfer of Eligible Individual Data is based on contractual necessity for the performance of the Plan.

**Data Retention.** The Company will use Eligible Individual Data only as long as is necessary to implement, administer and manage his or her participation in the Plan or as may be required by the Company in order to comply with legal or regulatory obligations, including under tax and securities laws (which will generally be no more than 7 years after the Eligible Individual ceases participating in the Plan).

**Data Subject Rights.** Eligible Individual has a number of rights under data privacy laws in his or her country. Depending on where Eligible Individual is based, his or her rights may include: (a) the right of access to the Eligible Individual's personal data held by the Company, (b) the right of rectification of incorrect data, (c) the right to erasure of data, (d) the right to restriction of processing, and (e) the right to data portability.

If you have any questions about any aspect of the Plan or these terms, please contact [privacy@tripadvisor.com](mailto:privacy@tripadvisor.com).

## **Argentina**

**Exchange Control Notice.** Argentine currency exchange restrictions and reporting requirements may apply to the RSUs and any Shares acquired under the Plan; the relevant laws

Non-U.S. Employee – Version February 2023

and regulations are subject to frequent change. Eligible Individual should consult his or her personal legal advisor to ensure compliance with the applicable requirements.

**Foreign Asset/Account Reporting Notice.** If Eligible Individual holds Shares as of December 31 of any year, he or she is required to report the holding of the Shares on his or her personal tax return for the relevant year.

### **Australia**

Notwithstanding any other provision of this Agreement, (a) the RSUs may not be settled in cash; and (b) the vesting of RSUs may be accelerated by the Plan Administrator only upon the death or total permanent disablement of Eligible Individual, and to the extent permitted by applicable law.

An Eligible Individual will cease to be an Eligible Individual for the purposes of the Plan and this Agreement if he or she is no longer an “Eligible Individual” as defined in the Plan, or Eligible Individual is no longer employed by any of the following: (a) Eligible Individual’s employer in the employment in respect of which Eligible Individual acquired the RSUs; (b) a holding company (within the meaning of the *Corporations Act 2001* (Cth)) of Eligible Individual’s employer in the employment in respect of which Eligible Individual acquired the RSUs; (c) a subsidiary (within the meaning of the *Income Tax Assessment Act 1997* (Cth)) of Eligible Individual’s employer in the employment in respect of which Eligible Individual acquired the RSUs; or (d) a subsidiary (within the meaning of the *Income Tax Assessment Act 1997* (Cth)) of a holding company (within the meaning of the *Corporations Act 2001* (Cth)) of Eligible Individual’s employer in the employment in respect of which Eligible Individual acquired the RSUs.

### **Austria**

There are no country-specific provisions.

### **Belgium**

The Eligible Individual is required to report any securities (*e.g.*, Shares) or bank accounts opened and maintained outside Belgium on his or her annual tax return.

### **Canada**

**Settlement of RSUs.** Notwithstanding any discretion or anything to the contrary in the Plan, the grant of the RSUs does not provide any right for Eligible Individual to receive a cash payment and the Awards will be settled in Shares only.

**Taxes, Fees and Withholding.** This provision supplements Section 7 of the Agreement. Any share withholding by the Company is subject to the consent of the Eligible Individual at the time of vesting.

**Authorization to Release and Transfer Necessary Personal Information.** This provision supplements Section 16 of the Agreement:

Non-U.S. Employee – Version February 2023

Eligible Individual hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. Eligible Individual further authorizes the Company and its Affiliates and the Committee, which administers the Plan, to disclose and discuss the Plan with their advisors. Eligible Individual further authorizes the Company and any Affiliate to record such information and to keep such information in Eligible Individual's employee file.

### **Croatia**

This offer is being made to Eligible Individuals as part of an employee incentive program in order to provide an additional incentive and to encourage employee share ownership and to increase your interest in the success of the Company. The shares which are the subject of these rights are existing shares of Common Stock of the Company. More information in relation to the Company including the share price can be found at the following web address: <http://ir.tripadvisor.com/investor-relations>.

The obligation to publish a prospectus does not apply because of Article 1(4)(i) of the EU Prospectus Regulation. The total maximum number of Shares which are the subject of this offer is less than one million.

### **Denmark**

**Employer Statement:** Eligible Individual acknowledges that he or she has received the Employer Statement below which sets forth additional terms of the RSUs as required by the Danish Stock Option Act, to the extent that the Danish Stock Option Act applies to the RSUs.

**Foreign Asset / Account Reporting Notice:** Danish residents must submit certain forms to the Danish tax authorities: Erklæring V must be completed in connection with the deposit of any securities (including Shares acquired under the Plan) into a bank or brokerage account outside of Denmark and Erklæring K must be completed to report the existence of any account outside of Denmark in which Shares or cash will be held. These forms are available at the website of the Danish Tax Authorities.

#### **SPECIAL NOTICE FOR EMPLOYEES IN DENMARK EMPLOYER STATEMENT**

Pursuant to Section 3(1) of the Act on Stock Options in employment relations (the "Stock Option Act"), you are entitled to receive the following information regarding the restricted stock units granted to you by TripAdvisor, Inc. (the "Company") under the TripAdvisor, Inc. 2018 Stock and Annual Incentive Plan (the "Plan") in a written statement.

This statement contains information applicable to your participation in the Plan, as required under the Stock Option Act, while the other terms and conditions of your restricted stock units ("RSUs") are described in detail in the Plan and the Restricted Stock Unit Agreement (the "Agreement"), both of which have been made available to you. Capitalized terms used but not defined herein shall have the same meanings given to them in the Plan or the Agreement, as applicable.

Section 1 of the Stock Option Act provides that the Stock Option Act only applies to employees. Employees are defined in section 2 of the Stock Option Act as persons who receive remuneration for their personal services in an employment relationship. Persons, including managers, who are not regarded as employees under the Stock Option Act, will not be subject to the Stock Option Act. If you are not an employee within the meaning of the Stock Option Act, the Company therefore has no obligation to issue an employer information statement to you and you will not be able to rely on this statement for legal purposes, since only the terms and conditions set out in the Plan apply.

1. Date of grant

The date of grant of your RSUs is the date that the Board or Committee that approved a grant for you determined it would be effective, which is set forth in the Notice.

2. Terms or conditions for RSU grant

The grant of RSUs under the Plan is made at the sole discretion of the Company. Employees, Non-Employee Directors and Consultants of the Company and its Affiliates, are eligible to receive grants under the Plan. The Board has broad discretion to determine who will receive RSUs and to set the terms and conditions of the RSUs. The Company may decide, in its sole discretion, not to make any grants of RSUs to you in the future. Under the terms of the Plan and the Agreement, you have no entitlement or claim to receive future grants of RSUs.

3. Vesting date or period

The RSUs will vest over a period of time (as set forth in the Agreement), subject to your continued employment through the applicable vesting date and other conditions set forth in the Plan and Agreement, and subject to Section 5 of this statement.

4. Exercise Price

No exercise price is payable upon the conversion of your RSUs into Shares in accordance with the vesting and settlement schedule described in the Agreement.

5. Your rights upon termination of employment

The treatment of your RSUs upon termination of employment will be determined pursuant to the terms contained in the Plan and the Agreement, notwithstanding that the terms provided for in Sections 4 and 5 of the Stock Option Act which may be more favorable. You agree to forfeit any different treatment provided for under Sections 4 and 5 of the Stock Option Act.

6. Financial aspects of participating in the Plan

The grant of RSUs has no immediate financial consequences for you. The value of the RSUs is not taken into account when calculating holiday allowances, pension contributions or other statutory consideration calculated on the basis of salary. Shares of stock are financial instruments and investing in stock will always have financial risk. The future value of Company shares is unknown and cannot be predicted with certainty.

**European Union Countries**

**Securities Law Notice.** This offer is being made to Eligible Individuals as part of an employee incentive program in order to provide an additional incentive and to encourage employee share ownership and to increase employee's interest in the success of the Company. The shares which are the subject of these rights are new or existing shares of Common Stock of the Company. More information in relation to the Company, including the share price can be found at the following web address: <http://ir.tripadvisor.com/investor-relations>. The obligation to publish a prospectus does not apply under Article 1(4)(i) of the EU Prospectus Regulation. The total maximum number of Shares which are the subject of this offer is less than one million.

### **Germany**

**Exchange Control Information.** Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank (*Bundesbank*). In case of payments in connection with the sale of Shares acquired under the Plan or the receipt of any cash dividends, the report must be filed electronically by the 5th day of the month following the month in which the payment was received. The form of report ("*Allgemeine Meldeportal Statistik*") can be accessed via the Bundesbank's website ([www.bundesbank.de](http://www.bundesbank.de)) and is available in both German and English.

### **Hong Kong**

**Securities Law Notice.** The Award and Shares issued upon vesting (if any) do not constitute a public offering of securities under Hong Kong law and are available only to Eligible Individuals of the Company, its Affiliates and Subsidiaries. The Agreement, including this Appendix, the Plan and other incidental communication materials have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong. Nor have the documents been reviewed by any regulatory authority in Hong Kong. The Award is intended only for the personal use of each Eligible Individual of the Company, its Affiliates or its Subsidiaries and may not be distributed to any other person. If Eligible Individual is in any doubt about any of the contents of the Agreement, including this Appendix, or the Plan, Eligible Individual should obtain independent professional advice.

**Vesting of Stock Awards and Sale of Shares.** In the event the Eligible Individual's Awards vest and Shares are issued to the Eligible Individual within six months of the date of grant, the Eligible Individual agrees that he or she will not dispose of any of such Shares prior to the six-month anniversary of the date of grant.

**Nature of the Plan.** The Company specifically intends that the Plan will not be treated as an occupational retirement scheme for purposes of the Occupational Retirement Scheme Ordinance ("ORSO"). To the extent that any court, tribunal or legal/regulatory body in Hong Kong determines that the Plan constitutes an occupational retirement scheme for the purpose of ORSO, the grant of RSUs shall be null and void.

### **Iceland**

**Securities Law Notice.** This offer is being made to Eligible Individuals as part of an employee incentive program in order to provide an additional incentive and to encourage employee

share ownership and to increase employee's interest in the success of the Company. The shares which are the subject of these rights are new or existing shares of Common Stock of the Company. More information in relation to the Company, including the share price can be found at the following web address: <http://ir.tripadvisor.com/investor-relations>. The obligation to publish a prospectus does not apply under Article 1(4)(i) of the EU Prospectus Regulation. The total maximum number of Shares which are the subject of this offer is less than one million.

## **Ireland**

**Director Notification Obligation.** Directors, shadow directors and secretaries of the Company's Irish Affiliates are subject to certain notification requirements under the Irish Companies Act. Directors, shadow directors and secretaries must notify the Irish Affiliates in writing of their interest in the Company (*e.g.*, RSUs, Shares, etc.) and the number and class of shares or rights to which the interest relates within five days of the acquisition or disposal of shares or within five days of becoming aware of the event giving rise to the notification. This disclosure requirement also applies to any rights or shares acquired by the director's spouse or children (under the age of 18).

## **Italy**

**Grant Terms Acknowledgment.** By accepting the RSUs, the Eligible Individual acknowledges that the Eligible Individual has received a copy of the Plan and the Award Agreement, including this Appendix, in their entirety and fully understands and accepts all the provisions of the Plan and the Award Agreement. The Eligible Individual further acknowledges having read and specifically approves the following sections of the Award Agreement: Vesting, Issuance of Stock, Termination of Employment, Tax Withholding, Nature of Grant, Governing Law and Venue and Imposition of Other Requirements, and the Data Privacy section in this Appendix.

**Foreign Asset/Account Reporting Information.** If the Eligible Individual holds investments abroad or foreign financial assets (*e.g.*, cash, Shares, RSUs) that may generate income taxable in Italy, The Eligible Individual is required to report them on his or her annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due, irrespective of their value. The same reporting duties apply to the Eligible Individual if the Eligible Individual is a beneficial owner of the investments, even if the Eligible Individual does not directly hold investments abroad or foreign assets.

**Foreign Asset Tax.** The value of the financial assets held outside of Italy by individuals resident of Italy is subject to a foreign asset tax. The taxable amount will be the fair market value of the financial assets (*e.g.*, Shares) assessed at the end of the calendar year.

## **Japan**

**Foreign Asset/Account Reporting Information.** The Eligible Individual will be required to report details of any assets held outside of Japan as of December 31 (including Shares acquired under the Plan), to the extent such assets have a total net fair market value exceeding ¥50 million.

Such report will be due by March 15 each year. The Eligible Individual should consult with his or her personal tax advisor as to whether the reporting obligation applies to the Eligible Individual and whether the Eligible Individual will be required to report details of his or her outstanding RSUs, as well as Shares, in the report.

### **Netherlands**

There are no country-specific provisions.

### **Portugal**

**Language Consent.** The Eligible Individual hereby express declares that he or she has full knowledge of the English language and has read, understood and fully accepted and agreed with the terms and conditions established in the Plan and the Agreement.

**Consentimento linguístico.** *Pela presente, O indivíduo elegível por este meio expressa declara que ele ou ela tem pleno conhecimento da língua inglesa e tem lido, compreendido e plenamente aceito e acordado com os termos e condições estabelecidos no plano e no acordo.*

**Exchange Control Notification.** If the Eligible Individual holds Shares issued upon settlement of the RSUs, the acquisition of Shares would be reported to the Banco de Portugal for statistical purposes. If the Shares are deposited with a commercial bank or financial intermediary in Portugal, such bank or financial intermediary will submit the report on Eligible Individual's behalf. If the Shares are not deposited with a commercial bank or financial intermediary in Portugal, the Eligible Individual is responsible for submitting the report to the Banco de Portugal.

### **Republic of Korea**

**Securities Law Notice.** If an Eligible Individual is employed in the Republic of Korea then, notwithstanding anything set forth in the Plan documents, your RSUs are granted by the Company, not your employer.

**Foreign Asset/Account Reporting Notice.** Eligible Individual must declare all of his or her foreign held assets (i.e., non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authorities and file a report (Form 45) with respect to such accounts annually by 30 June of the immediately following year, if the value of such accounts exceeds KRW 0.5 billion (or an equivalent amount in foreign currency) on any month-end date during the year.

### **Romania**

**Foreign Asset/Account Reporting Notice.** Eligible Individual who is a Romanian resident that acquires 10% or more of the registered capital of a non-resident company, is subject to reporting by the resident to the National Bank of Romania (NBR) within 30 days from the date the participation level was reached.

Non-U.S. Employee – Version February 2023



## Singapore

**Securities Law Notice.** The grant of this Award is made in reliance on section 273(1)(f) of the Securities and Futures Act (Cap. 289) (“SFA”) for which it is exempt from the prospectus and registration requirements under the SFA.

**Director Notification Obligation.** If Eligible Individual is a director, associate director or shadow director (i.e., a non-director who has sufficient control so that the directors act in accordance with the directions and instructions of this individual) of the Company’s local entity in Singapore, he or she is subject to notification requirements under the Singapore Companies Act. Some of these notification requirements will be triggered by Eligible Individual’s participation in the Plan. Specifically, Eligible Individual is required to notify the local Singapore company when he or she acquires or disposes an interest in the Company, including when Eligible Individual receives Shares upon vesting of this Award and when Eligible Individual sells these Shares. The notification must be in writing and must be made within two days of acquiring or disposing of any interest in the Company (or within two days of initially becoming a director, associate director or shadow director of the Company’s local entity in Singapore). If Eligible Individual is unclear as to whether he or she is a director, associate director or shadow director of the Company’s local entity in Singapore or the form of the notification, he or she should consult with his or her personal legal advisor.

**Resale restriction wording.** The Eligible Individual acknowledges that this Award Agreement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Award Agreement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Shares under the Plan may not be circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, an exemption under any provision (other than Section 280) of Subdivision (4) of Division 1 of Part XIII of the Securities and Futures Act, Chapter 289 of Singapore.

Awards under the Plan are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and Excluded Investment Products (as defined in MAS Notices SFA 04-N12 and FAA-N16).

## Spain

**Nature of Grant.** This provision supplements the “Nature of Award” section of the Award Agreement:

In accepting the RSUs, the Eligible Individual consents to participation in the Plan and acknowledges that he or she has received a copy of the Plan.

Further, the Eligible Individual understands that the Company has unilaterally, gratuitously and in its sole discretion decided to grant RSUs under the Plan to individuals who may be employees of the Company or its Affiliates throughout the world. The decision is a limited decision

that is entered into upon the express assumption and condition that any Award will not economically or otherwise bind the Company or any of its Affiliates on an ongoing basis. Consequently, the Eligible Individual understands that the Award is granted on the assumption and condition that the RSUs or the Shares acquired upon settlement shall not become a part of any employment contract (either with the Company or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Eligible Individual understands that this Award would not be made to the Eligible Individual but for the assumptions and conditions referred to above; thus, the Eligible Individual acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any Award shall be null and void.

The Eligible Individual also understands and agrees that, as a condition of the grant and vesting of the RSUs, the termination of the Eligible Individual's employment for any reason (including the reasons listed below), the RSUs will cease vesting immediately, effective on the date of the Eligible Individual's termination of employment. This will be the case, for example, even in the event of a termination of the Eligible Individual's employment by reason of, but not limited to, resignation, retirement, disciplinary dismissal adjudged to be with cause, disciplinary dismissal adjudged or recognized to be without cause, individual or collective dismissal on objective grounds, whether adjudged or recognized to be with or without cause, material modification of the terms of employment under Article 41 of the Workers' Statute, relocation under Article 40 of the Workers' Statute, Article 50 of the Workers' Statute, unilateral withdrawal by the Employer and under Article 10.3 of the Royal Decree 1382/1985. The Eligible Individual acknowledges that he or she has read and specifically accepts the conditions referred to in the "Termination of Employment" and "Nature of Award" sections of the Award Agreement. "Cause" shall be as defined in the Agreement, regardless of whether the termination is considered a fair termination (i.e. *despido procedente*) under Spanish legislation.

**Securities Law Information.** The grant of the RSUs and the Shares issued pursuant to the vesting of the RSUs are considered a private placement outside of the scope of Spanish laws on public offerings and issuances of securities.

**Exchange Control Information.** To participate in the Plan, the Eligible Individual must comply with exchange control regulations in Spain. The acquisition of Shares upon vesting of the RSUs and the sale of Shares must be declared on Form D-6, for statistical purposes, to the *Dirección General de Comercio e Inversiones* (the "DGCI") of the Ministry of Industry, Tourism and Commerce. Generally, the D-6 form must be filed by each 31 January while the shares are owned or to report the sale of Shares.

Whenever receiving foreign currency payments derived from the ownership of Stock (i.e., cash dividends or sale proceeds) exceeding €50,000, the Eligible Individual must inform the financial institution receiving the payment of the basis upon which such payment is made. The Eligible Individual will need to provide the institution with the following information: (i) the Eligible Individual's name, address, and fiscal identification number; (ii) the name and corporate domicile of the Company; (iii) the amount of the payment; (iv) the currency used; (v) the country of origin; (vi) the reasons for the payment; and (vii) any further information that may be required.

**Foreign Asset/Account Reporting Information.** To the extent that the Eligible Individual holds rights or assets (*e.g.*, Shares or cash held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset (*e.g.*, Shares, cash, etc.) as of December 31 each year, the Eligible Individual will be required to report information on such rights and assets on his or her tax return for such year. After such rights and assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000. The reporting must be completed by March 31 following the end of the relevant year. It is the Eligible Individual's responsibility to comply with these reporting obligations, and the Eligible Individual should consult with his or her personal tax and legal advisors in this regard.

In addition, the Eligible Individual is required to electronically declare to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the securities (including Shares acquired under the Plan) held in such accounts if the value of the transactions for all such accounts during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceeds €1,000,000.

### **Sweden**

There are no country-specific provisions.

### **Switzerland**

**Securities Law Information.** The Award is considered a private offering in Switzerland and is therefore not subject to registration. Neither this document nor any other materials relating to the RSUs (a) constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, (b) may be publicly distributed or otherwise made publicly available in Switzerland, or (c) has been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Market Supervisory Authority (FINMA)).

### **United Arab Emirates**

**Securities Law Notice.** The Plan is only being offered to qualified employees and is in the nature of providing equity incentives to employees of the Company's Subsidiary in the United Arab Emirates. The Plan and the Agreement are intended for distribution only to such employees and must not be delivered to, or relied on by, any other person. Eligible Individual should conduct his or her own due diligence on the RSUs offered pursuant to this Agreement. If Eligible Individual does not understand the contents of the Plan and/or the Agreement, he or she should consult an authorized financial adviser. The Emirates Securities and Commodities Authority and the Dubai Financial Services Authority have no responsibility for reviewing or verifying any documents in connection with the Plan. Further, the Ministry of the Economy and the Dubai Department of Economic Development have not approved the Plan or the Agreement nor taken steps to verify the information set out therein, and have no responsibility for such documents.

This offer is being made to Eligible Individuals as part of an employee incentive program in order to provide an additional incentive and to encourage employee share ownership and to

increase employee's interest in the success of the Company. The shares which are the subject of these rights are existing shares of Common Stock of the Company. More information in relation to the Company including the share price can be found at the following web address: <http://ir.tripadvisor.com/investor-relations>.

## **United Kingdom**

**Securities Laws Notice.** This offer is being made to Eligible Individuals as part of an employee incentive program in order to provide an additional incentive and to encourage employee share ownership and to increase employee's interest in the success of the Company. The shares which are the subject of these rights are existing shares of Common Stock of the Company. More information in relation to the Company including the share price can be found at the following web address: <http://ir.tripadvisor.com/investor-relations>.

The obligation to publish a prospectus does not apply because of Section 86(1)(aa) of the Financial Services and Markets Act 2000 (as amended, supplemented or substituted by any UK legislation enacted in connection with the UK's exit from the European Union). The total maximum number of Shares which are the subject of this offer is less than one million.

**Settlement of Stock Awards.** Notwithstanding any discretion or anything to the contrary in the Plan, the grant of the Award does not provide any right for Eligible Individual to receive a cash payment and the Awards will be settled in Shares only.

**Tax and National Insurance Contributions Acknowledgment.** The following provision supplements Section 8 of the Agreement:

Eligible Individual agrees that if Eligible Individual does not pay or the Employer or the Company does not withhold from Eligible Individual the full amount of Tax-Related Items that Eligible Individual owes in connection with the vesting of the Stock Award and/or the acquisition of Shares pursuant to the vesting of the Stock Award, or the release or assignment of the Stock Award for consideration, or the receipt of any other benefit in connection with the Award (the "*Taxable Event*") within ninety (90) days after the Taxable Event, or such other period specified in Section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003, then the amount that should have been withheld shall constitute a loan owed by Eligible Individual to the Employer, effective ninety (90) days after the Taxable Event. Eligible Individual agrees that the loan will bear interest at the official rate of HM Revenue and Customs ("*HMRC*") and will be immediately due and repayable by Eligible Individual, and the Company and/or the Employer may recover it at any time thereafter by withholding the funds from salary, bonus or any other funds due to Eligible Individual by the Employer, by withholding in Shares issued upon vesting of the Award or from the cash proceeds from the sale of such Shares or by demanding cash or a cheque from Eligible Individual. Eligible Individual also authorizes the Company to withhold the transfer of any Shares unless and until the loan is repaid in full.

Notwithstanding the foregoing, if Eligible Individual is an officer or executive director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of the immediately foregoing provision will not apply. In the event that Eligible Individual is an officer or executive director and Tax-Related Items are not collected from or paid by Eligible Individual within ninety (90) days of the Taxable Event, the amount of any uncollected

Non-U.S. Employee – Version February 2023

Tax-Related Items may constitute a benefit to Eligible Individual on which additional income tax and National Insurance contributions may be payable. Eligible Individual will be responsible for reporting any income tax and National Insurance contributions due on this additional benefit directly to HMRC under the self-assessment regime.

Non-U.S. Employee – Version February 2023

**TRIPADVISOR, INC. RESTRICTED STOCK UNIT AGREEMENT**  
**(French)**

THIS RESTRICTED STOCK UNIT AGREEMENT (this “Agreement”), dated as of the Grant Date (as defined herein), between TripAdvisor, Inc., a U.S. Delaware corporation (the “Company”), and the employee, director or consultant of the Company or one of its Subsidiaries or Affiliates designated on the Grant Details (as defined below) (the “Eligible Individual”), describes the terms of an award of restricted stock units qualified for favorable income tax and social security treatment in France as set out in Article 135 of the Macron Law (“Qualified RSUs”) to the Eligible Individual by the Company (the “Award”).

All capitalized terms used herein, to the extent not defined, shall have the meanings set forth in the 2018 Stock and Annual Incentive Plan or any subsequent plan adopted by the Company (in either case, the “Plan”) or the French Schedule attached hereto.

**1. Award and Vesting of Qualified RSUs**

(d) Subject to the terms and conditions of this Agreement, the Plan and the Grant Details, the Company hereby grants Qualified RSUs to the Eligible Individual. Reference is made to the “Grant Details” that can be found on the equity plan website of the current professional selected by the Company to administer the Plan (the “Plan Administrator”), currently located at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) (or any successor equity administration system selected by the Company to manage the Plan from time to time). The Grant Details, which set forth the number of Qualified RSUs granted to the Eligible Individual by the Company, the Grant Date and the vesting schedule of the Qualified RSUs (among other information), are hereby incorporated by reference into, and shall be read as part and parcel of, this Agreement.

(e) Subject to the terms and conditions of this Agreement, the Grant Details and the Plan, the Qualified RSUs shall vest and no longer subject to any restriction (such period during which restrictions apply referred to as the “RSU Restriction Period”) on the dates detailed in the Grant Details.

**2. Settlement of Qualified RSUs**

As soon as practicable after any Qualified RSUs have vested and are no longer subject to any restrictions (but in no event later than thirty (30) days thereafter), the Company may, in its sole discretion settle the Qualified RSUs in cash or Shares by arranging for the transfer or issue to, or to the order of, the Eligible Individual, of the number of Shares in respect of which the Qualified RSUs have Vested. The Shares issued or transferred shall be recorded in the name of the Eligible Individual in an account controlled by the Company or Broker, or in such other manner as the Company or the empowered corporate body may otherwise determine, to ensure compliance with applicable restrictions provided under French law. Notwithstanding the foregoing, the Company shall be entitled to hold the Shares issuable upon settlement of Qualified RSUs that have vested

until the Company or Plan Administrator has received from the Eligible Individual a duly executed Form W-9 or Form W-8, as applicable, as well as such other documents as may be legally required.

### **3. Recoupment or “Clawback” Policy**

All awards received and any shares or other amount or property that may be issued, delivered, or paid in respect of the Award, as well as any consideration that may be received in respect of a sale or other disposition of any such shares or property, will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with any Company clawback or similar policy or any applicable law related to such actions. An Eligible Individual’s acceptance of an Award will constitute the Eligible Individual’s acknowledgment of and consent to the Company’s application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Eligible Individual, whether adopted before or after the Grant Date, and any applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Eligible Individual’s agreement that the Company may take any actions that may be necessary to effectuate any such policy or applicable law, without further consideration or action.

### **4. Termination of Employment**

(d) In the event a Termination of Employment of the Eligible Individual occurs during the RSU Restriction Period for any reason (whether or not in breach of local labor laws), except as otherwise provided in the Plan or any written employment agreement between the Company and the Eligible Individual (an “Employment Arrangement”), the Eligible Individual’s right to receive the RSUs under the Plan, if any, will terminate effective as of the date of the Termination of Employment and will not be extended by any notice period mandated under local law (*e.g.*, active employment would not include a period of “garden leave” or similar period pursuant to local law); furthermore, in the event of a Termination of Employment (whether or not in breach of local labor laws), the Eligible Individual’s right to receive the RSUs after such Termination of Employment, if any, will be measured to the date of the Termination of Employment and will not be extended by any notice period mandated under local law, unless otherwise provided in the Plan or an Employment Arrangement. The Eligible Individual shall not be entitled by way of compensation for loss of office or otherwise howsoever to any sum or other benefit to compensate the Eligible Individual for the loss of any rights under this Agreement or the Plan.

(e) Notwithstanding the provisions of Section 1 above, in the event the Eligible Individual incurs a Termination of Employment by the Company for Cause, or the Eligible Individual voluntarily incurs a Termination of Employment within two years after any event or circumstance that would have been grounds for a Termination of Employment for Cause, the Eligible Individual’s RSUs (whether or not vested) shall be forfeited and cancelled in their entirety upon such Termination of Employment without any consideration being paid therefor and otherwise without any further action of the Company whatsoever. In such event, the Company may cause the Eligible Individual, immediately upon notice from the Company, to either (i) return the Shares issued upon settlement of RSUs that vested during the two-year period after the events or circumstances giving rise to or constituting grounds for such Termination of Employment for Cause or (ii) pay to the Company an amount equal to the aggregate amount, if any, that the Eligible

Individual had previously realized in respect of any and all Shares issued upon settlement of RSUs that vested during the two-year period after the events or circumstances giving rise to or constituting grounds for such Termination of Employment for Cause (i.e., the value of the RSUs upon vesting), in each case including any dividend equivalents or other distributions received in respect of any such RSUs.

(f) Notwithstanding anything herein to the contrary, the Eligible Individual and Company acknowledge and agree that in the event of any conflict or inconsistency between the terms of any employment arrangement and the Plan, whichever term is more beneficial to the Eligible Individual between the Plan and the employment arrangement shall prevail. In no event shall Eligible Individual be entitled to the same type of benefits under both the Plan and any employment arrangement for the same event or qualifying termination.

(g) For purpose of this Agreement, employment with the Company shall include employment with the Company's Subsidiaries or Affiliates. The Committee shall have the exclusive discretion to determine whether there has been any interruption or Termination of Employment, whether there existed Cause or whether there occurred a Change in Control.

## 5. **French Qualified RSUs**

(d) The following additional terms and conditions are also applicable to Awards of Qualified RSUs granted pursuant to this Agreement and the French Schedule attached hereto.

(e) For purposes of this Agreement, Eligible Individuals are officers or employees of the Company or a company in which the Company owns directly or indirectly at least 10% of the equity or voting rights, who are located in France. Eligible Individuals are selected by their employer and approved by the Company or the empowered corporate body. No Qualified RSU Unit can be granted to an Eligible Individual who:

- (i) holds directly or indirectly, more than ten percent (10%) of the outstanding Shares of the Company; or
- (ii) would, as a result of a grant of a Qualified RSU, hold more than ten percent (10%) of the outstanding Shares of the Company.

Any Eligible Individual who, on the Grant Date of a Qualified RSU, and to the extent required under French law, is employed under the terms and conditions of an employment contract ("contrat de travail") by a French entity or who is a corporate officer of a French entity, shall be eligible to receive, at the discretion of the Company or the empowered corporate body, Qualified RSUs under the Plan as adjusted to meet the requirements of the French *Code de commerce*.

(f) Vesting will take place on the dates outlined in the Grant Details and will be subject to the Plan, the Agreement, this Appendix and the Eligible Individual's continuous employment. The awards will Vest over a four year period, Vesting 25% each year. Notwithstanding any other rule of the Plan, the Agreement or the Schedule:

- (i) where an Eligible Individual leaves employment for reason of death during the Vesting Period or any Holding Period, his or her personal



representatives may require, within six months from the date of death, Vesting of the deceased's Qualified RSUs (if not already Vested) and the transfer of the underlying Shares (the Shares will be transferred to the personal representatives of the Eligible Individual as soon as practicably possible following their request); and

- (ii) in the event of disability (as defined under the second or third category of Article L.341-4 of the French *Code de la sécurité sociale*), Vesting of the Eligible Individual's Qualified RSUs may be accelerated at the discretion of the empowered corporate body (and the underlying Shares shall then be transferred to the Eligible Individual as soon as practicably possible).

(g) In relation to the first 25% of the Award which Vests after one year, there will be a Holding Period, so that a minimum two-year period is observed between the Grant Date and the end of the compulsory Holding Period. The Holding Period shall therefore mean the period of at least one year following Vesting during which the Shares cannot be sold or transferred by Eligible Individuals. This Holding Period applies even if the Eligible Individual is no longer an employee or corporate officer of the Company. Shares transferred to Eligible Individuals holding the duties of chairman of the board, general manager, deputy general manager, member of the directory board, or manager (respectively président du conseil d'administration, directeur général, directeur général délégué, membre du directoire or gérant) of the Company or any Affiliate or Subsidiary shall not be sold or transferred before termination of the Eligible Individuals' executive duties. Alternatively, the Company or the empowered corporate body may decide that a fraction of the Shares transferred to Eligible Individuals holding the duties of chairman of the board, general manager, deputy general manager, member of the directory board, or manager (respectively président du conseil d'administration, directeur général, directeur général délégué, membre du directoire or gérant) of the Company Affiliate or Subsidiary will be in a registered form and will not be available for sale or transfer before termination of the Eligible Individuals' executive duties.

(h) The award price of a Qualified RSU cannot exceed 5% of the nominal value of the Share.

## **6. Non-Transferability of the Qualified RSUs**

During the RSU Restriction Period and until the Qualified RSUs are settled as provided herein or on the website of the Plan Administrator, the Qualified RSUs shall not be transferable by the Eligible Individual by means of sale, assignment, exchange, encumbrance, pledge, hedge or otherwise, except in the event of death or disability (as defined under the second or third category of Article L.341-4 of the French *Code de la sécurité sociale*).

Shares also cannot be sold or transferred during the Closed Period.

## **7. Rights as a Stockholder**

An Eligible Individual shall not be entitled to any dividends (or other distributions) and shall have no right to vote in respect of the Shares subject to Awards of Qualified RSUs under the French Schedule until the Shares have vested. After Vesting and during the Holding Period, the

Eligible Individual shall be entitled to the dividends, distributions or other rights attached to his Vested Shares as they arise.

#### **8. Adjustment in the Event of Change in Stock; Change in Control**

On the occurrence of one of the events specified under Article L.225-181 of the French *Code de commerce*, the Company or the empowered corporate body may make such adjustments as it considers appropriate to restore the value of the Qualified RSUs. An adjustment made under this rule shall only be permissible to the extent that it is intended to, and that its sole effect is to, restore the value of the Qualified RSUs and it is made in compliance with the rules set out in the French *Code de commerce*.

#### **9. Taxes, Fees and Withholding**

(d) The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of shares received by an Eligible Individual in connection with the Qualified RSUs, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

(e) Regardless of any action taken by the Company, its Affiliate or Subsidiary with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding (“Tax-Related Items”), the Eligible Individual acknowledges that the ultimate liability for all Tax-Related Items legally due by him or her is and remains the Eligible Individual’s responsibility and that the Company and/or its Affiliate or Subsidiary (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant and vesting of the Qualified RSUs, the receipt of cash or any dividends or dividend equivalents; and (ii) do not commit to structure the terms of the Award or any aspect of the Qualified RSUs to reduce or eliminate the Eligible Individual’s liability for Tax-Related Items.

(f) In the event that the Company, Subsidiary or Affiliate is required to withhold any Tax-Related Items as a result of the Award, vesting or exercise of the Qualified RSUs, or the receipt of cash or any dividends or dividend equivalents, the Eligible Individual shall pay or make adequate arrangements satisfactory to the Company, Subsidiary or Affiliate to satisfy all withholding and payment on account of obligations of the Company, Subsidiary and/or Affiliate. The obligations of the Company under this Agreement shall be conditioned on compliance by the Eligible Individual with this Section 9. In this regard, the Eligible Individual authorizes the Company and/or its Subsidiary or Affiliate to withhold all applicable Tax-Related Items legally payable by the Eligible Individual from his or her wages or other cash compensation paid to the Eligible Individual by the Company and/or its Subsidiary or Affiliate. The Company may, in its sole discretion and pursuant to such provisions as it may specify from time to time, withhold in Shares the amount of Shares necessary to satisfy the minimum withholding amount or arrange for the sale of such number of Shares as is necessary to pay any Tax-Related Items. In connection herewith, the Eligible Individual (i) authorizes, empowers and directs the Company and the Plan Administrator (or such brokerage firm as is contracted to manage the Company’s employee equity award program, the ‘Broker’) to sell, at the market price and on the Exercise Date or as soon thereafter as is practicable, the number of Shares sufficient to pay the Tax-Related Items, and (ii)

agrees to indemnify and hold harmless the Broker and the Company from and against all losses, liabilities, damages, claims and expenses, including reasonable attorneys' fees and court costs, arising out of carrying out such actions. Finally, the Eligible Individual will pay to the Company any amount of Tax-Related Items that the Company may be required to withhold as a result of the Eligible Individual's participation in the Plan or the Eligible Individual's Award that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares issuable upon the vesting of the Award if the Eligible Individual fails to comply with his or her obligations in connection with the Tax-Related Items as described in this Section.

(g) In particular, the Eligible Individual understands and acknowledges that all income to which the Eligible Individual is entitled under this Agreement is pre-tax and the Company or its Subsidiaries or Affiliates has the right to withhold and pay on behalf of the Eligible Individual any individual income tax in connection with such income in accordance with applicable law. In the event the Company or its Subsidiaries or Affiliates is not required under applicable law to serve as the withholding agent to withhold and pay on behalf of the Eligible Individual such individual income tax, the Eligible Individual shall have sole responsibility to make such payment, in which case the Eligible Individual shall provide, as requested by the Company or its Subsidiaries or Affiliates from time to time, relevant tax receipts to certify full and prompt payment. The Eligible Individual agrees to indemnify the Company and/or its Subsidiaries or Affiliates for any liability which may arise as a result of his or her failure to pay any and all taxes associated with any income derived pursuant to the Awards.

(e) The Eligible Individuals (or beneficiaries, if applicable) are responsible for reporting the receipt of any income under the Plan, however received, to the appropriate tax authorities.

## **10. Other Restrictions**

(a) The Awards shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration or qualification of the shares of Common Stock subject or related thereto upon any securities exchange or under any state or federal law, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the Award shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) The Eligible Individual acknowledges that the Eligible Individual is subject to the Company's policies regarding compliance with securities laws, including but not limited to its Insider Trading Policy (as in effect from time to time and any successor policies), and, pursuant to these policies, if the Eligible Individual is on the Company's insider list, the Eligible Individual shall be required to obtain pre-clearance from the Company's General Counsel prior to purchasing or selling any of the Company's securities, including any shares issued upon vesting of the Qualified RSUs, and may be prohibited from selling such shares other than during an open trading window. The Eligible Individual further acknowledges that, in its discretion, the Company may prohibit the Eligible Individual from selling such shares even during an open trading window if the Company has concerns over the potential for insider trading.

(c) Notwithstanding any other rule of the Plan, this Agreement or the Schedule, the total number of Qualified Restricted Stock Units granted under the Plan or any other plan subject to provisions of Articles L.225-197-1 et seq. of the French *Code de commerce* shall not exceed 10 per cent of the Shares in issue at the Grant Date.

## **11. Nature of Award**

In accepting the Award, the Eligible Individual acknowledges that:

(d) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;

(e) the Award is voluntary and occasional and does not create any contractual or other right to receive future Awards, or benefits in lieu of Awards, even if Awards have been made repeatedly in the past;

(f) all decisions with respect to future Awards, if any, will be at the sole discretion of the Company;

(g) the Eligible Individual's participation in the Plan will not create a right to further employment with the Company, its Affiliate or Subsidiary and shall not interfere with the ability of the Company to terminate the Eligible Individual's employment relationship at any time with or without Cause;

(h) the Eligible Individual is voluntarily participating in the Plan;

(i) the Award is an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company, Subsidiary or Affiliate, and such Award is outside the scope of the Eligible Individual's employment contract, if any;

(j) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service Awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, Subsidiary or Affiliate;

(k) in the event that the Eligible Individual is not an employee of the Company, Subsidiary or Affiliate, the Award will not be interpreted to form an employment contract or relationship with the Company; and

(l) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from termination of the Award or diminution in value of the Award resulting from Termination of the Eligible Individual's employment by the Company, Subsidiary or Affiliate (for any reason whatsoever and whether or not in breach of local labor laws) and the Eligible Individual irrevocably releases the Company, Subsidiary or Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to

have arisen, then, by signing this Agreement, the Eligible Individual will be deemed irrevocably to have waived his or her entitlement to pursue such claim.

## **12. No Advice Regarding Grant.**

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Eligible Individual's participation in the Plan, or his or her acquisition or sale of the underlying Shares. The Eligible Individual is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding the Eligible Individual's participation in the Plan, receipt of the Award and/or disposition of the Award before taking any action related to the Plan or the Award.

## **13. Notices**

Any notices, communications or changes to this Agreement shall be communicated (either directly by the Company or indirectly through any of its Subsidiaries, Affiliates or the Plan Administrator) to the Eligible Individual electronically via email (or otherwise in writing).

## **14. Effect of Agreement; Severability**

Except as otherwise provided hereunder, this Agreement shall be binding upon and shall inure to the benefit of any successor or successors of the Company. The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

## **15. Laws Applicable to Construction; Consent to Jurisdiction**

(d) The interpretation, performance and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the Qualified RSUs are subject to the terms and conditions of the Plan, which are hereby incorporated by reference.

(e) Any and all disputes arising under, as a result of or out of this Agreement, including without limitation any issues involving the construction, enforcement or interpretation of any of the provisions of this Agreement, the Plan or the Plan Prospectus shall be determined and resolved by the Committee or its authorized delegate. Such determination or resolution by the Committee or its authorized delegate will be final, binding and conclusive for all purposes.

## **16. Conflicts; Interpretation and Correction of Errors**

(d) In the event of any (i) conflict between the Grant Details, this Agreement, any information posted on the system of the Plan Administrator and/or the books and records of the Company, or (ii) ambiguity in the Grant Details, this Agreement, any information posted on the system of the Plan Administrator and/or the books and records of the Company, the Plan shall control.

(e) The Committee shall have the power to interpret the Plan, this Agreement, the Grant Details, any information posted on the system of the Plan Administrator and/or the books and records of the Company, and to adopt such rules for the administration, interpretation and application of the Plan and the Award as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Qualified RSUs have vested). All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon the Eligible Individual, the Company and all other interested parties. The Committee shall not be personally responsible for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement. The Committee shall, in their absolute discretion, determine when any conditions have been fulfilled.

(f) It is intended that the Qualified RSUs shall qualify for the special tax and social security treatment applicable to free shares granted under sections L. 225-197-1 to L.225-197-6 of the French *Code de commerce* (which came into force after the implementation of the Macron Law on August 7, 2015) and in accordance with the relevant provisions set forth by the French tax and social security laws. The terms of the Award shall be interpreted accordingly and in accordance with the relevant provisions set forth by French tax and social security laws, as well as the relevant administrative guidelines and subject to the fulfilment of any legal, tax and reporting obligations, if applicable.

(g) In the event that, due to administrative error, this Agreement does not accurately reflect an Award properly granted to the Eligible Individual pursuant to the Plan, the Company, acting through the executive compensation and benefits team, reserves the right to cancel any erroneous document and, if appropriate, to replace the cancelled document with a corrected document.

## **17. Data Privacy**

(d) The Eligible Individual understands that the Company, Subsidiary, Affiliate and/or Plan Administrator may hold certain personal information about Eligible Individual, including, but not limited to, the Eligible Individual's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Eligible Individual's favor, for the purpose of implementing, administering and managing the Plan ("Data"). The Eligible Individual hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her Data as described in this document by and among, as applicable, the Company and its Subsidiaries or Affiliates for the exclusive purpose of implementing, administering and managing the Eligible Individual's participation in the Plan.

(e) The Eligible Individual understands that Data will be transferred to the Plan Administrator, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Eligible Individual understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country may have different data privacy laws and protections than the Eligible Individual's country. The Eligible Individual authorizes the Company, its Subsidiary or Affiliate, the Plan Administrator and any other possible recipients

which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Eligible Individual's participation in the Plan.

(f) The Eligible Individual understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Eligible Individual's local human resources representative. The Eligible Individual understands, however, that refusing or withdrawing his or her consent may affect the Eligible Individual's ability to participate in the Plan. For more information on the consequences of the Eligible Individual's refusal to consent or withdrawal of consent, the Eligible Individual understands that he or she may contact his or her local human resources representative.

#### **18. Amendment**

The Company may modify, amend or waive the terms of the Award, prospectively or retroactively, but no such modification, amendment or waiver shall impair the rights of the Eligible Individual without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

#### **19. Currency Risk**

The Eligible Individual agrees and acknowledges that that Eligible Individual shall bear any and all risks associated with the exchange or fluctuation of currency associated with the Award, including without limitation the settlement of the Award and/or sale of the Shares (the "Currency Risk"). Eligible Individual waives and releases the Company, its Subsidiaries and Affiliates and the Plan Administrator from any potential claims arising out of the Currency Risk. Eligible Individual acknowledges and agrees that Eligible Individual shall with any and all exchange control requirements applicable to the Award and the sale of the Shares and any resulting funds including, without limitation, reporting or repatriation requirements.

#### **20. Electronic Delivery**

The Company may, in its sole discretion, decide to deliver any documents related to the Award and participation in the Plan or future Awards that may be awarded under the Plan by electronic means or to request the Eligible Individual's consent to participate in the Plan by electronic means. The Eligible Individual hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

By electronically accepting this Agreement and participating in the Plan, the Eligible Individual agrees to be bound by the terms and conditions of the Plan and this Agreement, including the Grant Details and Schedule. If Eligible Individual has not electronically accepted this Agreement on the Plan Administrator's website within six months of the Grant Date, then this

Award shall automatically be deemed accepted and Eligible Individual shall be bound by the terms and conditions in the Plan, this Agreement, including the Grant Details and Schedule.

#### **21. Schedule**

Notwithstanding any provisions in this Agreement to the contrary, the Qualified RSUs shall be subject to any special terms and conditions set forth in the French Schedule to the Agreement. The Schedule constitutes a part of this Agreement.

#### **22. Choice of Language**

The Eligible Individual has received this Agreement and any other related communications and consents to having received these documents solely in English. If, however, the Eligible Individual receives this or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version in any way, the English version will control. If necessary, an Eligible Individual may request translated versions in their mother tongue.

#### **23. No Public Offer**

The grant of RSUs is not intended to be a public offering of securities in the Eligible Individual's country. The Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of RSUs is not subject to the supervision of the local securities authorities.

#### **24. Imposition of Other Requirements**

The Company reserves the right to impose other requirements on the Eligible Individual's participation in the Plan, on the Award of RSUs and on any shares of Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable to comply with local law or facilitate the administration of the Plan, and to require the Eligible Individual to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.



**ADDITIONAL TERMS AND CONDITIONS OF THE TRIPADVISOR, INC.**

**RESTRICTED STOCK UNIT AGREEMENT**

**(FRANCE)**

**FRENCH SCHEDULE**

**Terms and Conditions**

This French Schedule includes special terms and conditions applicable to Eligible Individuals residing in France. These terms and conditions are in addition to, or if so indicated, in place of, the terms and conditions set forth in the Agreement and the Appendix.

The purpose of this French Schedule is to make certain variations to the terms of the Agreement and the Appendix, in order to satisfy French securities laws, exchange control, corporate law and tax requirements (especially the provisions of L. 225-197-1 et seq. of the French *Code de commerce*) to qualify Awards of Restricted Stock Units for favourable income tax and social security treatment in France as set out in Article 135 of the Macron Law (*loi n° 2015-990 du 6 août 2015 pour la croissance, l'activité et l'égalité des chances économiques*) (“Qualified Restricted Stock Units”).

The rules of the Agreement and the Appendix shall apply, subject to the modifications contained in this French Schedule, whenever the Company or the empowered corporate body decides to grant Qualified Restricted Stock Units to Eligible Employees under this French Schedule. This French Schedule shall only apply to Qualified Restricted Stock Units granted as conditional rights to acquire Shares.

If for any reason an Award does not satisfy the requirements of the French tax authorities for favourable income tax and social security treatment (to qualify as a Qualified Restricted Stock Unit), then the Company or the empowered corporate body can take such actions, including changing the Vesting Period and/or the Holding Period (both as defined below) as it considers reasonably necessary to achieve such treatment.

This French Schedule will be approved by the Committee (as the empowered foreign corporate body) on April 14, 2020, as required by the French tax authorities.

**Definitions**

Unless provided otherwise or unless the context requires otherwise, capitalized terms used but not defined in this French Schedule shall have the meaning assigned to them in the Plan, the Agreement and/or the Appendix.

The terms of a “Restricted Stock Unit” under this French Schedule shall be on similar terms to the equivalent “Restricted Stock Unit” under the Agreement, except to the extent that this French Schedule provides to the contrary.

For the purposes of this French Schedule only, the following additional definitions shall be used:

French Employee – Version February 2023

(a) “Closed Period” will have the meaning defined in Section L. 225-197-1 of the French *Code de commerce*, being:

- (i) ten quotation days preceding and three quotation days following disclosure to the public of the consolidated financial statements or the annual statements of the Company; or
- (ii) any period during which corporate management of the Company possesses material information which could, if disclosed to the public, significantly impact the quotation of the Shares, until ten quotation days after the day such information is disclosed to the public.

(b) “Grant Date” shall be the date on which the Committee:

- (i) designates the Eligible Individuals; and
- (ii) specifies the terms and conditions of the Qualified Restricted Stock Units, including the number of Shares to be transferred at a future date, the Vesting Period, any Holding Period, any conditions for the delivery of the Shares underlying the Restricted Stock Units, and any conditions for the disposal of the Shares.

(c) “Holding Period” means the period (applicable under Article L. 225-197-1 of the French *Code de commerce*) following the relevant Vesting date of an Award during which the Vested Shares shall either be held by the Eligible Individual or by the Broker subject only to a restriction on sale, transfer or other disposal of such Vested Shares, provided that if the Vested Shares are to be held by the Eligible Individual he shall be required to enter into an agreement (a “Holding Agreement”) with the Company, whereby he agrees not to sell, transfer or otherwise dispose of the Shares prior to the end of the Holding Period.

(d) “Broker” means such person or persons designated by the Company or the empowered corporate body to hold Vested Shares as nominee on behalf of an Eligible Individual during the Holding Period.

(e) “Vesting” in relation to Qualified Restricted Stock Units, means an Eligible Individual becoming entitled to have the Shares transferred to him subject to the Plan, and the terms “Vest” and “Vested” shall be construed accordingly.

(f) “Vesting Period” means the period from the Grant Date to the date of Vesting of an Award, such period lasting at least one year.

### **Notifications**

This Schedule also includes country-specific information of which Eligible Individual should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of March 2019. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Eligible Individual does not rely on the information noted herein as the only

source of information relating to the consequences of Eligible Individual's participation in the Plan because the information may be out of date at the time that Eligible Individual vests in Share Awards or sells Shares acquired under the Plan.

In addition, the information is general in nature and may not apply to Eligible Individual's particular situation, and the Company is not in a position to assure Eligible Individual of any particular result. Accordingly, Eligible Individual is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to his or her situation. Finally, please note that if Eligible Individual is a citizen or resident of a country other than the country in which he or she is currently working, or transfers employment after grant, the information contained in this Schedule may not be applicable to Eligible Individual.

### **European Union ("EU")/ European Economic Area ("EEA") Data Privacy**

The following replaces Section 17 of the Agreement:

In order to offer participation in the Plan, it is necessary for the Company to collect and process certain information about Eligible Individual. Further detail about this is set out below.

Eligible Individual's participation in the Plan is voluntary. Eligible Individual may withdraw from the Plan at any time. Withdrawal from the Plan will not affect Eligible Individual's salary as an employee or his or her employment; Eligible Individual would merely forfeit the opportunities and benefits associated with the Plan.

If Eligible Individual withdraws from the Plan, the Company will cease to use Eligible Individual's information for the purpose of the Plan (subject to the data retention requirements set out below).

**Data Collection and Usage.** The Company collects personal information about Eligible Individual for purposes of administration of the Plan, including: name, home address, telephone number and email address, date of birth, social insurance number, passport or other identification number, salary, citizenship, nationality, job title, any equity, shares of stock or directorships held in the Company and its Affiliates, details of all RSUs or any other entitlement to equity granted, canceled, vested, unvested or outstanding in Eligible Individual's favor, which the Company receives from Eligible Individual or the Employer ("Eligible Individual Data").

The Company will process and use Eligible Individual Data for the purposes of allocating stock and implementing, administering and managing the Plan. The Company's legal basis for the processing of Eligible Individual's Data is based on contractual necessity for the performance of the Plan.

**Stock Plan Administration Service Providers.** The Company currently uses Fidelity and its affiliated companies ("Fidelity") as its service provider for the Plan. The Company shares your Eligible Individual Data with Fidelity for the purposes of implementing, administering and managing the Plan. Fidelity is based in the United States. In the future, the Company may select a different service provider and share Eligible Individual Data with another company that serves in a similar manner. The Company's service provider(s) will open an account for Eligible Individual to receive and trade stock. Eligible Individual may be asked to agree to separate terms and data

processing practices with the service provider(s), which is a condition to his or her participation in the Plan.

**International Data Transfers.** The Company and its service provider(s), including Fidelity, are based in the United States, which means that it will be necessary for Eligible Individual Data to be transferred to, and processed in, the US. Eligible Individual should note that his or her country may have enacted data privacy laws that are different from the United States and which may offer different levels of protection. The legal basis for the transfer of Eligible Individual Data is based on contractual necessity for the performance of the Plan.

**Data Retention.** The Company will use Eligible Individual Data only as long as is necessary to implement, administer and manage his or her participation in the Plan or as may be required by the Company in order to comply with legal or regulatory obligations, including under tax and securities laws (which will generally be no more than 7 years after the Eligible Individual ceases participating in the Plan).

**Data Subject Rights.** Eligible Individual has a number of rights under data privacy laws in his or her country. Depending on where Eligible Individual is based, his or her rights may include: (a) the right of access to the Eligible Individual's personal data held by the Company, (b) the right of rectification of incorrect data, (c) the right to erasure of data, (d) the right to restriction of processing, and (e) the right to data portability.

If you have any questions about any aspect of the Plan or these terms, please contact [privacy@tripadvisor.com](mailto:privacy@tripadvisor.com).

**Taxation of Award.** This Award is intended to be French tax-qualified and is subject to the special terms and conditions set forth in the French Schedule to this Schedule.”

**Exchange Control Information.** Eligible Individual may hold Shares acquired under the Plan outside of France provided he or she declares all foreign accounts, whether open, current, or closed, in his or her income tax return. Furthermore, Eligible Individual must declare to the customs and excise authorities any cash or bearer securities he or she imports or exports without the use of a financial institution when the value of the cash or securities is equal to or exceeds €10,000 (for 2011).

**TRIPADVISOR, INC. RESTRICTED STOCK UNIT AGREEMENT**  
**(Performance Based)**

THIS RESTRICTED STOCK UNIT AGREEMENT (this “Agreement”), dated as of the grant date specified on the Grant Details referenced below (the “Grant Date”), between Tripadvisor, Inc., a Delaware corporation (the “Company”), and the employee, director or consultant of the Company or one of its Subsidiaries or Affiliates designated on the Grant Details (as defined below) (the “Eligible Individual”), describes the terms of an award (the “Award”) of performance-based restricted stock units (“PSUs”) to the Eligible Individual by the Company.

All capitalized terms used herein, to the extent not defined, shall have the meanings set forth in the Company’s 2018 Stock and Annual Incentive Plan (as amended from time to time, the “Plan”).

**1. Award and Vesting of Restricted Stock Units**

(a) Subject to the terms and conditions of this Agreement, the Plan, and the Grant Details (as defined below), the Company grants a target number of PSUs to the Eligible Individual (“Target PSUs”), with the actual number of PSUs to be earned over a period of two years based on the extent to which the Company achieves each of the performance metrics established by the Company (the “Performance Metric I” and “Performance Metric II”, and together the “Performance Metrics”), with each Performance Metric carrying a weight of 50%. The actual number of PSUs to be earned pursuant to this Agreement will be based on the extent to which the Performance Metrics are achieved relative to the targets and may be more or less than the Target PSUs. In no event will the number of PSUs earned hereunder exceed 200% of the Target PSUs. Reference is made to the “Grant Details” that can be found on the equity plan website of the current professional selected by the Company to administer the Plan (the “Plan Administrator”), currently located at [www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com) (or any successor equity administration system selected by the Company to manage the Plan from time to time), which is hereby incorporated by reference into, and shall be read as part and parcel of, this Agreement.

(b) The number of PSUs earned under this Award shall be calculated following the completion of the two-year performance period (the “Performance Period”) and on the basis of the level to which the Performance Metrics are actually attained relative to the targets for the Performance Period. No payment of the PSU Award will be earned unless the Company achieves at least 90% of either of the Performance Metric targets for the Performance Period. If the Company achieves 108% or more for Performance Metric I target and 106% or more for Performance Metric II target, then 200% of the Target PSUs will be earned for such Performance Period.

(c) Performance Metrics mean performance metrics and weightings that will be tied to the annual business plan and strategic objectives. As a result, performance metrics and weightings will be established by the Compensation Committee annually, no later than 90 days after the commencement of each Performance Period. Actual performance targets will be established by the

Version February 2023

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Compensation Committee annually, no later than 90 days after the commencement of each Performance Period.

(d) Within ninety days of the completion of each Performance Period, the Committee will determine in its sole discretion and certify in accordance with the requirements of Section 162(m) of the Code, the extent to which the Performance Metrics have been satisfied. The day the Committee certifies the extent to which the Performance Metrics have been satisfied is the “Determination Date”.

(e) Subject to the terms and conditions of this Agreement, the Grant Details, and the Plan, the actual number of PSUs will vest and settle 50% following the end of the Performance Period on December 31, 2024 (as soon thereafter the Company determines the extent to which the Performance Metrics have been achieved and the actual number of PSUs to be awarded), and the remaining 50% on December 31, 2025. The time during which restrictions apply shall be referred to as the “PSU Restriction Period”.

## **2. Termination of Employment by the Company for Cause**

(a) Notwithstanding the provisions of Section 1(d) above, in the event the Eligible Individual incurs a Termination of Employment by the Company or any Subsidiary or Affiliate for Cause, or the Eligible Individual voluntarily incurs a Termination of Employment within two years after any event or circumstance that would have been grounds for a Termination of Employment for Cause, the Eligible Individual’s unvested PSUs shall be forfeited and canceled in their entirety upon such Termination of Employment.

(b) For purposes of this Agreement, employment with the Company shall include employment with the Company’s Subsidiaries or Affiliates. The Committee shall have the exclusive discretion to determine whether there has been any Termination of Employment and/or whether there existed Cause.

## **3. Settlement of Units**

As soon as practicable after any PSUs have vested and are no longer subject to the PSU Restriction Period, such PSUs shall be settled. Subject to Section 9 (pertaining to the withholding of taxes), for each PSU settled pursuant to this Section 3, the Company shall issue one Share for each vested PSU and cause to be delivered to the Eligible Individual one or more unlegended, freely-transferable stock certificates in respect of such Shares issued upon settlement of the vested PSUs. Notwithstanding the foregoing, the Company shall be entitled to hold the Shares issuable upon settlement of PSUs that have vested until the Company or Plan Administrator shall have received from the Eligible Individual a duly executed Form W-9 or Form W-8, as applicable, as well as such other documents as may be legally required.

## **4. Recoupment or “Clawback” Policy**

All awards received and any shares or other amount or property that may be issued, delivered, or paid in respect of the Award, as well as any consideration that may be received in respect of a sale or other disposition of any such shares or property, will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with any

Version February 2023

Company clawback or similar policy or any applicable law related to such actions. An Eligible Individual's acceptance of an Award will constitute the Eligible Individual's acknowledgment of and consent to the Company's application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Eligible Individual, whether adopted before or after the Grant Date, and any applicable law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Eligible Individual's agreement that the Company may take any actions that may be necessary to effectuate any such policy or applicable law, without further consideration or action.

**5. Non-Transferability of the PSUs**

Until such time as the PSUs are settled as provided herein or on the website of the Plan Administrator, the PSUs shall not be transferable by the Eligible Individual by means of sale, assignment, exchange, encumbrance, pledge, hedge, or otherwise.

**6. Rights as a Stockholder**

Except as otherwise specifically provided in this Agreement, until such PSUs have vested and settled, the Eligible Individual shall not be entitled to any rights of a stockholder with respect to the PSUs. Notwithstanding the foregoing, if the Company declares and pays dividends on the Common Stock prior to such PSUs vesting or settling, the Eligible Individual will be credited with additional amounts for each PSU equal to the dividend that would have been paid with respect to such PSU if it had been an actual share of Common Stock, which amount shall remain subject to restrictions (and as determined by the Committee may be reinvested in PSUs or may be held in kind as restricted property) and shall vest concurrently with the vesting of the PSUs upon which such dividend equivalent amounts were paid. Notwithstanding the foregoing, dividends and distributions other than regular cash dividends, if any, may result in an adjustment pursuant to Section 7 below, rather than under this Section 6.

**7. Adjustment in the Event of Change in Stock; Change in Control**

(a) In the event of (i) a stock dividend, stock split, reverse stock split, share combination or recapitalization, or similar event affecting the capital structure of the Company (each, a "Share Change"), or (ii) a merger, consolidation, acquisition of property or shares, separation, spinoff, reorganization, stock rights offering, liquidation, Disaffiliation, payment of cash dividends other than an ordinary dividend or similar event affecting the Company or any of its Subsidiaries (each, a "Corporate Transaction"), the Committee or the Board may in its discretion make such substitutions or adjustments as it deems appropriate and equitable to the number of PSUs and the number and kind of shares of Common Stock underlying the PSUs.

(b) In the case of Corporate Transactions, such adjustments may include, without limitation (i) the cancellation of the PSUs in exchange for payments of cash, property or a combination thereof having an aggregate value equal to the value of such PSUs, as determined by the Committee or the Board in its sole discretion, (ii) the substitution of other property (including, without limitation, cash or other securities of the Company and securities of entities other than the Company) for the shares of Common Stock underlying the PSUs and (iii) in connection with any

Disaffiliation, arranging for the assumption of the PSUs, or the replacement of the PSUs with new Awards based on other property or other securities (including, without limitation, other securities of the Company and securities of entities other than the Company), by the affected Subsidiary or Affiliate or by the entity that controls such Subsidiary or Affiliate following such Disaffiliation (as well as any corresponding adjustments to any PSUs that remain based upon securities of the Company).

(c) In the event of a Change in Control:

- (i) Before the Determination Date, the Target PSUs will be awarded and will vest and be distributed pursuant to the vesting schedule described in Section 1(e) above, subject to any substitutions or adjustments made pursuant to this Section 7.
- (ii) After the Determination Date, the PSU Award will be calculated and will vest in accordance with Section 1, subject to any substitutions or adjustments made pursuant to this Section 7.

(d) The determination of the Committee regarding any substitutions or adjustment or the amount of PSUs awarded, vested and/or distributed pursuant to this Section need not be the same for all Participants and will be final and conclusive.

(e) In the event of a Termination of Employment during the two-year period following a Change in Control, the provisions of Section 13 of the Plan shall apply; provided, however, that the Committee in its discretion may provide for earlier accelerated vesting.

**8. Adjustment in the Event of a Termination of Employment without Cause or Resignation for Good Reason**

(a) In the event of Termination of Employment without Cause or resignation for Good Reason, not in connection with a Change in Control, the remaining number of Target PSUs reflected in the Participant's account will be prorated for the number of days worked during the Performance Period and will vest and be distributed pursuant to the vesting schedule described in Section 1(e) above.

(b) In the event of Termination of Employment without Cause in connection with a Change in Control, before the Determination Date, the remaining Target PSUs reflected in the Participant's account will be deemed earned and vesting of such PSUs will be accelerated.

Version February 2023



(c) In the event of Termination of Employment without Cause in connection with a Change in Control, after the Determination Date vesting of all the actual PSUs earned will be accelerated.

(d) The determination of the Committee regarding any such adjustment will be final and conclusive and need not be the same for all Participants.

**9. Adjustment in the Event of Death or Disability**

(a) In the event of death or Disability, as defined in the Plan, occurring before the Determination Date, the Target PSUs reflected in the Participant's account will be deemed to be earned and vesting of such PSUs will be accelerated.

(b) In the event of death or Disability occurring after the Determination Date the vesting of all the actual PSUs earned will be accelerated.

**10. Taxes, Fees and Withholding**

(a) The Company agrees to pay any and all original issue taxes and stock transfer taxes that may be imposed on the issuance of shares received by an Eligible Individual in connection with the PSUs, together with any and all other fees and expenses necessarily incurred by the Company in connection therewith.

(b) Regardless of any action the Company, its Affiliate or Subsidiary takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related withholding ("Tax-Related Items"), the Eligible Individual acknowledges that the ultimate liability for all Tax-Related Items legally due by him or her is and remains the Eligible Individual's responsibility and that the Company and/or its Affiliate or Subsidiary (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant and vesting of the PSUs, the receipt of cash or any dividends or dividend equivalents; and (ii) do not commit to structure the terms of the Award or any aspect of the PSUs to reduce or eliminate the Eligible Individual's liability for Tax-Related Items.

(c) In the event that the Company, Subsidiary or Affiliate is required to withhold any Tax-Related Items as a result of the award or vesting of the PSUs, or the receipt of cash or any dividends or dividend equivalents, the Eligible Individual shall pay or make adequate arrangements satisfactory to the Company, Subsidiary or Affiliate to satisfy all withholding and payment on account of obligations of the Company, Subsidiary and/or Affiliate. The obligations of the Company under this Agreement shall be conditioned on compliance by the Eligible Individual with this Section 9. In this regard, the Eligible Individual authorizes the Company and/or its Subsidiary or Affiliate to withhold all applicable Tax-Related Items legally payable by the Eligible Individual from his or her wages or other cash compensation paid to the Eligible Individual by the Company and/or its Subsidiary or Affiliate. The Company may, in its sole discretion and pursuant to such provisions as it may specify from time to time, withhold in Shares the amount of Shares necessary to satisfy the minimum withholding amount or arrange for the sale of such number of Shares as is necessary to pay any Tax-Related Items. In connection herewith,

Version February 2023

the Eligible Individual (i) authorizes, empowers, and directs the Company and the Plan Administrator (or such brokerage firm as is contracted to manage the Company's employee equity award program, the "Broker") to sell, at the market price and on the Exercise Date or as soon thereafter as is practicable, the number of Shares sufficient to pay the Tax-Related Items, and (ii) agrees to indemnify and hold harmless the Broker and the Company from and against all losses, liabilities, damages, claims and expenses, including reasonable attorneys' fees and court costs, arising out of carrying out such actions. Finally, the Eligible Individual will pay to the Company any amount of Tax-Related Items that the Company may be required to withhold as a result of the Eligible Individual's participation in the Plan or the Eligible Individual's Award that cannot be satisfied by the means previously described. The Company may refuse to deliver the Shares underlying the PSU if the Eligible Individual fails to comply with his or her obligations in connection with the Tax-Related Items as described in this Section.

(d) In particular, the Eligible Individual understands and acknowledges that all income to which the Eligible Individual is entitled under this Agreement is pre-tax and the Company or its Subsidiaries or Affiliates has the right to withhold and pay on behalf of the Eligible Individual any individual income tax in connection with such income in accordance with applicable law. In the event the Company or its Subsidiaries or Affiliates is not required under applicable law to serve as the withholding agent to withhold and pay on behalf of the Eligible Individual such individual income tax, the Eligible Individual shall have sole responsibility to make such payment, in which case the Eligible Individual shall provide, as requested by the Company or its Subsidiaries or Affiliates from time to time, relevant tax receipts to certify full and prompt payment. The Eligible Individual agrees to indemnify the Company and/or its Subsidiaries or Affiliates for any liability which may arise as a result of his or her failure to pay any and all taxes associated with any income derived pursuant to the Award.

#### **11. Other Restrictions**

(a) The Award shall be subject to the requirement that, if at any time the Committee shall determine that (i) the listing, registration, or qualification of the shares of Common Stock subject or related thereto upon any securities exchange or under any state or federal law, or (ii) the consent or approval of any government regulatory body is required, then in any such event, the Award shall not be effective unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

(b) The Eligible Individual acknowledges that the Eligible Individual is subject to the Company's policies regarding compliance with securities laws, including but not limited to its Insider Trading Policy (as in effect from time to time and any successor policies), and, pursuant to these policies, if the Eligible Individual is on the Company's insider list, the Eligible Individual shall be required to obtain pre-clearance from the Company's General Counsel prior to purchasing or selling any of the Company's securities, including any shares issued upon vesting of the PSUs, and may be prohibited from selling such shares other than during an open trading window. The Eligible Individual further acknowledges that, in its discretion, the Company may prohibit the Eligible Individual from selling such shares even during an open trading window if the Company has concerns over the potential for insider trading.

Version February 2023

## 12. **Nature of Award**

In accepting the Award, the Eligible Individual acknowledges that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, unless otherwise provided in the Plan and this Agreement;

(b) the Award is voluntary and occasional and does not create any contractual or other right to receive future Awards, or benefits in lieu of Awards, even if Awards have been made repeatedly in the past;

(c) all decisions with respect to future Awards, if any, will be at the sole discretion of the Company;

(d) the Eligible Individual's participation in the Plan will not create a right to further employment with the Company, its Subsidiary or Affiliate and shall not interfere with the ability of the Company to terminate the Eligible Individual's employment relationship at any time with or without Cause;

(e) the Eligible Individual is voluntarily participating in the Plan;

(f) the Award is an extraordinary item that does not constitute regular compensation of any kind for services of any kind rendered to the Company, Subsidiary, or Affiliate;

(g) the Award is not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company, Subsidiary or Affiliate;

(h) in the event that the Eligible Individual is not an employee of the Company, a Subsidiary, or an Affiliate, the Award will not be interpreted to form an employment contract or relationship with the Company; and

(i) in consideration of the Award, no claim or entitlement to compensation or damages shall arise from the termination of the Award or diminution in value of the Award resulting from the Termination of the Eligible Individual's Employment by the Company, Subsidiary or Affiliate (for any reason whatsoever and whether or not in breach of local labor laws; provided, however, such termination is consistent with the terms of the Award and the Employment Agreement) and the Eligible Individual irrevocably releases the Company, Subsidiary or Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Agreement, the Eligible Individual will be deemed irrevocably to have waived his or her entitlement to pursue such claim.

Version February 2023

**13. No Advice Regarding Grant.**

The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Eligible Individual's participation in the Plan, or his or her acquisition or sale of the underlying Shares. The Eligible Individual is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding the Eligible Individual's participation in the Plan, receipt of the Award and/or disposition of the Award before taking any action related to the Plan or the Award.

**14. Notices**

Any notices, communications, or changes to this Agreement shall be communicated (either directly by the Company or indirectly through any of its Subsidiaries, Affiliates, or the Plan Administrator) to the Eligible Individual electronically via email (or otherwise in writing) promptly after such change becomes effective.

**15. Effect of Agreement; Severability**

Except as otherwise provided hereunder, this Agreement shall be binding upon and shall inure to the benefit of any successor or successors of the Company. The invalidity or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

**16. Laws Applicable to Construction; Consent to Jurisdiction**

(a) The interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Delaware without reference to principles of conflict of laws, as applied to contracts executed in and performed wholly within the State of Delaware. In addition to the terms and conditions set forth in this Agreement, the PSUs are subject to the terms and conditions of the Plan, which are hereby incorporated by reference.

(b) Any and all disputes arising under or out of this Agreement, including without limitation any issues involving the enforcement or interpretation of any of the provisions of this Agreement, shall be resolved by the commencement of appropriate action in the state or federal courts located within the State of Delaware, which shall be the exclusive jurisdiction for the resolution of any such disputes. The Eligible Individual hereby agrees and consents to the personal jurisdiction of said courts over the Eligible Individual for purposes of the resolution of any and all such disputes.

**17. Conflicts and Interpretation**

(a) In the event of any (i) conflict between the Grant Details, this Agreement, any information posted on the system of the Plan Administrator and/or the books and records of the Company, or (ii) ambiguity in the Grant Details, this Agreement, any information posted on the system of the Plan Administrator and/or the books and records of the Company, the Plan shall control.

(b)The Committee shall have the power to interpret the Plan, this Agreement, the Grant Details, any information posted on the system of the Plan Administrator and/or the books and records of the Company, and to adopt such rules for the administration, interpretation and application of the Plan and the Award as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any PSUs have vested). All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon the Eligible Individual, the Company, and all other interested parties. The Committee shall not be personally responsible for any action, determination, or interpretation made in good faith with respect to the Plan or this Agreement. The Committee shall, in their absolute discretion, determine when any conditions have been fulfilled.

## **18. Data Privacy**

(a)The Eligible Individual understands that the Company, Subsidiary, Affiliate and/or Plan Administrator may hold certain personal information about Eligible Individual, including, but not limited to, the Eligible Individual's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Eligible Individual's favor, for the purpose of implementing, administering and managing the Plan ("Data"). The Eligible Individual hereby explicitly and unambiguously consents to the collection, use, and transfer, in electronic or other form, of his or her Data as described in this document by and among, as applicable, the Company and its Subsidiaries or Affiliates for the exclusive purpose of implementing, administering, and managing the Eligible Individual's participation in the Plan.

(b)The Eligible Individual understands that Data will be transferred to the Plan Administrator, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration, and management of the Plan. The Eligible Individual understands that the recipients of the Data may be located in the United States or elsewhere and that the recipients' country may have different data privacy laws and protections than the Eligible Individual's country. The Eligible Individual authorizes the Company, its Subsidiary or Affiliate, the Plan Administrator, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering, and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Eligible Individual's participation in the Plan.

(c)The Eligible Individual understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Eligible Individual's local human resources representative. The Eligible Individual understands, however, that refusing or withdrawing his or her consent may affect the Eligible Individual's ability to participate in the Plan. For more information on the consequences of the Eligible Individual's refusal to consent or withdrawal of consent, the Eligible Individual understands that he or she may contact his or her local human resources representative.

## **19. Amendment**

(a)The Company may modify, amend, or waive the terms of the Award, prospectively or retroactively, but no such modification, amendment, or waiver shall impair the rights of the Eligible Individual without his or her consent, except as required by applicable law, NASDAQ or stock exchange rules, tax rules or accounting rules. The waiver by either party of compliance with any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

(b)This Award and payments made pursuant to this Agreement and the Plan are intended to qualify for an exemption from Section 409A of the code. If the Company makes a good faith determination that any compensation provided under this Agreement is likely to be subject to the additional tax imposed by Section 409A, the Company may, to the extent it deems necessary or advisable, modify this Agreement, without the Eligible Individual's consent, to reduce the risk that such additional tax will apply, in a manner designed to preserve the material economic benefits intended to be provided to the Eligible Individual under this Agreement (other than any diminution of such benefit that may be attributable to the time value of money resulting from a delay in the timing of payments hereunder for a period of approximately six months or such longer period as may be required).

## **20. Choice of Language**

The Eligible Individual has received this Agreement and any other related communications and consents to having received these documents solely in English. If, however, the Eligible Individual receives this or any other document related to the Plan translated into a language other than English and if the translated version is different from the English version in any way, the English version will control.

## **21. Electronic Delivery**

The Company may, in its sole discretion, decide to deliver any documents related to the Award and participation in the Plan or future Awards that may be awarded under the Plan by electronic means or to request the Eligible Individual's consent to participate in the Plan by electronic means. The Eligible Individual hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

**Certification**

I, Matt Goldberg, Chief Executive Officer of TripAdvisor, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2023 of TripAdvisor, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ MATT GOLDBERG

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Matt Goldberg

Chief Executive Officer

**Certification**

I, Michael Noonan, Chief Financial Officer of TripAdvisor, Inc. certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended March 31, 2023 of TripAdvisor, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ MICHAEL NOONAN

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Michael Noonan

*Chief Financial Officer*

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report on Form 10-Q of TripAdvisor, Inc. (the "Company") for the quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matt Goldberg, Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- 1) the Report which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- 2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 3, 2023

/s/ MATT GOLDBERG

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Matt Goldberg

*Chief Executive Officer*

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly report on Form 10-Q of TripAdvisor, Inc. (the "Company") for the quarter ended March 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Noonan, Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- 1) the Report which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- 2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 3, 2023

/s/ MICHAEL NOONAN

Michael Noonan

*Chief Financial Officer*

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