

2024

NOTICE OF ANNUAL STOCKHOLDERS' MEETING AND PROXY STATEMENT

Tuesday, June 4, 2024 | 11:00 am ET



BOOKING HOLDINGS

B. P. Q. K. O

Our mission is to make it easier
for everyone to experience the world.
We aim to demonstrate global leadership in
online travel bookings and related services by:



making it easy
for people to find,
book, pay for, and
experience travel.



**providing consumers
with the most
comprehensive
choices** and value on
any device.



**offering platforms,
tools, and insights**
to our business
partners to help
them be successful.



**operating our
business sustainably**
and supporting
more sustainable
travel choices by
our consumers &
partners.

Our Values

**Experiences of Every
Kind, For Everyone.**

We believe that by making it easier for everyone to experience the world, we are doing our part to make humanity better.

Absolute Integrity.

We will always strive to do the right thing and achieve success with integrity and accountability.

**Relentless
Innovation.**

We should never feel satisfied with the status quo, and every day should begin with the question - how are we going to innovate today?

**Diversity Gives
Us Strength.**

We are absolutely committed to diverse ideas, people, and experiences.

**The Sum is Greater
Than Our Parts.**

Our strength lies in our people, and our success is contingent upon our ability to work as one team to succeed in our mission to make it easier for everyone to experience the world.

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APRIL 23, 2024

Dear Stockholders,



As I write these words in April 2024, I have never been more energized about the future of travel and the potential for our company, while recognizing that we operate in one of the most competitive industries in the world marked by rapid technological acceleration and regulatory changes, both of which bring new challenges and opportunities.

Our company's mission is: *To Make It Easier For Everyone to Experience The World*. From our very beginning, we believed that we could use technology to dramatically improve the way people discovered, searched, booked and experienced travel. Now, more than 25 years later, we are one of the world's largest travel companies and achieved a major milestone in 2023: we booked more than one billion room nights through our platforms.

We are a global company doing business in more than 220 countries and territories with more than 23,000 employees around the world. Last year, through our Booking.com, Priceline, Agoda and KAYAK brands we enabled our travel customers to execute billions of searches across our websites and apps, provided access to properties with over 29 million individual listings, facilitated 36 million flight tickets and 74 million rental car days booked on our platforms, and helped to seat more than 1.5 billion diners through OpenTable.

In 2023, we achieved record-setting financial results, with more than \$21 billion in revenue, which was up 25% compared to the year prior, more than \$4 billion in net income, which was up 40% from the prior year, more than \$7 billion in adjusted EBITDA, which was up 34% compared to the prior year, and generated \$7 billion in net cash provided by operating activities and free cash flow. With this solid financial performance and our strong balance sheet, we were able to return over \$10 billion to shareholders over the course of the year through stock repurchases, and we recently paid our first cash dividend. (See Appendix A for a reconciliation of non-GAAP financial measures to GAAP financial measures.)

Not all of 2023 was perfect though. At Booking.com, we had a back-end systems upgrade that resulted in delayed payments to some of our supplier partners. Separately, some of our accommodation supplier partners experienced cyber breaches that resulted in losses for some of our traveler customers; while our systems were never breached, we know our traveler customers depend on us and we are spending more time and resources to help our supplier partners improve their security. Additionally, we faced new challenges as novel regulations have required time, energy, and investments plus educational outreach to our customers and partners.

Also, we were disappointed that the EU Commission blocked our acquisition of Etraveli, a European-based online distributor of flight tickets we have been working with for many years to build the Booking.com flight vertical. We are appealing to the EU courts as we believe the Commission's decision was incorrect in both its interpretation of competition law and its understanding of the factual competitive situation. Consumers benefit from more competition and the acquisition would have enabled us to more rapidly improve flight services for all customers. While the appeal process proceeds, we continue to work closely with Etraveli and are pleased we extended our contractual agreement with them.

Two Universal Truths

Booking is a company that has continued to innovate and has been a travel technology leader from our early deployment of mobile apps, to sophisticated machine learning analysis, to some of the first uses of Generative AI. Our mission is to make it easier for everyone to experience the world because we believe this is a world worth experiencing. We know travel expands horizons and brings cultures closer together. There has never been a greater opportunity for us, sitting at the intersection of travel and technology, to shape the future of travel and positively impact people's lives.

The world, technologies, societies, cultures, and consumer behaviors will continue to change, but there are two things we know will remain true. First, there will always be an intrinsic human desire to travel, and second, technology will continue to advance and improve travel distribution.

Throughout history, humans have wanted to explore and connect with others. While events like war, global recessions, pandemics and natural disasters can temporarily disrupt travel, time and time again we see the human desire to explore the world reemerge.

Technology hastens the pace of innovation. While advancements in mobile technology, global connectivity and infrastructure, AI, digital payments and banking, search algorithms, translation technologies and more have gotten us to where we are today, there is so much more that technology can and will do to make every aspect of planning and booking travel easier.

Accelerate Value on Both Sides of the Marketplace

Our brands sit at the center of the travel ecosystem - connecting travelers to the providers of travel services, all of whom are our customers. We must continuously innovate to create incremental value for both sides of this travel marketplace.

For our travelers, we provide a vast array of travel options and we will continue to expand the breadth of products and services we offer across multiple verticals. This includes increasing the supply of homes and other alternative accommodations, adding more global airlines and flight destination and origination points, adding new ground transportation and attractions options, and offering new services like cancel-for-any-reason travel insurance. We will also continue investing in Genius, our loyalty program, to make sure we can surface great deals for travelers across our brands, across the world, and bring even more customers to our supply partners.

We will continue to invest in what we call our Connected Trip vision, which centers on removing the frustration so many people experience in planning, booking and experiencing their travel because we know that a seamless travel experience is a good experience. We want it to be easy to plan and book all the elements of a trip - the flights, the accommodations, the ground transportation and the things to do - in a unified way based on customer preferences, and deliver even more value throughout. Our vision means that in the future our systems could have capabilities such that if there is a

problem like a flight delay, we could automatically adjust your airport taxi's pickup time, reset your dinner reservation, and/or modify your hotel reservation so it is not canceled because you did not check in by the originally booked time. And when you are at your destination, we want there to be an easy way for our attractions partners to provide you with personalized offers that give you more value while enabling our supplier partners to obtain incremental demand in a low-cost way. These are just a few examples of what we believe the Connected Trip may be able to do sometime in the future.

Technology can do so much more than it does today to create meaningfully better travel experiences. To build this requires a deep understanding of travel technology, an ability to synthesize information, match and analyze data sets, as well as an implicit and explicit understanding of traveler preferences to create richer, contextually relevant and personalized offers.

We believe these investments will not only positively impact our travelers, but also benefit our supplier partners. By deploying our capabilities, our deep understanding of data science, our global reach, and our investments in AI, we believe we will create many more ways for our partners to generate even more business. Ultimately, the success of our business model relies just as much on remaining a trusted and value-driving partner to our supplier customers as it does to our traveler customers.

Relentless Innovation

Our organization is characterized by innovation and we know we cannot rest on what we have achieved to date. Our thousands of talented developers, engineers and data scientists celebrate self-disruption and thrive on a culture of constant experimentation.

While the travel industry as a whole is only beginning to scratch the surface of opportunities that Generative AI will unearth, we already have more than a decade of experience deploying AI technology across our platforms - from personalization to machine translations, content analysis and optimization, fraud detection, and more. We have always envisioned AI technology playing a central role in delivering an easier and more personalized experience. With Generative AI we will build on our rich history of experience and leverage our proprietary data in order to continue to do what we have done throughout our history - bring the newest technologies to the forefront of the travel booking experience.

In 2023, we launched a number of Generative AI initiatives across our brands. By letting each brand experiment, build and analyze this opportunity themselves, we continue to drive diversified learnings across our company. KAYAK and OpenTable have been some of the first adopters on many fronts, testing Generative AI plug-ins last year, and KAYAK recently released technology allowing users to search for better prices using screenshots in the KAYAK PriceCheck tool. Booking.com's AI Trip Planner helps people discover, plan and book their travel using an interactive GenAI chatbot. At Priceline, we recently made several major enhancements to Penny, Priceline's AI travel assistant, following six months of real-world interaction with users. It is still early days, but we will continue to test and learn quickly.

Our payments and fintech operations will be another area of continued focus in 2024. Managing currency conversion, regulation and compliance, different payment infrastructures, bank and payment provider relationships, fraud and risk detection and a lack of global standards can be very challenging for our supplier partners. That's why we're investing in the technology and infrastructure needed to support both travelers and supplier partners to further remove friction from the travel booking experience. In 2023, Booking.com processed about half of its gross bookings through its payments platform.

The mobile app will also remain a focal point of our strategy as more and more travelers are digital natives

and expect smartphones to power all of their travel needs. With almost half of our bookings coming through our mobile apps, we will continue investments to optimize this experience.

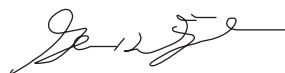
Closing out 2023 and looking forward, I again express my optimism for the future of travel and for our company.

We are a leader in our space. We sit on the cusp of opportunity. These facts remind us daily that we need to move quickly. Think harder. Innovate faster. We will do this, but never by compromising our values or our integrity. I want to thank all of our employees for living our values everyday, and for working relentlessly for our traveler and supply partner customers.

I also want to thank our Board of Directors who remain committed to our mission, vision and long-term outlook for success.

On behalf of our entire organization, I reiterate our commitment to being an industry leader, growing faster than the market, and continuing to deliver market-leading returns.

Sincerely,



Glenn D. Fogel

President and Chief Executive Officer
April 23, 2024



APRIL 23, 2024

Dear Stockholder,

You are cordially invited to attend the 2024 Annual Meeting of Stockholders (the "Annual Meeting") of Booking Holdings Inc. to be held at 11:00 a.m. Eastern Time on Tuesday, June 4, 2024.

The Annual Meeting will be held in a virtual format. You may attend the virtual Annual Meeting by visiting the website www.virtualshareholdermeeting.com/BKNG2024. **To ask questions and vote at the Annual Meeting, you will need the 16-digit control number that appears on your Notice of Internet Availability of Proxy Materials, on the proxy card, or on the instructions that accompanied the proxy materials.**

This booklet includes the Notice of Annual Meeting and proxy statement. The proxy statement provides information about Booking Holdings Inc. in addition to describing the business we will conduct at the meeting.

Whether or not you plan to attend the Annual Meeting, please mark, sign, date, and return your proxy card in the enclosed envelope as soon as possible or vote online or by calling the toll-free telephone number as described in the instructions included in your proxy card. Your stock will be voted in accordance with the instructions you give in your proxy card. You may attend the Annual Meeting and vote through the virtual meeting platform, even if you have previously returned your proxy card or voted by telephone or online, by following the instructions included in the proxy statement. We hope you are able to join us on June 4.

Sincerely,

A handwritten signature in black ink, appearing to read "R. J. Mylod, Jr.", with a small flourish at the end.

Robert J. Mylod, Jr.

Chair of the Board
April 23, 2024

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The Board of Directors of Booking Holdings Inc. is soliciting your proxy for the 2024 Annual Meeting of Stockholders.

DATE AND TIME

Tuesday, June 4, 2024
11:00 a.m. Eastern Time

LOCATION

www.virtualshareholdermeeting.com/BKNG2024

For more information about attending the meeting see How to Attend the Annual Meeting on page 113

RECORD DATE

The Board of Directors fixed the close of business on April 9, 2024 as the record date for identifying those stockholders entitled to notice of, and to vote at, the Annual Meeting and at any adjournment or postponement of the Annual Meeting.

ITEMS OF BUSINESS AND BOARD RECOMMENDATIONS:

1

Election of twelve directors

FOR

Page 14

2

Advisory vote to approve 2023 named executive officer compensation

FOR

Page 98

3

Ratification of the appointment of the independent registered public accounting firm

FOR

Page 102

4 and 5

Non-binding stockholder proposals, if properly presented

AGAINST

Pages 104, 107

As well as other business as may properly come before the meeting or any adjournment or postponement of the meeting.

Even if you have given your proxy, you may still vote on the virtual meeting platform if you attend the Annual Meeting. Please note, however, that if your shares are held of record by a broker, bank, or other nominee and you wish to vote at the meeting, you must obtain from the record holder a proxy issued in your name to obtain a 16-digit control number.



AT THE MEETING

To attend the Annual Meeting, visit www.virtualshareholdermeeting.com/BKNG2024. To vote or ask questions during the Annual Meeting, you must have the 16-digit control number included on your proxy card or Notice of Internet Availability of Proxy Materials.



ONLINE

You may vote online at www.proxyvote.com or by scanning the QR code on your proxy card.



TELEPHONE

You may vote by calling 1-800-690-6903, a toll-free telephone number.



MAIL

Complete, date, and sign the enclosed proxy card and return it in the enclosed postage prepaid envelope (if mailed in the United States).

April 23, 2024

By order of the Board of Directors

Vijay S. Iyer

Corporate Secretary
Norwalk, Connecticut

This proxy statement and our 2023 Annual Report are also available on our website at <https://ir.bookingholdings.com/financials/annual-reports/default.aspx>.

PROXY SUMMARY

This summary highlights our mission, selected business results, corporate governance, and executive compensation information. For more information about these topics, please review the full proxy statement and our Annual Report on Form 10-K for the year ended December 31, 2023.

OUR MISSION IS TO MAKE IT EASIER FOR EVERYONE TO EXPERIENCE THE WORLD

Booking Holdings Inc. (the "Company," "Booking Holdings," "we," "our," or "us") is the world's leading provider of online travel and related services. We connect consumers wishing to make travel reservations with providers of travel services around the world through our online platforms through five primary consumer-facing brands:

	Accommodations	Ground Transportation	Flights	Activities	Restaurants	Meta Search
Booking.com	☒	☒	☒	☒		
Priceline	☒	☒	☒	☒		
agoda	☒	☒	☒	☒		
KAYAK						☒
OpenTable					☒	

**World's Best
Employers**
**America's Best
Midsize Employers**

FORBES

220+

Countries and Territories

**World's Most
Admired Companies**
Fortune 500 List

FORTUNE

40+

Languages

**World's Best
Companies**

TIME

~3.4M

Properties

Our 2023 Performance

In 2023, we reached a significant milestone with an all-time high of over 1 billion room nights booked on our platforms, and we set new records in gross bookings, revenues, and Adjusted EBITDA. We had the highest operating income among travel companies. In addition, we prioritized returning capital to stockholders by repurchasing approximately \$10.2B in shares, representing 140% of cash generated by operating activities in 2023. We are proud that, despite challenges to our global community such as the wars in Ukraine and the Middle East and the impact of inflation, we continued our efforts to make our brands the most trusted and convenient platforms for consumers and partners.

GROSS BOOKINGS

\$150.6B

24% increase compared to 2022

ROOM NIGHTS

1,049M

17% increase compared to 2022

REVENUES

\$21.4B

25% increase compared to 2022

NET INCOME

\$4.3B

40% increase compared to 2022

ADJUSTED EBITDA*

\$7.1B

34% increase compared to 2022

YEAR END STOCK PRICE

\$3,547

76% increase compared to year end 2022

* See Appendix A to this proxy statement for a reconciliation of non-GAAP financial measures and rationale for use of non-GAAP financial measures.

Corporate Governance Highlights

We strive to maintain strong corporate governance practices that are both stockholder friendly and designed to protect and grow long-term stockholder value. Our corporate governance practices include:

- | | |
|---|--|
| ✓ Current Board Chair is independent | ✓ Stockholders can call special meetings |
| ✓ Lead Independent Director | ✓ Annual "say-on-pay" vote |
| ✓ Stock ownership guidelines for directors and executive officers | ✓ Longstanding prohibition on hedging or pledging of stock by directors and executive officers |
| ✓ 11 of 12 directors are independent | ✓ Stockholder-approved proxy access |
| ✓ Annual director elections (i.e., no classified board) | ✓ Majority voting in director elections |
| ✓ Annual board and committee self-evaluation | ✗ No supermajority voting provisions |
| ✓ Stockholders can act by written consent in lieu of a meeting | ✗ No poison pill/rights plan |

Our Board

Current Directors	Age (as of 3-31-24)	Director Since	Independent	Committee and Subcommittee Memberships				Other Public Directorships
				Audit	Corporate Governance	Talent and Compensation	Cybersecurity	
Glenn D. Fogel	62	2017						0
Mirian M. Graddick-Weir	69	2018	✓	M		C		1
Kelly Grier	54	2023	✓	M				2
Wei Hopeman	54	2019	✓		M			0
Robert J. Mylod, Jr. (Chair)	57	2017	✓			M		1
Charles H. Noski (Lead Independent Director)	71	2015	✓	M	C			1
Larry Quinlan	61	2022	✓				C	2
Nicholas J. Read	59	2018	✓	M			M	0
Thomas E. Rothman	69	2013	✓		M			0
Sumit Singh	44	2022	✓			M		1
Lynn Vojvodich Radakovich	56	2016	✓		M	M		2
Vanessa A. Wittman	56	2019	✓	C			M	2
Number of Meetings in 2023				9	5	6	3	

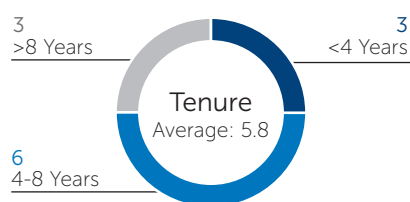
M Member C Chair

Our Board exhibits a strong mix of desired attributes, including business experience, tenure, age, diversity of perspectives, and independence. The following is a snapshot of some key characteristics of our Board, assuming all twelve nominees are elected at the Annual Meeting.

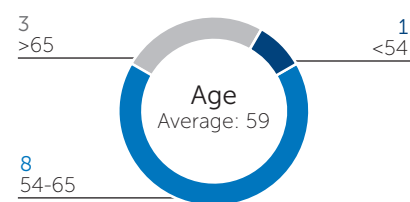
FINANCIAL EXPERTS



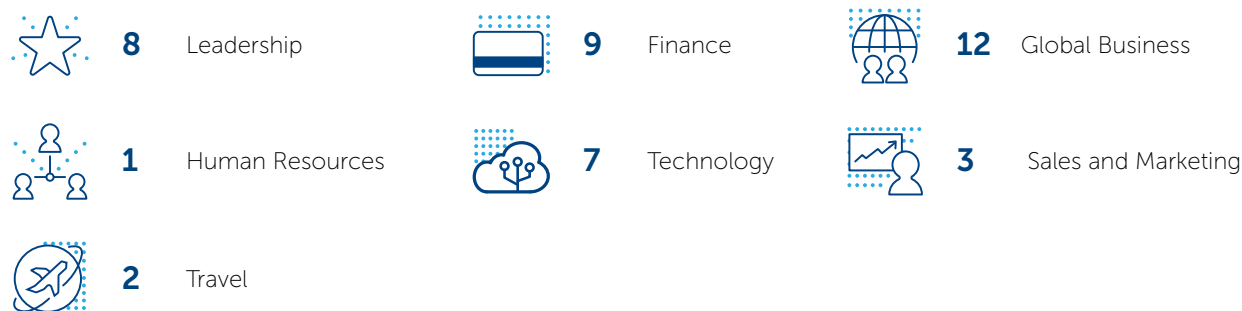
TENURE



AGE



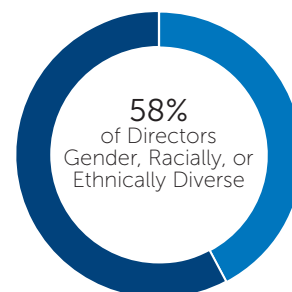
DIRECTOR QUALIFICATIONS



Our Board is committed to a refreshment process to ensure continued representation of a diversity of viewpoints, backgrounds, experience, knowledge, and perspectives. As of March 31, 2024, our Board has twelve members, including five women directors, four racially or ethnically diverse directors, and two Board leadership positions that are held by women. The demographic information presented below is based on voluntary self-identification by each director.

Board Diversity Matrix (as of March 31, 2024)

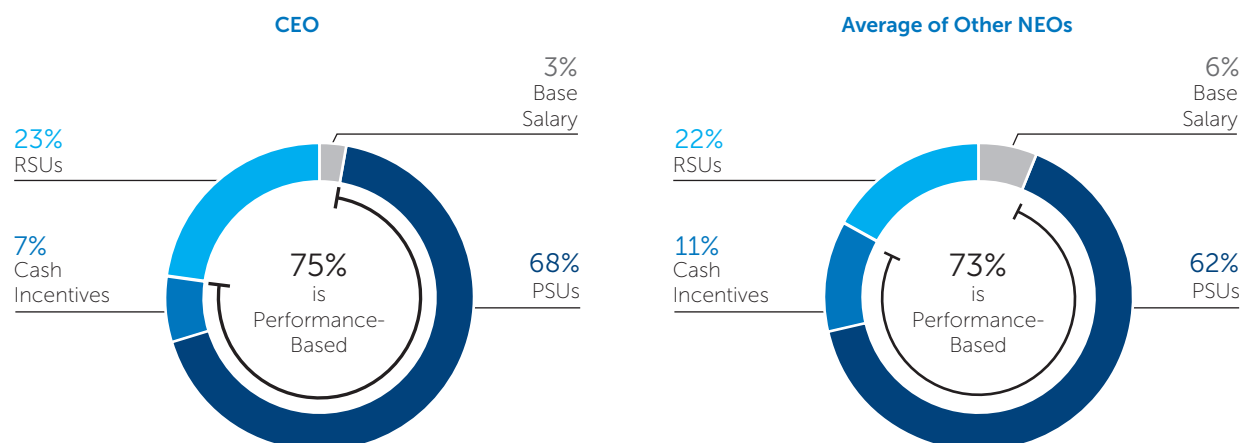
Board Diversity Matrix (as of March 31, 2024)			
Total Number of Directors	12		
	Female	Male	Did Not Disclose
Part I: Gender Identity			
Directors	5	6	1
Part II: Demographic Background			
Asian	1	1	0
Black or African American	1	1	0
White	3	4	0
Did Not Disclose	0	0	1



Executive Compensation Highlights

The Talent & Compensation Committee (the "T&C Committee") relies upon certain fundamental principles in designing the executive compensation program including an emphasis on performance-based pay, aligning executive interests with those of stockholders, and attracting and retaining key talent. In addition, the T&C Committee engages with stockholders and seeks to reflect their feedback in the executive compensation program. The Company received strong stockholder support for say-on-pay in 2023, which we believe reflected the long-term performance and stockholder value-aligned changes implemented after extensive stockholder outreach following the 2022 Say-on-Pay vote outcome. Such changes include a return to performance share units ("PSUs") with three-year targets and the inclusion of an absolute total stockholder return ("TSR") governor on top of the relative total stockholder return ("rTSR") modifier included in 2022 for the long-term incentive program. For 2024, the T&C Committee has incorporated further changes representative of the Company's compensation philosophy including changes to the equity pay mix and cash compensation mix, and individual bonus caps for executive officers. We invite you to read A Letter from the Talent and Compensation Committee to our Stockholders on page 46 for more information.

2023 COMPENSATION MIX⁽¹⁾



(1) Mix is shown at target. Percentages are approximate due to rounding.

WE DO:

-  Tie pay to performance.
-  Cap the bonus pool from which senior executives' individual cash bonuses are paid.
-  Cap individual bonus at two times target for executive officers beginning with the 2024 annual bonus plan.
-  Limit PSU payouts at target if TSR is not positive over the PSU measurement period.
-  Use "double triggers" in our severance agreements and equity awards.
-  Have both an incentive-based compensation clawback policy and a Financial Restatement Recovery Policy aligned with the SEC requirements.
-  Conduct an annual risk assessment of our executive compensation program.
-  Conduct a robust stockholder engagement process.
-  Conduct formal executive succession planning.
-  Have meaningful stock ownership guidelines.

WE DO NOT:

-  Pay dividend equivalents unless the vesting and performance conditions for the underlying equity award are met.
-  Permit stock option repricing without stockholder approval.
-  Provide significant executive-only perquisites.
-  Permit hedging or pledging of our stock by our directors and executive officers.
-  Provide change in control severance tax gross-ups.
-  Enter into new arrangements with executive officers that would pay cash severance in excess of 2.99 times salary and target bonus, without stockholder ratification.

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CORPORATE GOVERNANCE

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Proposal 1

Election of Directors



The Board of Directors recommends a vote **FOR each of the Board's nominees.**

The Board consists of twelve directors, with no vacancies, and the term of all directors expires at the Annual Meeting. Assuming all nominated directors are elected, following the Annual Meeting the Board will consist of twelve directors with no vacancies. If elected at the Annual Meeting, each of the twelve director nominees will hold office for a one-year term until the 2025 annual meeting of stockholders and until their successor has been duly elected and qualified, or until their earlier death, resignation, or removal. Unless otherwise instructed, the persons named as proxies on the accompanying proxy card will vote shares represented by properly executed proxies for the twelve nominees listed below. The proxies solicited by this proxy statement may not be voted for more than twelve nominees.

Although the Board anticipates that the twelve nominees will be available to serve as directors on our Board and each person nominated has agreed to serve if elected, if any of them should be unwilling or unable to serve, the proxies will be voted for the election of such substitute nominee or nominees as may be designated by the Board.

Director Qualifications

We believe that our directors should possess high personal and professional ethics and integrity, and be committed to representing the long-term interests of our stockholders. We endeavor to have a Board representing a range of experiences at policy-making levels in business and in areas that are relevant to the global nature of our operations and our long-term strategy. As a result, the Board and the Corporate Governance Committee ("CG Committee") believe that, in light of our business, strategy, and structure, the following are key areas of experience, qualifications, and skills that should be represented on the Board:



Leadership. Directors with experience in significant leadership positions over an extended period, especially chief executive officer ("CEO") positions, provide us and the Board with special insights. These individuals generally possess exceptional leadership qualities and the ability to identify and develop those qualities in others. They demonstrate a practical understanding of organizations, processes, strategy, risk management, and methods to drive change and growth.



Finance. It is important for our directors to understand finance, financial statements, and financial reporting processes. We generally measure our operating and strategic performance by reference to financial targets. In addition, accurate financial reporting and effective auditing are critical to our success.



Global Business. We operate a global business and believe it is important the Board includes directors with a mix of global business perspectives representing a variety of markets.



Human Resources. As our business continues to grow and the number and diversity of our employees increases, the Board believes that directors with human resources (including people and culture) experience are important to our success.



Technology. The Board believes that having directors with technology oversight experience, including of internet or e-commerce businesses, is important for the Board's ability to oversee management and provide insight regarding innovations and the evolving risk landscape in our industry.



Sales and Marketing. As our business is highly dependent on effective marketing, the Board seeks to have directors with significant sales and marketing experience to provide additional insight and advice to management in these areas.



Travel Industry. The Board believes that having directors with insight into the travel industry and related industries helps it evaluate our strategy and oversee management.

The following 2024 board skills matrix shows areas of experience, qualifications, and skills that were particularly identified for each nominee by the CG Committee and the Board when considering the current nominees. We continue to evaluate the matrix against our strategy so that it can serve as an effective tool for identifying director nominees who collectively have the complementary skills, experience, and qualifications to guide our Company.

	 Leadership	 Finance	 Global Business	 Human Resources	 Technology	 Sales and Marketing	 Travel
Glenn D. Fogel	■	■	■		■		■
Mirian M. Graddick-Weir			■	■			
Kelly Grier	■	■	■				
Wei Hopeman		■	■		■		
Robert J. Mylod, Jr.	■	■	■		■		■
Charles H. Noski	■	■	■				
Larry Quinlan		■	■		■		
Nicholas J. Read	■	■	■				
Thomas E. Rothman	■	■	■			■	
Sumit Singh	■		■		■	■	
Lynn Vojvodich Radakovich			■		■	■	
Vanessa A. Wittman	■	■	■		■		

Director Tenure

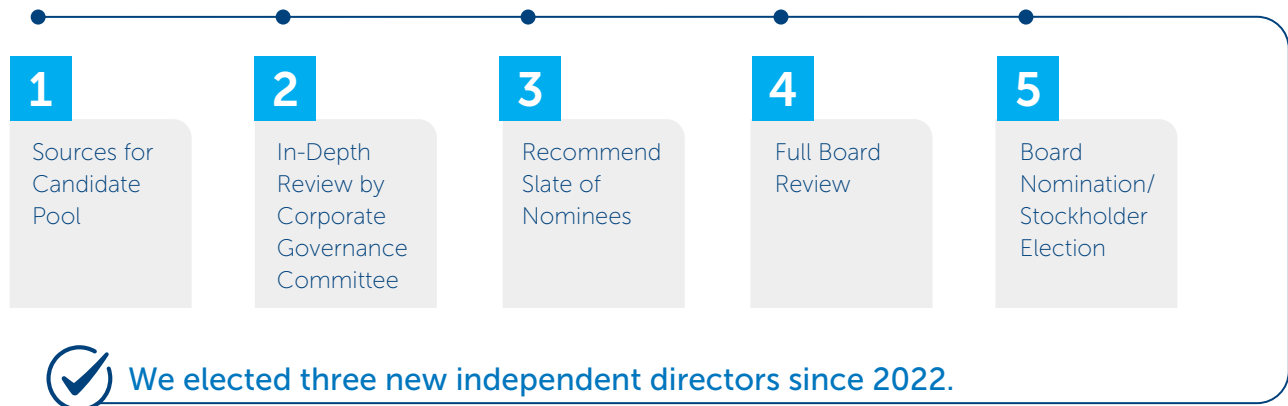
The CG Committee and the Board consider director tenure in connection with the evaluation of nominee independence. The CG Committee believes that Board continuity facilitates effective and efficient leadership, risk management, and oversight, and that the knowledge and understanding of our business gained over years of service are important attributes to consider when determining nominees for election to the Board. The CG Committee and the Board also believe that deliberate and planned Board refreshment is beneficial to the Board and our Company, and we have a robust and continuous refreshment process in place. The CG Committee and the Board believe that the current mix of directors reflects an appropriate mix of short-, medium-, and long-tenured directors. Eight of our independent directors will have joined the Board in the past eight years and **the average tenure of our independent directors will be 5.6 years as of the Annual Meeting.**

Nomination and Election Process

Identifying Director Candidates

As set forth in the Company's Corporate Governance Principles, the CG Committee primarily uses the following criteria to identify and recommend nominees for election or appointment to the Board:

- the highest personal and professional ethics and integrity;
- relevant business, professional, or managerial skills and experience;
- demonstrated leadership skills through involvement in business, professional, charitable, or civic affairs;
- current knowledge of the industry, markets, and communities in which we do business;
- the characteristics to contribute to the Board's diversity of viewpoints, background, experience, knowledge, and perspectives;
- ability and willingness to commit adequate time to fulfilling Board and committee duties and responsibilities, and to exercise independent judgment, ask probing questions, and express tough opinions; and
- expertise, skills, knowledge, experience, and personality that fit well with those of other directors in building a Board that is effective, collegial, and responsive to the Company's needs and stockholder interests.



The CG Committee believes that each nominee should be evaluated based on their individual merits, taking into account the Company's needs and the overall composition of the Board. The CG Committee's policy is to consider diversity of viewpoints, background, experience, knowledge, and perspectives as factors in nominating persons for election or appointment to the Board.

Who Can Recommend Candidates?

- Outside consultants may be employed to help identify candidates;
- Other Board members and members of management; and
- Stockholders.

Our CG Committee gives appropriate consideration to potential candidates recommended by stockholders in the same manner as other potential candidates identified by the CG Committee. Stockholders who wish to submit potential candidates for consideration by the CG Committee for election at our 2025 annual meeting of stockholders or for election to our Board at our 2025 annual meeting of stockholders may do so in accordance with the procedures described in 2025 Stockholder Proposals on page 110, in accordance with our By-Laws, or in accordance with our Stockholder Communications Policy (available at www.bookingholdings.com), as applicable.

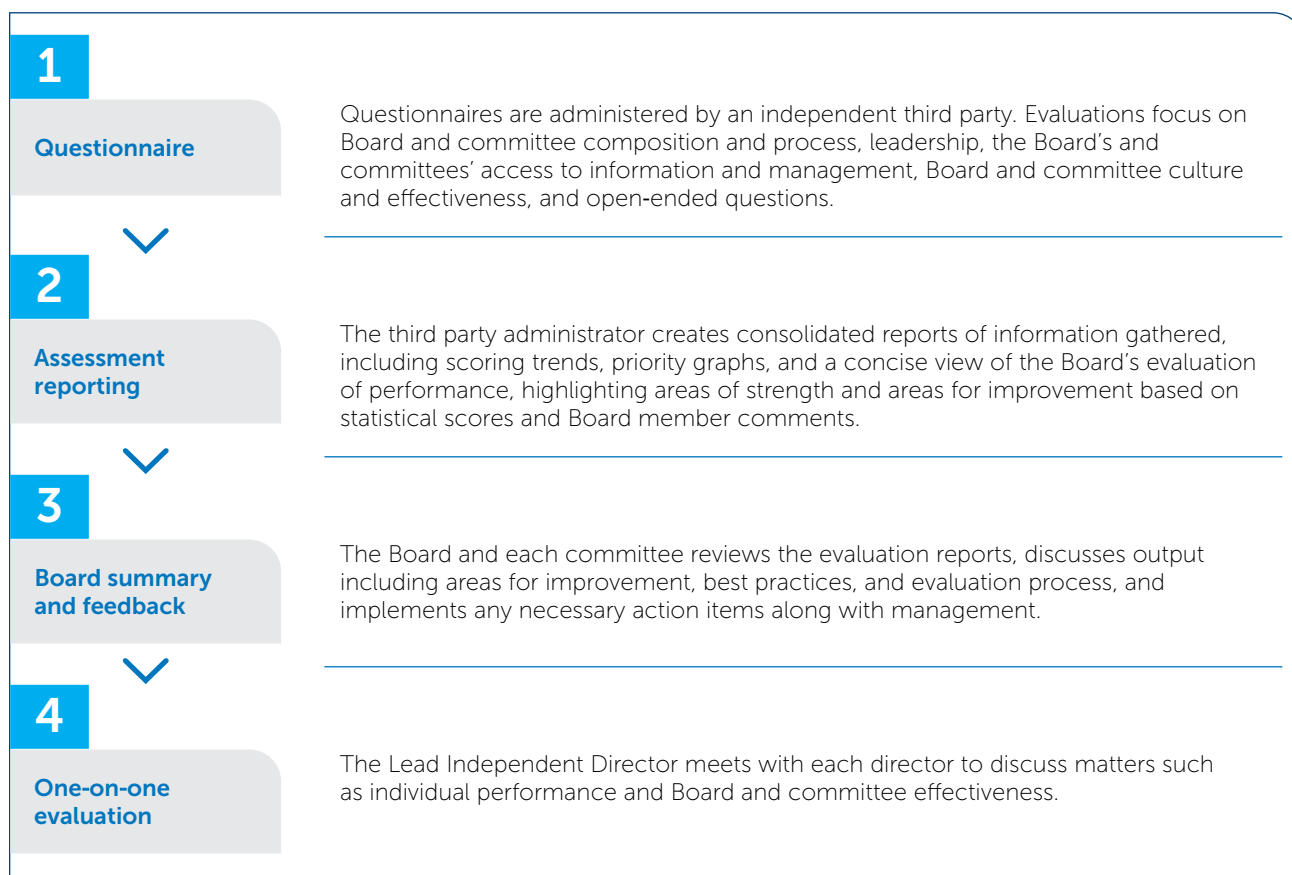
Evaluating Director Candidates

Members of the CG Committee evaluate possible candidates and suggest individuals to explore in more depth. Once a candidate is identified whom the CG Committee wants to seriously consider and move toward nomination, the chair of the CG Committee or their designee enters into a discussion with that nominee.

When considering current directors for nomination for re-election to the Board, the CG Committee takes into account the performance of each director. Underperforming directors may be asked to leave the Board or may not be re-nominated for election. The CG Committee also reviews the composition of the Board in light of its and our current challenges and needs, and determines whether it may be appropriate to add or remove individuals after considering the need for specific expertise and independence, judgment, skills, background, tenure, diversity of perspectives, and experience.

Board Evaluations

We conduct an annual evaluation process to assess the performance of our Board and its committees, which includes:



Nominees for Election as Directors

Set forth below is biographical information as of March 31, 2024 for each person nominated for election to the Board at the Annual Meeting.

GLENN D. FOGEL

Chief Executive Officer and President

Age: 62

Director since: 2017

Skills & Expertise



Career Highlights

Mr. Fogel has served as our Chief Executive Officer and President since January 2017 and the Chief Executive Officer of Booking.com since June 2019. Previously, he served as our Head of Worldwide Strategy and Planning from November 2010 to December 2016 and as our Executive Vice President, Corporate Development, from March 2009 to December 2016. Mr. Fogel joined us in February 2000. Prior to that, he was a trader at a global asset management firm and prior to that was an investment banker specializing in the air transportation industry. Mr. Fogel is a member of the New York State Bar (retired).

Director Qualifications

Mr. Fogel brings to the board significant experience running our Company as our President and Chief Executive Officer and in his previous role as Head of Worldwide Strategy and Planning. His expertise helped lead us during a long period of sustained global growth and through the COVID-19 pandemic.

Other Current Public Directorships:

- None

Committees or Subcommittees:

- None

MIRIAN M. GRADDICK-WEIR

Age: 69

Director since: 2018

Independent

Skills & Expertise



Career Highlights

Dr. Graddick-Weir, Ph.D., was the Executive Vice President of Human Resources at Merck & Co., Inc. from 2008 until November 2018, where she led human resources for one of the leading pharmaceutical companies in the world. Dr. Graddick-Weir served as Senior Vice President of Human Resources of Merck from September 2006 to January 2008. Prior to joining Merck, she served as Executive Vice President of Human Resources and Employee Communications of AT&T from 2004 to 2006 and served as its Executive Vice President of Human Resources from 1999 to 2004. Dr. Graddick-Weir was responsible for the design, planning, and administration of all Human Resources functions, including compensation, benefits, recruiting, and training, for AT&T's 47,000 employees. She joined AT&T in 1981. She currently serves as chair of Yum! Brands' nominating and governance committee and as a member of its management planning and development committee.

Director Qualifications

Dr. Graddick-Weir brings to the board global business experience having served as a senior executive of two large global businesses and on the board of directors of another; and extensive experience in the human resources field.

Other Current Public Directorships:

- Yum! Brands, Inc. (since 2012)

Committees or Subcommittees:

- Talent and Compensation (Chair)
- Audit



KELLY GRIER

Age: 54

Director since: 2023

Independent

Skills & Expertise



Career Highlights

Ms. Grier served as the Chair and CEO of EY-US and Managing Partner for the Americas region from 2018 until her retirement in 2022. She also served as the Chair of EY's U.S. Board and as a member of the EY Global Executive and Global Practice Group during that time. Prior to this, Ms. Grier served as the Vice Chair of Talent and in various other roles throughout the Americas and the Central Region since she started at EY in 1991, including as an SEC Audit Partner. Ms. Grier has served on the board of Illinois Tool Works Inc., a global industrial company, since 2022, where she is a member of its Audit and Finance Committees, and CDW Corporation, a provider of integrated IT solutions, since 2023, where she is a member of its Audit and Nominating and Corporate Governance Committees. She is also a senior advisor to the private equity firm Permira Advisors and serves as a director of a number of private and not-for-profit organizations including Zendesk, Chief Executives for Corporate Purpose, and Global Forestation Generation. Ms. Grier is a Certified Public Accountant.

Director Qualifications

Ms. Grier brings to the board extensive leadership experience and expertise in finance and global business through her career at a global professional services firm.

Other Current Public Directorships:

- Illinois Tool Works, Inc. (since 2022)
- CDW Corporation (since 2023)

Committees or Subcommittees:

- Audit

WEI HOPEMAN

Age: 54

Director since: 2019

Independent

Skills & Expertise



Career Highlights

Ms. Hopeman is a Managing Partner of Arbor Ventures, a venture capital firm focused on investing in fintech companies around the world, which she co-founded in 2014. From 2010 to 2014, Ms. Hopeman served as Managing Director and Head of Asia for Citi Ventures. Prior to Citi Ventures, Ms. Hopeman spent time in various other banking and private equity roles, including as the Chief China Representative for Jefferies & Co. and as a technology banker at The Goldman Sachs Group.

Director Qualifications

Ms. Hopeman brings extensive experience and expertise in global business and finance and particularly has demonstrated significant success in the fintech industry.

Other Current Public Directorships:

- None

Committees or Subcommittees:

- Corporate Governance



Leadership



Finance



Global Business



Human Resources



Technology



Sales and Marketing



Travel

ROBERT J. MYLOD, JR.

Chair

Age: 57

Director since: 2017

Independent



Skills & Expertise



Career Highlights

Mr. Mylod is the Managing Partner of Annox Capital Management, a private investment firm that he founded in 2013. From 1999 to 2011, Mr. Mylod held several roles with us, including Vice Chair, Head of Worldwide Strategy and Planning, and Chief Financial Officer. Prior to joining us, he was a Principal at Stonington Partners, a private equity investment firm. Mr. Mylod has served as executive chair of the board of directors of Vroom, Inc., a tech-enabled automobile retailer, since May 2022. He has been a member of Vroom's board of directors and also chair of Vroom's audit committee and a member of its compensation committee since 2015. Mr. Mylod was a member of the board of Freightos, LTD, an international freight booking and payment platform from 2014 to 2023. He was the chair of the Board of Redfin, a tech-enabled real estate brokerage, from 2016 to 2020 and also a member of Redfin's audit committee from 2013 to 2018. From 2014 to 2021, Mr. Mylod served as a member of the board of directors of Dropbox, Inc., a company that specializes in data file sharing and storage, and served as a member of Dropbox's audit and compensation committees. He also serves on the board of directors of several privately held companies.

Director Qualifications

Mr. Mylod brings to the board significant experience and expertise as a leader in finance and global technology businesses, including ours for over 12 years, helping lead us during a long period of sustained global growth.

Other Current Public Directorships:

- Vroom, Inc. (since IPO in 2020)

Committees or Subcommittees:

- Talent and Compensation

CHARLES H. NOSKI

Lead Independent Director

Age: 71

Director since: 2015

Independent



Skills & Expertise



Career Highlights

In 2012, Mr. Noski retired as a Vice Chairman of Bank of America Corporation, to which he was named after previously serving as that company's Executive Vice President and Chief Financial Officer. Prior to this, Mr. Noski served as Chief Financial Officer, Corporate Vice President and as a member of the board of directors of Northrop Grumman Corporation. Prior to Northrop Grumman, he was Vice Chairman of the board of directors and Chief Financial Officer of AT&T Corporation. Before that, Mr. Noski led Hughes Electronics Corporation in various senior executive roles, including as Vice Chairman and President and Chief Operating Officer. Mr. Noski worked at Deloitte & Touche LLP for 17 years from 1973 to 1990 and he was named Partner in 1983. Mr. Noski was elected to the board of directors of Wells Fargo & Company in 2019, served as chairman of the Wells Fargo board from March 2020 to August 2021, also chaired its governance and nominating committee and its audit committee, and retired from the board in 2021. In 2020, Mr. Noski was elected to the Hewlett Packard Enterprise board and is chair of its finance and investment committee and a member of its nominating, governance and social responsibility committee. In 2022, Mr. Noski was appointed to the board of directors of MIO Partners, Inc. and serves on the risk committee and the audit committee. From 2003 to 2019, Mr. Noski served as a member of the board of directors of Microsoft Corporation and was the chairman of Microsoft's audit committee and a member of its governance and nominating committee. Mr. Noski was also chairman of the board of trustees of the Financial Accounting Foundation from 2016 to 2019 and a former member of the board of directors of the National Association of Corporate Directors.

Director Qualifications

Mr. Noski brings to the board significant experience and expertise as a leader in finance and global businesses, and has demonstrated a long and successful career at large public companies as a senior officer and as a director, and in the accounting profession.

Other Current Public Directorships:

- Hewlett Packard Enterprise Company (since 2020)

Committees or Subcommittees:

- Audit
- Corporate Governance (Chair)



Leadership



Finance



Global
Business



Human
Resources



Technology



Sales and
Marketing



Travel

LARRY QUINLAN

Age: 61

Director since: 2022

Independent

Skills & Expertise



Career Highlights

Mr. Quinlan served as Global Chief Information Officer for Deloitte from 2010 through 2021, responsible for all facets of technology strategy and operations and leading over 10,000 IT professionals in 175 countries, and in various other roles since he started at Deloitte in 1988. During his time at Deloitte, Mr. Quinlan oversaw major client relationships and advised company boards and CEOs on a wide range of IT, cybersecurity, and digital strategic priorities. He has over 35 years of experience as a technology leader. Mr. Quinlan currently serves on the boards of Jones Lang LaSalle, a global commercial real estate services company, and ServiceNow, a software company that develops a digital transformation platform. He also serves on the board of directors of several privately held companies and non-profit organizations.

Director Qualifications

Mr. Quinlan brings to the board extensive experience and expertise in global business and technology. His technology expertise is particularly valuable in guiding our Cybersecurity Subcommittee in its oversight responsibilities.

Other Current Public Directorships:

- ServiceNow, Inc. (since 2021)
- Jones Lang LaSalle Incorporated (since 2022)

Committees or Subcommittees:

- Cybersecurity (Chair)

NICHOLAS J. READ

Age: 59

Director since: 2018

Independent

Skills & Expertise



Career Highlights

Mr. Read has served as the executive chairman of EXA Infrastructure, a digital infrastructure company, since 2023, and has served as a senior advisor to Global Infrastructure Partners, an infrastructure investor, since 2023. He previously served as Chief Executive Officer of Vodafone Group Plc, a multinational communications company, from October 2018 to December 2022, was a member of its board of directors from 2014 to 2022, and an advisor from December 2022 to March 2023. Prior to becoming its Chief Executive Officer, Mr. Read served as Group Chief Financial Officer of Vodafone Group Plc from April 2014 to July 2018. Since joining Vodafone in 2001, Mr. Read held a variety of senior roles, including Chief Financial Officer and Chief Executive Officer of Vodafone Limited, the U.K. operating company. Prior to becoming Group Chief Financial Officer, Mr. Read served as Regional Chief Executive Officer for Africa, Middle East and Asia Pacific for five years and was a board member of the Vodafone publicly-traded subsidiaries Vodacom, Safaricom, and Vodafone Qatar and Vodafone's joint ventures VHA in Australia and Indus Towers in India. Prior to joining Vodafone, he held senior global finance positions with United Business Media Plc and Federal Express Worldwide. Mr. Read is a member of the board of directors of Radius Global Infrastructure and a supervisory board member of Manchester Met University. Mr. Read is a Fellow Chartered Management Accountant and a Chartered Global Management Accountant.

Director Qualifications

Mr. Read brings to the board extensive experience and expertise as a leader in finance and global business through his career at a large public company based in Europe with significant international operations.

Other Current Public Directorships:

- None

Committees or Subcommittees:

- Audit
- Cybersecurity

THOMAS E. ROTHMAN

Age: 69

Director since: 2013

Independent

Skills & Expertise



Career Highlights

Mr. Rothman has served as Chairman of Sony Pictures Entertainment Motion Picture Group since March 2015, where he oversees Columbia Pictures, TriStar Pictures, Imageworks and Sony Pictures Animation, along with other entities. In June 2021, he was promoted to Chairman and CEO of Sony Pictures Entertainment Motion Picture Group. From September 2013 to February 2015, Mr. Rothman was Chairman of TriStar Productions. Previously, Mr. Rothman served as Chairman of Fox Entertainment Group Inc., a media company and subsidiary of News Corp. from 2000 to 2005 and as its Chairman and Chief Executive Officer from 2005 to 2012. Mr. Rothman served as President of Twentieth Century Fox Film Group from January 2000 to August 2000, and served as President of Twentieth Century Fox Production from 1995 to 2000. In 1994, Mr. Rothman founded and served as President of Fox Searchlight Pictures. Prior to that, he served as President of Worldwide Production for the Samuel Goldwyn Company from 1989 to 1994. Mr. Rothman was also an associate and then partner with Frankfurt, Kurnit, Klein & Selz, a law firm, from 1982 to 1987. Mr. Rothman is a member of the boards of the California Institute of the Arts and Brown University (emeritus). He served as a member of the National Council of the Arts, the governing body for the National Endowment for the Arts since 2015, and has been appointed by President Biden to the board of the Corporation for Public Broadcasting.

Director Qualifications

Mr. Rothman brings to the board extensive executive leadership of global media companies; and has demonstrated a long and successful career marketing and financing motion pictures, television programs, and other media.

Other Current Public Directorships:

- None

Committees or Subcommittees:

- Corporate Governance

SUMIT SINGH

Age: 44

Director since: 2022

Independent

Skills & Expertise



Career Highlights

Mr. Singh has served as Chief Executive Officer of Chewy, Inc. since March 2018, following seven months serving as Chief Operating Officer of Chewy, and has served as a director of Chewy since April 2019. In 2019, he led the company through its initial public offering. Prior to joining Chewy, Mr. Singh held senior leadership positions at Amazon, where from 2015 to 2017, he served as Worldwide Director of Amazon's Consumables businesses (fresh and pantry) and, from 2013 to 2015, as General Manager for Amazon's North American merchant fulfillment and third-party businesses. Prior to Amazon, Mr. Singh served in senior management positions at Dell Technologies Inc.

Director Qualifications

Mr. Singh brings to the board extensive leadership experience through his career at large global businesses spanning e-commerce, technology, retail, and logistics.

Other Current Public Directorships:

- Chewy, Inc. (since IPO in 2019)

Committees or Subcommittees:

- Talent and Compensation



Leadership



Finance



Global Business



Human Resources



Technology



Sales and Marketing



Travel

LYNN VOJVODICH RADAKOVICH

Age: 56

Director since: 2016

Independent

Skills & Expertise



Career Highlights

Ms. Vojvodich Radakovich is an advisor to start-up and growth-stage technology companies. She served as Executive Vice President and Chief Marketing Officer of Salesforce, a cloud-based software company, from 2013 to 2017. Before joining Salesforce, Ms. Vojvodich Radakovich was a partner at Andreessen Horowitz, a leading venture capital firm, where she helped companies build their go-to-market strategies. Previously, she was the Chief Marketing Officer at Terracotta Inc., a leader in in-memory and cloud-enabling technology. Ms. Vojvodich Radakovich has also served in various roles at organizations including Bain & Company and Microsoft. Ms. Vojvodich Radakovich has served as a member of the board of directors of Dell Technologies since April 2019 and is the chair of the compensation committee and member of the audit committee. She has served as a member of the board of directors of Ford Motor Company since 2017 and is chair of the compensation, talent and culture committee and member of the nominating & governance and sustainability, innovation & policy committees. She has served as a director of Figma, a privately held cloud-based design software company, since December 2019. Ms. Vojvodich Radakovich began her career as a mechanical engineer in a hard hat working on the design and construction of Gulfstream jets and offshore oil structures.

Director Qualifications

Ms. Vojvodich Radakovich brings to the board extensive experience and expertise in global businesses with focuses on internet marketing and sales, including from her experiences working with global technology businesses, as well as start-up, and growth-stage technology companies.

Other Current Public Directorships:

- Ford Motor Company (since 2017)
- Dell Technologies Inc. (since 2019)

Committees or Subcommittees:

- Corporate Governance
- Talent and Compensation



VANESSA A. WITTMAN

Age: 56

Director since: 2019

Independent

Skills & Expertise



Career Highlights

Ms. Wittman was the Chief Financial Officer of Glossier, an online beauty product company, until May 2022 and served as an advisor to Glossier until December 2022. She previously served as Chief Financial Officer of Oath, a subsidiary of Verizon, during 2018. Ms. Wittman served as Chief Financial Officer of Dropbox from 2015 to 2016 and as Chief Financial Officer of Motorola Mobility, a subsidiary of Google, from 2012 to 2014. From 2008 to 2012, Ms. Wittman served as Executive Vice President and Chief Financial Officer of Marsh & McLennan Companies, a global professional services firm. Prior to Marsh & McLennan, Ms. Wittman held a number of other senior finance roles. Ms. Wittman has served as a member of the board of directors for American International Group, Inc. since 2023. Ms. Wittman serves on the board of directors of Impossible Foods Inc., a privately held sustainable foods company, and is the audit committee chair. Since 2021, Ms. Wittman has also served as a member of the board of directors of Oscar Health and as its audit committee chair. From 2014 to 2019, Ms. Wittman was a member of the board of directors of Ulta Beauty, a cosmetics and beauty supply retailer, and served on its audit committee.

Director Qualifications

Ms. Wittman brings to the board extensive global business, finance, executive, and technology experience through her roles at various global technology and retail companies.

Other Current Public Directorships:

- Oscar Health, Inc. (since IPO in 2021)
- American International Group, Inc. (since 2023)

Committees or Subcommittees:

- Audit (Chair)
- Cybersecurity



Leadership



Finance



Global
Business



Human
Resources



Technology



Sales and
Marketing



Travel

Management

Set forth below is biographical information as of March 31, 2024 for our executive officers, other than Glenn D. Fogel, our Chief Executive Officer, President, and a director nominee, whose biographical information is included under Nominees for Election as Directors. Also set forth below is biographical information of Mr. David Goulden, our Chief Financial Officer from 2018 to March 2024.

Executive Officer Name	Title	Age ⁽²⁾	Executive Officer Since
Glenn D. Fogel	Director, President, and Chief Executive Officer Chief Executive Officer, Booking.com	62	2011
Peter J. Millones	Executive Vice President and General Counsel	54	2001
Paulo Pisano	Chief Human Resources Officer	50	2021
Ewout Steenbergen ⁽¹⁾	Executive Vice President and Chief Financial Officer	54	2024

(1) Mr. David Goulden, our Chief Financial Officer from 2018 to 2024, transitioned to a new role at the Company following the hiring of his successor Ewout Steenbergen as Chief Financial Officer in March 2024.

(2) Age as of March 31, 2024.



PETER J. MILLONES

Mr. Millones has been our General Counsel since January 2001 and our Executive Vice President since April 2003. He previously served as our Vice President and Associate General Counsel from March 2000 to January 2001 and as our Corporate Secretary from March 2021 to January 2022 and January 2001 to April 2018. Prior to that, Mr. Millones was with the law firm of Latham & Watkins LLP.



PAULO PISANO

Mr. Pisano has served as our Chief Human Resources Officer since August 2021 and as Senior Vice President and Chief People Officer of Booking.com since March 2020. Prior to joining Booking.com, Mr. Pisano was the Chief People Officer at Galp, a globally integrated energy company, from December 2015. Previously, he served as the SVP and Chief Talent Officer at Pearson, an education publishing and learning assessment company, following his post as Head of Organizational Effectiveness at Barclays.



EWOUT STEENBERGEN

Mr. Steenbergen is our Executive Vice President and Chief Financial Officer since 2024. Previously he served as EVP, Chief Financial Officer at S&P Global Inc. ("S&P"), a financial information and analytics company, since 2016. Mr. Steenbergen was also appointed as President, Engineering Solutions in 2022 when S&P merged with IHS Markit, and led Kensho Technologies, an artificial intelligence company, since 2018. Prior to his role with S&P, Mr. Steenbergen served as Executive Vice President and CFO of Voya Financial, Inc., a financial services company. He also serves as chair of the board of directors of UNICEF USA and as a member of the board of directors of the International Peace Institute.

Retired Executive Officer



DAVID GOULDEN

Mr. Goulden was our Executive Vice President and Chief Financial Officer from March 1, 2018 until he retired from the CFO position in March 2024. Mr. Goulden is now serving as Executive Vice President of Finance. Mr. Goulden has over 35 years of experience in the technology industry across a number of additional functions including Operations, Marketing, Strategy, Product Development, and Corporate Development. Mr. Goulden previously served as the President, Infrastructure Solutions Group, at Dell Technologies and, before that, as Chief Executive Officer of EMC Corporation's information infrastructure business and in other roles at EMC Corporation since 2002. Mr. Goulden served on the board of directors of VMWare, a cloud infrastructure and business mobility company, from 2007 to 2014.

Our Governance Framework

We and our Board operate under corporate governance principles that are designed to maximize long-term stockholder value, align the interests of the Board and management with those of our stockholders, and promote ethical conduct among our directors and employees.

A copy of our Corporate Governance Principles is available at www.bookingholdings.com. Our Corporate Governance Principles include:

-  A majority of the Board must consist of independent directors. See Director Independence beginning on page 37.
-  The CG Committee reviews and concurs annually on a CEO succession plan. See Corporate Governance Committee on page 35.
-  The Board and each committee can hire its own outside advisors.
-  The independent directors have at least two regularly scheduled executive sessions without management present each year.
-  The T&C Committee, meeting without our CEO present, evaluates our performance and the performance of our CEO and recommends to the Board the compensation of our CEO.
-  We maintain stock ownership guidelines for directors and executive officers. See Stock Ownership Guidelines on page 71 and Non-Employee Director Stock Ownership Guidelines on page 96.
-  The Board appoints a Lead Independent Director if the Chair is not independent or as the Board deems appropriate. See Leadership Structure on page 30.

Leadership Structure

The Board does not have a policy regarding the separation of the roles of CEO and Chair of the Board because the Board believes that it is in the best interests of the Company and our stockholders to make that determination from time to time. The Board has determined that separation of the roles of CEO and Chair is currently in the best interests of the Company and our stockholders.

Robert J. Mylod, Jr. has been serving as the Chair of the Board since June 2020. In light of Mr. Mylod's previous experience as an executive of our Company and the resulting familiarity with our operations, he provides an important connection between the Board's non-executive directors and management and provides valuable advice to and oversight of the Company's CEO. Although Mr. Mylod is an independent director, the Board has determined that it is in the Company's best interest to maintain the position of Lead Independent Director. Mr. Noski has been serving as the Company's Lead Independent Director since June 2020.

Role of the Board Chair



ROBERT J. MYLOD, JR. CHAIR OF THE BOARD

- preside at and lead meetings of the Board and stockholders;
- together with the Lead Independent Director, set and approve the Board's agenda in consultation with the CEO;
- lead and manage the business of the Board, providing clear direction and focus for the activities of the Board;
- provide input to the T&C Committee regarding the performance of the CEO and to the CG Committee regarding the performance of directors and new candidates to join the Board;
- develop a close and effective working relationship with the CEO; and
- on a case-by-case basis and where appropriate, if requested by major stockholders, be available for consultation and direct communication with such stockholders.

Role of the Lead Independent Director



CHARLES H. NOSKI LEAD INDEPENDENT DIRECTOR

- call, set the agenda for, and lead meetings and executive sessions of the independent directors;
- together with the Board Chair, set and approve the Board's agenda in consultation with the CEO;
- from time to time as he deems necessary or appropriate, consult with the Board Chair and the CEO as to the quality, quantity, and timeliness of the flow of information from management that is necessary for the independent directors to perform their duties effectively;
- provide input to the T&C Committee regarding the performance of the CEO and to the CG Committee regarding the performance of directors and new candidates to join the Board;
- on a case-by-case basis and where appropriate, if requested by major stockholders, be available for consultation and direct communication with such stockholders; and
- authorize the retention of outside advisors and consultants that report directly to the Board.

Other Select Policies and Practices

WE DO:

- ✓ **Code of Ethics.** We have adopted a code of ethics that we refer to as our “Code of Conduct” and we require all directors, executive officers, and employees to adhere to it in discharging their work-related responsibilities. A copy of our Code of Conduct is available at www.bookingholdings.com.
- ✓ **Annual Meetings.** At each annual meeting of stockholders, stockholders have the ability to vote on matters presented at the meeting, including the annual election of all of our directors.
- ✓ **Special Meetings.** If important matters arise between annual meetings of stockholders, our certificate of incorporation provides that the Chair of the Board, the Vice Chair of the Board (if any), the CEO, the Board, or stockholders holding at least 25% of our shares may call a special meeting of stockholders. If properly called, a special meeting of stockholders would provide all stockholders an opportunity to debate and vote on matters outside the annual meeting cycle.
- ✓ **Written Consent.** If important matters arise between annual meetings of stockholders, our certificate of incorporation provides that the Chair of the Board, the Vice Chair of the Board (if any), the CEO, the Board, or stockholders may act by written consent in lieu of a meeting, provided that the holders of no less than 25% of the outstanding shares of the Company’s common stock first request that the Board establish a record date for stockholders for such action by written consent.
- ✓ **Majority Vote Standard.** We have a majority vote standard in uncontested elections of directors, which means that directors are required to tender their resignation unless they receive the support of a majority of votes cast.
- ✓ **Proxy Access and Stockholder Nominees.** Stockholders have the opportunity to nominate individuals for election to the Board pursuant to our By-Laws and Delaware law and, in accordance with our By-Laws, to include nominees in our proxy statement. Our stockholder-approved proxy access By-Law provides that:
 - any stockholder or group of stockholders holding at least 3% of our outstanding common stock,
 - continuously for at least 3 years,
 - can include in our proxy statement nominees for up to 25% of our Board for election at an annual stockholders’ meeting.
- ✓ **Annual Advisory Vote on Executive Compensation.** The Board has implemented and our stockholders have approved an annual stockholder advisory vote on executive compensation to give stockholders the opportunity to provide feedback on our executive compensation practices annually.
- ✓ **Lead Independent Director.** We have a Lead Independent Director with a set of defined responsibilities. See Leadership Structure and Communications with the Board of Directors on pages 30 and 38, respectively.
- ✓ **Stock Ownership Guidelines.** The Board has adopted stock ownership guidelines for executive officers and non-employee directors. See Stock Ownership Guidelines on page 71 and Non-Employee Director Stock Ownership Guidelines on page 96.

WE DO NOT:

- ✗ **Rights Plan.** We do not have a stockholder rights plan, sometimes referred to as a “poison pill.”
- ✗ **Supermajority Voting Provisions.** We do not have any supermajority voting provisions in our certificate of incorporation or our By-Laws.
- ✗ **Classified Board.** We do not have a classified board of directors. All directors are elected by the stockholders each year.

Our Board's Role in Company Strategy

The Board is elected by and accountable to stockholders and is responsible for our strategic direction and oversight of management.

Our Strategy

We focus on relentless innovation and execution and a commitment to serve both consumers and partners with unmatched service and best-in-class technology. We believe that global travel bookings will generally continue to grow while shifting from traditional offline to online channels like ours. We aim to capture online growth and be the world leader in online travel and related services through a strategy of:



The Board oversees the formulation and implementation of our strategy. The Board and management meet annually to review the state of our operating markets, analyze our competitive position, measure our performance against our strategy, and evaluate and adjust our strategy. While management takes the lead in preparing background materials and proposes the going-forward strategic direction for Booking Holdings, the Board plays an active role in overseeing our strategy. In particular, our Chair and Lead Independent Director work closely with management in advance of the meeting to prepare and approve the agenda for the meeting and to consult on the strategy to be proposed by management. Between these annual strategy meetings, management reports to the Board regularly on our implementation of the strategy and our progress toward reaching our strategic goals, and the Board discusses with management whether adjustments should be made in light of any changes in our Company, markets, competitors, or otherwise. In addition, the Board meets regularly in executive session without management to discuss our performance and strategy.

Board's Role in Risk Oversight

The Board and Audit Committee review our key risks at least annually. Our internal audit function, with primary oversight by the Audit Committee, facilitates the identification and assessment of the key risks facing the organization across functions and regions. The Board and committees are responsible for risk oversight and regularly review risk mitigation initiatives, while management is responsible for executing our risk management policies. Division of oversight responsibility relating to specific risks among the committees and the role of management is described below.

BOARD OF DIRECTORS

The Board is responsible for providing advice and oversight of Booking Holdings's strategic and operational direction and overseeing its executive management to support the long-term interests of the Company and its stockholders.



AUDIT COMMITTEE

Oversees

- risk assessment and processes generally;
- internal control over financial reporting;
- risk management related to hedging activities, investments, and use of derivative instruments;
- general operational, business continuity, legal, regulatory, and compliance risks; and
- delegation to the Cybersecurity Subcommittee, which periodically reports to the Audit Committee, oversight responsibilities for risk management processes related to cybersecurity, data protection and security, privacy, and major financial systems transformation projects.

CYBERSECURITY SUBCOMMITTEE

Oversees

- cybersecurity program, including security policies, internal security controls, and preparedness;
- privacy and data protection risk exposures; and
- risks and benefits of major financial systems transformation projects.

See [Cybersecurity & Privacy](#) on page 42 for more information.

CORPORATE GOVERNANCE COMMITTEE

Oversees

- risks related to the composition of our Board, including ensuring that we have Board members with the appropriate mix of qualities and availability to effectively oversee our business and fulfill the duties of the Board and each committee;
- our corporate governance practices, including certain regulatory and sustainability matters;
- the development, improvement, and review of our Code of Conduct; and
- our CEO succession plan, including policies and principles to be used to select a successor.

TALENT AND COMPENSATION COMMITTEE

Oversees

- risks related to compensation programs;
- risks related to human capital management;
- our compensation policies and practices, including those applicable to our NEOs; and
- succession plans for senior management personnel (other than the CEO).

See [Compensation Risk Assessment](#) on page 97



MANAGEMENT

The Company has a management-level risk committee tasked with ensuring risks are properly managed or mitigated and aligning strategic objectives with an appropriate level of risk tolerance.

Our internal audit and compliance functions also meet with the Audit Committee regularly, including in executive sessions without other members of management present, to report on their areas of responsibility.

On a quarterly basis, members of management with responsibility for cybersecurity and related risk areas meet with the Cybersecurity Subcommittee on risk management activities and efforts. As part of our risk mitigation strategy, we require that all employees across Booking Holdings complete certain annual training including information security awareness training.

Board Committees

Our Board has three standing committees: an Audit Committee, a Talent and Compensation Committee, and a Corporate Governance Committee. Each committee has a written charter available at www.bookingholdings.com. In addition, the Audit Committee has delegated certain of its responsibilities to the Cybersecurity Subcommittee.

Audit Committee



Chair: Vanessa A. Wittman

Members

- Mirian M. Graddick-Weir
- Kelly Grier
- Charles H. Noski
- Nicholas J. Read



Nine meetings in 2023



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"Audit Committee Financial Experts":

- Kelly Grier
- Charles H. Noski
- Nicholas J. Read
- Vanessa A. Wittman

The Audit Committee's responsibilities include:

- overseeing and reviewing our consolidated financial statements, accounting practices, and related internal controls;
- overseeing and making all decisions relating to our relationship with our independent registered public accounting firm;
- overseeing our internal audit function;
- establishing procedures for the submission, receipt, and treatment of complaints or concerns regarding accounting or auditing matters;
- reviewing and approving all related party transactions (defined as transactions required to be disclosed by Item 404 of the U.S. Securities and Exchange Commission (the "SEC") Regulation S-K); and
- acting as our primary risk oversight committee, including by overseeing our compliance program and risk management efforts generally, as well as our major financial risk exposures.

The Board has determined that each member of the Audit Committee is an independent director based on The Nasdaq Stock Market's ("Nasdaq") listing rules and also satisfies the SEC's additional independence requirements for members of audit committees.

Cybersecurity Subcommittee of the Audit Committee



Chair: Larry Quinlan

Members

- Nicholas J. Read
- Vanessa A. Wittman



Three meetings in 2023

The Cybersecurity Subcommittee's responsibilities include:

- oversight of the Company's cybersecurity program, including security policies, internal security controls and risk management, the results of any third-party assessments of the Company's cybersecurity program, crisis preparedness, and recovery capabilities;
- oversight of privacy and data protection risk exposures, including the steps management has taken to monitor and mitigate such exposures;
- monitoring significant regulatory requirements, policy developments, best practices, and proxy advisory firm policies relating to cybersecurity, privacy, and data protection; and
- reviewing the risks and benefits of major financial technology systems transformation projects and the progress of such projects.

The Cybersecurity Subcommittee, which was established in 2023, is composed entirely of independent directors and reports to the Audit Committee.

Corporate Governance Committee



Chair: Charles H. Noski

Members

- Wei Hopeman
- Thomas E. Rothman
- Lynn Vojvodich Radakovich



Five meetings in 2023

The CG Committee's responsibilities include:

- identifying individuals believed to be qualified to become Board members, consistent with criteria approved by the Board (which are set forth in our Corporate Governance Principles and the CG Committee's charter and described above in Identifying Director Candidates on page 16, and selecting, or recommending to the Board, the nominees to stand for election as directors at the annual meeting of stockholders;
- identifying and recommending that the Board appoint directors to fill vacancies on any Board committee (including the CG Committee);
- assessing whether candidates to join the Board would be "independent" under Nasdaq's listing rules;
- establishing procedures to receive prompt notification of changes in a director's circumstances that may affect their qualifications or independence as a director and reviewing such information and making recommendations as deemed appropriate;
- regularly evaluating and, as appropriate, recommending to the Board any modifications or enhancements to the Corporate Governance Principles;
- reviewing and concurring on a succession plan for the Chief Executive Officer, both in emergency situations and in the ordinary course of business;
- at least annually, reviewing our Code of Conduct and Stockholder Communications Policy and their effectiveness;
- periodically reviewing our policies and practices relating to certain regulatory compliance and sustainability matters, and approving our annual sustainability report; and
- designing a process for the Board to conduct a self-evaluation at least annually.

The Board has determined that each member of the CG Committee is an independent director based on Nasdaq's listing rules. The CG Committee approved and recommended to our Board the twelve director nominees standing for election at the Annual Meeting.

Talent and Compensation Committee



Chair: Mirian M. Graddick-Weir

Members

- Robert J. Mylod, Jr.
- Sumit Singh
- Lynn Vojvodich Radakovich



Six meetings in 2023



Report on page 72

This committee changed its name to the Talent and Compensation Committee in 2023 to reflect its evolving oversight responsibilities. The T&C Committee's responsibilities include:

- setting, or recommending to the Board for determination, the compensation of our CEO;
- reviewing and approving the compensation of our other NEOs;
- engaging with the Company's stockholders regarding the compensation paid to our executives, compensation program design, and related matters, and incorporating appropriate feedback;
- reviewing policies, programs, and initiatives related to human capital management, including with respect to promoting diversity, equity, and inclusion, company culture, employee engagement and talent recruitment, development, and retention;
- administering employee benefit plans, including incentive compensation plans and equity-based plans;
- recommending to the Board for approval compensation plans for non-employee directors;
- making recommendations to the Board with respect to the adoption of incentive compensation plans and equity-based plans;
- reviewing and approving succession plans for senior management personnel (other than the CEO, which is the responsibility of the CG Committee); and
- overseeing risks related to compensation programs. See Compensation Risk Assessment on page 97 for additional details.

The Board has determined that each member of the T&C Committee is an independent director based on Nasdaq's listing rules and additional requirements for members of compensation committees. The T&C Committee has the authority to appoint and dismiss its advisors and compensation consultants and approve their compensation. These advisors report directly to the T&C Committee. The T&C Committee has retained Semler Brossy ("Semler") as its outside compensation consultant. While Semler reports to the T&C Committee, the T&C Committee authorized Semler to communicate and work with management with respect to the compensation planning process.

Director Independence

Our independence guidelines outlined in the Corporate Governance Principles conform to Nasdaq's listing rules for independence requirements and the rules of the SEC. For each of 2024 and 2023, the CG Committee recommended to the Board, and the Board determined, that each of the nominees for election to the Board at the Annual Meeting other than Mr. Fogel is an "independent director" based on Nasdaq's listing rules, the SEC rules, and our Corporate Governance Principles.

In making its independence determination, the CG Committee and the Board considered ordinary course transactions or relationships between the Company and certain entities affiliated with directors, which the Board determined are not material to our Company, the directors, or the companies with which the directors are associated. In particular, the Board and the CG Committee took into account the following transactions or relationships:

- Ms. Grier serves as a director at CDW Corporation, from which we purchased computer equipment and software; and Zendesk, from which we purchased certain computer software and subscription services.
- Mr. Mylod serves as a director at Evolve Vacation Rentals, Inc., which paid us commissions on accommodation reservations.
- Mr. Noski serves as director at Hewlett Packard Enterprise, from which we purchased and leased computer products and data center services and received certain rebates for product recycling.
- Mr. Quinlan serves as director at ServiceNow, from which we purchased a license subscription; Jones Lang LaSalle, to which we paid fees for small real estate-related projects; and Sonatype, from which we purchased software licenses. Also, Mr. Quinlan was previously employed by Deloitte & Touche LLP, the Company's independent registered public accounting firm, including as a Principal and Global Chief Information Officer. He retired and disassociated from Deloitte in 2021.
- Mr. Read served during 2023 as an advisor to Vodafone Group, from which we purchased mobile phone subscriptions and other communication services; and serves as executive chair at EXA Infrastructure, from which we purchased certain telecommunication services.
- Ms. Vojvodich Radakovich serves as director at Dell Technologies, from which we purchased computer hardware and software, and Figma, from which we purchased software licenses.
- Ms. Wittman serves as director of American International Group, Inc., from which we purchase corporate insurance policies through a broker.

For each transaction described above, the amount of payments made and received by each entity represented an immaterial percentage of the Company's and the other entity's revenues. The Board and the CG Committee concluded that all such transactions have been conducted on an ordinary course, arm's-length basis and do not interfere with the exercise of independent judgment by the relevant directors. The Board and the CG Committee also considered Mr. Quinlan's prior employment with Deloitte and concluded this prior relationship would not interfere with Mr. Quinlan's exercising independent judgment as a director on our Board.

Certain Relationships and Related Person Transactions

Review and Approval or Ratification of Related Person Transactions

The Audit Committee, pursuant to a written policy, reviews all relationships and transactions in which we participate and in which any related person has a direct or indirect material interest and the transaction involves or is expected to involve payments of \$120,000 or more in the aggregate per fiscal year. Our legal staff is primarily responsible for gathering relevant information from our directors and executive officers. Related person transactions are generally identified in:

- questionnaires annually distributed to our directors and executive officers;
- certifications submitted annually by our executive officers and directors related to their compliance with our Code of Conduct;
- communications made directly by the related person to management; and
- periodic internal reviews by management.

As required under SEC rules, transactions in which we participate and in which any related person has a direct or indirect material interest and the amount involved exceeds \$120,000 are disclosed in our proxy statement. The Audit Committee reviews and approves or ratifies any such related person transaction. In the course of its review and approval or ratification of a disclosable related party transaction, the Audit Committee considers:

- the nature of the related person's interest in the transaction;
- the material terms of the transaction, including the amount and type of transaction;
- the importance of the transaction to the related person;
- the importance of the transaction to us;
- whether the transaction would impair the judgment of a director or executive officer to act in our best interests; and
- any other matters the Audit Committee deems appropriate.

Any member of the Audit Committee who is a related person with respect to a transaction under review may not participate in the deliberations or vote respecting approval or ratification of the transaction. This process is included in our Corporate Governance Principles, which is available at www.bookingholdings.com.

Board Practices and Procedures

Communications with the Board of Directors

Stockholders may contact any of our directors, a committee of the Board, non-employee or independent directors as a group, or the Board as a whole by writing to them c/o Office of the General Counsel, Booking Holdings Inc., 800 Connecticut Avenue, Norwalk, Connecticut 06854. Stockholders should state in such communication how many shares of our common stock they own as of the date of their communication. Communications received in this manner by the Board will be initially reviewed and logged by our Corporate Secretary and then periodically, and at least quarterly, forwarded to the Chair of the Board and the Lead Independent Director, if there is one, and/or the Chair of the CG Committee.

Board of Director Attendance

Regular meetings of the Board are generally held six times per year and special meetings are scheduled when necessary. The Board held seven meetings in 2023. For 2023, all directors attended at least 75% of the meetings of the Board and the committees of which they were members held while they were serving on the Board and any such committees.

Attendance at Annual Meetings

We expect directors to attend our annual meetings of stockholders. All eleven members of the Board who were director nominees at our 2023 annual meeting of stockholders attended the 2023 meeting.

Compensation-related Corporate Governance

See Compensation Governance Matters on page 71 for our various compensation-related corporate governance policies and practices, including policies regarding compensation clawbacks, 10b5-1 plans, and hedging and pledging of securities.

Director Orientation and Continuing Education

New directors participate in our director orientation program, which includes in-depth sessions devoted to director fiduciary obligations, our Company's strategy and operations, and introductions to key members of management, among other topics. Topics are tailored based on the director's committee membership(s) and background.

We encourage directors to attend corporate governance and other director workshops to further develop their expertise and stay abreast of issues relevant to their service on the Board. Our policy is to reimburse directors for the costs of attending such programs. In addition, our Board and committees regularly invite outside experts to present to them on a variety of topics, which have included developments in corporate governance and key areas of risk management such as cybersecurity and privacy issues.

Sustainability

Our approach to sustainability is a natural extension of our mission to make it easier for everyone to experience the world.

World's Most Trustworthy Companies America's Most Responsible Companies America's Greenest Companies NEWSWEEK	World's Top Companies for Women America's Best Employers for Diversity FORBES	America's Climate Leaders USA TODAY
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Sustainable Travel

Our approach to sustainability is grounded in our mission to make it easier for everyone to experience the world, which requires the preservation of a world worth experiencing. The CG Committee is tasked with oversight of our sustainability practices and policies, including environmental, social, and governance matters and receives reports from management on these topics. In addition, management has a Sustainability Steering Committee dedicated to monitoring and driving progress toward our sustainability objectives. Our sustainability strategy is anchored by three pillars:

 operate our business more sustainably and build a culture of sustainability	 make it easier for travelers to make more sustainable travel choices	 catalyze sustainable travel growth through external collaboration
--	---	--

Operating our business more sustainably and building a culture of sustainability

In 2022, we became the first global online travel company to launch a Climate Action Plan, which outlines our scope 1, 2, and 3 emissions reductions targets and timelines. Over the past two years, we reported on our progress toward meeting these goals in our annual Sustainability Report. In addition, to continue to build a culture of sustainability, we made our in-depth Climate Awareness and Education Virtual Learning Program available across all of our brands.

Making it easier for travelers to make more sustainable travel choices

Together with our travel provider partners we are on a journey to make more sustainable choices increasingly accessible for travelers.



In 2023, more than 1.4 million accommodations shared information about their sustainability-related practices and over 16,000 accommodation partners have been recognized with a third-party certification related to sustainability practices.



Consumers using Booking.com can find and book lower-impact taxis in 274 cities and filter for electric and hybrid car rentals. Priceline continues to experience a significant increase in electric vehicle rentals through expansion of its electric fleet of car rental providers. Additionally, public transportation ticketing options are now automatically available after booking accommodation via Booking.com.



In 2023, Booking.com launched a new tagging system for air travel, which indicates the availability of lower-emission routes or carriers and offers comparisons across options.

Catalyze sustainable travel growth through external collaboration

We advocate for a more sustainable industry through thought leadership and partnerships across our brands.

- Our goal is to identify and co-create innovative solutions for more sustainable travel through advocacy, investments, and partnerships. For example, in 2023, Booking.com deepened its longstanding relationship with United Nations Tourism to launch an online training series for travel providers seeking to enhance the sustainability of their accommodations. The program focuses on community engagement, energy and greenhouse gas management, food and waste management, and water management.
- We advocate for industry developments and address sustainability challenges by participating in various trade associations and partnering with other travel and technology organizations on a range of initiatives.
- You can find more information on our sustainability efforts in our 2023 Sustainability Report, as well as our Climate Action Plan, at www.bookingholdings.com/sustainability, which are not incorporated by reference into this Proxy Statement.

Diversity, Equity, & Inclusion

Our commitment to diversity, equity, and inclusion means honoring all experiences, valuing all voices, and leading with empathy on our journey to become a more inclusive company. We strive for our leadership and workforce to reflect the broad spectrum of people we work with throughout the world because we believe this is the best way for us to connect with the viewpoints, backgrounds, and experiences of our customers and partners. We believe that our Company, our stockholders, our customers, and our employees all benefit from our commitment to inclusive leadership in all aspects of our Company.

Leadership at the Top

- The Board and the T&C Committee is tasked with oversight of human capital management, including diversity, equity, and inclusion, company culture, employee engagement and talent recruitment, development, and retention.
- The CG Committee considers a diversity of viewpoints, backgrounds, experience, knowledge, and perspectives as factors in recommending persons for election or appointment to the Board.
- Management has a Diversity, Equity, and Inclusion Steering Committee that includes diversity and inclusion experts as well as business and functional leaders, and oversees efforts by brands and their management teams to cultivate a diverse and inclusive environment across the company.

42%

OF THE BOARD
ARE WOMEN*

4 of 12

DIRECTORS RACIALLY OR
ETHNICALLY DIVERSE*

2/3

BOARD COMMITTEE
CHAIRS ARE WOMEN*

Our Employee Community

- The Company's Consolidated EEO-1 Report for employees in the United States (which represents approximately 13% of our workforce as of December 31, 2023) can be found at www.bookingholdings.com/about/eeo/. Certain jurisdictions, particularly outside the United States, present challenges to tracking employee racial or ethnic demographics for legal or privacy reasons.
- As part of our ongoing inclusivity efforts, we continue to explore options that might allow the collection of data voluntarily on a global scale. For example, our brands include questions in annual employee engagement surveys that aim to gauge our progress in creating an inclusive workplace.
- We have a multitude of employee resource groups that are open to all employees including: LGBTQ+; gender equality; differing physical abilities and neurodiversity needs; veterans; and Black and persons of color, among others. We believe these groups are an important lever for empowering our people.
- We have invested in a robust inclusive leadership training program and unconscious bias training.
- We are committed to pay equity, regardless of gender, race or ethnicity. With the help of an independent compensation consultant, we conduct pay equity studies every other year and in the off years, we work on remediation plans to address outliers.

47%

OF EMPLOYEES
ARE WOMEN

26%

TECH POSITIONS ARE
FILLED BY WOMEN**

32%

EXTENDED LEADERSHIP
TEAM ARE WOMEN***

Supporting a Diverse Industry

- In 2023, Booking Holdings implemented a formalized Vendor Diversity Program aimed at institutionalizing a process to foster partnerships with diverse vendors to aid in sourcing and procurement opportunities.
- We partner with external organizations, such as Catalyst, Workplace Pride, Everywoman, and Headspace to further advance diversity, equity, and inclusion initiatives, and provide training and resources.

* Assuming all director nominees are elected.

** Corrected from the figure reported in the Company's 2023 10-K, which under-counted certain technology workers.

*** The Extended Leadership team includes vice presidents and above for all brands except Booking.com, which includes senior directors and above due to a greater number of employees.

Cybersecurity & Privacy

We believe that managing cybersecurity, privacy, and data protection and security risk is a vital part of our responsibilities to our customers, partners, and employees, and have built a comprehensive governance structure for these matters.

Oversight Structure

- The Board and Audit Committee maintain responsibility for enterprise risk oversight related to cybersecurity, privacy, and data protection and security.
- The Audit Committee formed a Cybersecurity Subcommittee to oversee management's efforts and processes to identify, assess, manage, and monitor significant cybersecurity and privacy risks.
- The Cybersecurity Subcommittee meets at least four times a year and reports periodically on these matters to the Audit Committee and the Board.
- Our Chief Security Officer and Chief Privacy Officer have enterprise-wide responsibility for assessing and managing cybersecurity, data protection and security, and privacy risks, respectively.
- Our internal audit function collaborates with the security teams to participate in an integrated cybersecurity assurance program. The internal audit function also performs its own cybersecurity audits and reviews certain cybersecurity-related practices.

Framework

- We leverage the National Institute of Standards and Technology Cybersecurity Frameworks for cybersecurity and privacy.
- We annually measure our security and privacy program maturity against these frameworks, and engage a third party every other year to assess the current state against these frameworks. The conclusions of such assessments are discussed with our Cybersecurity Subcommittee and our Board.

Privacy

- Our privacy program is built upon the Privacy Principles set out in our Code of Conduct, which include: transparency, purpose, control, security, embedded privacy, and accountability. We reinforce these principles and expectations in employee responsibilities through our Protecting Personal Data Policy.
- We are committed to protecting personal data through privacy programs that endeavor to meet the standards set and monitored by our Global Privacy Team. The Chief Privacy Officer, together with brand-level privacy leaders, form the Global Privacy Advisory Council and jointly monitor internal and external risks and align strategies to mitigate and/or remediate risks.

Continuous Employee Education

- We require that all employees complete regular privacy and data protection training, including an annual information security awareness training.
- We have a Security Ambassadors Program to foster a security-focused culture for a safe, secure, compliant, and trustworthy business environment. Security Ambassadors are employees who act as an extension of the Security and Fraud Department for security advocacy.
- We also conduct phishing tests and conduct specialized training such as secure coding training for our developers.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information known to us with respect to beneficial ownership of our common stock as of March 31, 2024 by (1) each person known by us to be the beneficial owner of more than 5% of our common stock; (2) each member of the Board and each of our director nominees; (3) each of our NEOs in the Summary Compensation Table on page 73 of this proxy statement; and (4) all directors and executive officers as a group. The percentage of shares owned is based on 34,066,419 shares outstanding as of March 31, 2024.

Name of beneficial owner	Shares beneficially owned ^(a)	
	Number	Percent
Robert J. Mylod, Jr. ^(b)	3,725	*
Kelly Grier ^(c)	60	*
Glenn D. Fogel	17,822	*
Mirian M. Graddick-Weir	777	*
Wei Hopeman ^(d)	578	*
Charles H. Noski ^(e)	1,174	*
Larry Quinlan	188	*
Nicholas J. Read	292	*
Thomas E. Rothman ^(f)	1,175	*
Sumit Singh ^(g)	435	*
Lynn Vojvodich Radakovich ^(h)	335	*
Vanessa A. Wittman	643	*
David Goulden	7,595	*
Peter J. Millones	12,445	*
Paulo Pisano ⁽ⁱ⁾	1,141	*
The Vanguard Group ^(j)	2,941,917	8.6%
BlackRock, Inc. ^(k)	2,573,532	7.6%
Capital World Investors ^(l)	1,751,072	5.1%
All directors and executive officers as a group (15 persons) ^(m)	40,790	*

* Represents beneficial ownership of less than one percent.

(a) Beneficial ownership is determined in accordance with the rules of the SEC and includes sole or shared voting and investment power with respect to securities, except as discussed in the footnotes below. Shares of common stock issuable (i) upon the exercise of stock options that are currently exercisable or exercisable within 60 days after March 31, 2024 and (ii) upon vesting of restricted stock units or performance share units that vest by their terms within 60 days after March 31, 2024, are deemed to be outstanding and to be beneficially owned by the person holding such stock options, restricted stock units and/or performance share units for the purpose of computing the percentage ownership of such person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Certain directors have elected to defer receipt of shares of common stock pursuant to vested restricted stock unit awards for tax planning purposes. However, depending on the terms of the deferral program in place at the time of the deferral, if the director does not have the right to receive the shares until more than 60 days after termination of board service, those shares are not included in the above table even though the director has vested in the shares and bears the economic risk of ownership.

(b) Includes 1,000 shares held by Annox Capital, LLC. Mr. Mylod is the managing member of Annox Capital, LLC and as a result may be deemed to beneficially own the securities held of record by Annox Capital, LLC. Mr. Mylod disclaims such beneficial ownership except to the extent of his pecuniary interest therein, if any.

(c) Ms. Grier joined the Board on November 6, 2023.

(d) Includes 202 shares held by a family trust.

(e) Does not include 209 vested shares the receipt of which has been deferred by Mr. Noski for tax planning purposes (such shares will be issued to Mr. Noski 90 days after termination of his Board service). Includes 50 shares held by a family trust.

(f) Does not include 755 vested shares the receipt of which has been deferred by Mr. Rothman for tax planning purposes (such shares will be issued to Mr. Rothman 90 days after termination of his Board service). Includes 1 share held by a family trust.

CORPORATE GOVERNANCE

Security Ownership of Certain Beneficial Owners and Management

(g) Includes 220 shares held by family trusts.

(h) Includes 233 shares held by a family trust.

(i) Includes 227 vested stock options.

(j) Based solely on information provided in a Schedule 13G/A filed by The Vanguard Group ("Vanguard") with the SEC on February 13, 2024. These securities are owned by Vanguard directly or through wholly-owned subsidiaries of Vanguard. Vanguard reported that it had sole voting power over 0 shares, shared voting power over 47,074 shares, sole dispositive power over 2,790,034 shares and shared dispositive power over 151,883 shares. Vanguard lists its address as 100 Vanguard Boulevard, Malvern, Pennsylvania 19355.

(k) Based solely on information provided in a Schedule 13G/A filed by BlackRock, Inc. ("BlackRock") with the SEC on January 26, 2024. These securities are owned by various institutional investors affiliated with BlackRock. BlackRock reported that it had sole voting power over 2,288,672 shares, shared voting power over 0 shares, sole dispositive power over 2,573,532 shares and shared dispositive power over 0 shares. BlackRock lists its address as 50 Hudson Yards, New York, New York 10001.

(l) Based solely on information provided in a Schedule 13G/A filed by Capital World Investors ("CWI") with the SEC on February 9, 2024. These securities are owned by various institutional investors affiliated with CWI. CWI reported that it had sole voting power over 1,746,781 shares, shared voting power over 0 shares, sole dispositive power over 1,751,072 shares and shared dispositive power over 0 shares. CWI lists its address as 333 South Hope Street, 55th Floor, Los Angeles, California 90071.

(m) Consists of shares beneficially owned by all of our directors and current executive officers as a group. Does not include 964 vested shares of non-employee directors, the receipt of which has been deferred for tax planning purposes (because such shares will be issued 90 days after termination of such directors' Board service).

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A Letter from the Talent and Compensation Committee to our Stockholders

Dear Fellow Stockholders,

We would like to thank you for your ongoing support of Booking Holdings. We value the perspectives of our stockholders, and we strive to structure a compensation program that aligns executive incentives with stockholder interests. Our pay philosophy emphasizes connecting executive compensation with long-term value creation for our stockholders, mainly through equity awards based on the Company's financial results and stock price performance.

2023 Response to Say-on-Pay and Ongoing Stockholder Outreach

We received strong stockholder support of 88% for our Say-On-Pay vote in 2023 after extensive engagement with stockholders following the 2022 Say-On-Pay vote outcome and making a number of significant changes to our compensation program. Those changes included a return to our historical practice of long-term PSUs with three-year targets and the introduction of an absolute TSR governor on top of the relative TSR modifier included in 2022 for the long-term incentive plan. In addition, we made the uncommon decision to use structured negative discretion for the Named Executive Officers' ("NEOs") 2022 bonuses after the Company significantly outperformed the goals that were set for the 2022 bonus plan during the uncertainty of the COVID-19 pandemic. As we set our 2023 incentive goals, we considered the learnings from 2022 and set goals to stretch well beyond 2023 performance.

2024 Compensation Actions

Following the meaningful changes that we made to our program last year, we once again engaged with our stockholders and reviewed market practices to inform our 2024 compensation program design. We found the meetings and conversations to be productive and insightful. In addition, we invited a significant actively managed stockholder, which owns over 1% of our outstanding shares to speak with our full Board. In connection with these discussions and our ongoing review of market practices, we made additional changes for 2024 to bring our executive pay mix more in line with the market. The importance of these changes was also informed by the recruitment process of our new CFO.

Our competitive studies found that peers utilize a different balance of cash and equity. To bring our pay mix closer to market practice, for 2024 the Committee approved adjustments that we believe will better position pay to attract and retain key executive talent while continuing to reinforce the importance of growth and stockholder value creation:

- We learned that NEO salaries were low relative to the market while bonus targets were comparatively high. To align with market practices, we increased salary and reduced bonus targets.
- We capped the individual maximum bonus opportunity for our NEOs at 200% of target beginning in 2024.
- We adjusted our equity mix from 75% PSUs and 25% RSUs to 60% PSUs and 40% RSUs. While most peers have a 50/50 mix of PSUs and RSUs, the Committee continues to believe the majority of equity grants should be linked to performance. This shift further lessens the risk of a significant macroeconomic event having an outsized impact on the long term compensation.
- The Committee maintained a three-year performance period in our 2024 PSUs with the rTSR modifier and absolute TSR governor.

Finally, we continue to prioritize the judicious use of stock-based compensation. In 2023, our stock-based compensation resulted in less than 0.7% of stockholder dilution again, positioning us in the bottom quartile of our peers.

Recap of 2023 and Looking Ahead to 2024

The Company's compensation plans have helped motivate executives to deliver record-setting performance in the last couple of years. Booking Holdings' share price increased 76% from January 2023 through the end of 2023, while the S&P 500 increased 24% during the same period. See Company Achievements below for more on 2023 performance.

Following our record 2023 financial performance, we continue to focus on returning value to stockholders with share repurchases of approximately \$10.2B in 2023 and a quarterly dividend plan announced for 2024.

We look forward to building on our prior dialogue with stockholders in the balance of the year. Thank you again for your continued support and investment in our Company.

Mirian M. Graddick-Weir, Chair
Robert J. Mylod, Jr.
Sumit Singh
Lynn Vojvodich Radakovich

Compensation Discussion and Analysis

This Compensation Discussion and Analysis ("CD&A") describes the goals, rationale, and key elements of our 2023 executive officer compensation program. Our NEOs, who were our only executive officers for purposes of Exchange Act Rule 3b-7 during 2023, were:

Glenn D. Fogel
Director, President, and
Chief Executive Officer
Chief Executive Officer,
Booking.com

David Goulden
Executive Vice President
and Chief Financial Officer

Peter J. Millones
Executive Vice President
and General Counsel

Paulo Pisano
Chief Human Resources
Officer

Executive Summary

2023 was an outstanding year at Booking Holdings. The Company set records in various financial metrics and returned significant value to stockholders. In 2023 and 2024, the Talent & Compensation Committee (the "T&C Committee") made significant updates to our compensation program following extensive engagement with our stockholders. The T&C Committee believes that these changes, which include enhanced goal rigor in the short-term and long-term incentive programs, the addition of absolute and relative total stockholder return metrics applied to the long-term incentive program, returning to three-year performance targets for PSUs, the implementation of an individual bonus cap, and revising the PSU/RSU mix, further our compensation objectives to pay executives based on performance and to align executive pay with stockholder interests.

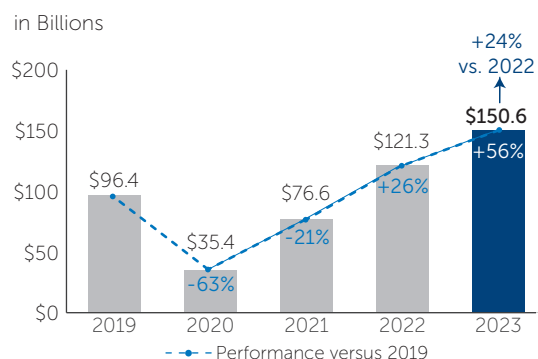
2023 Company Achievements

In 2023, in addition to record Company performance, management focused on continuing to return value to stockholders and executing on key strategic priorities, with accomplishments including:

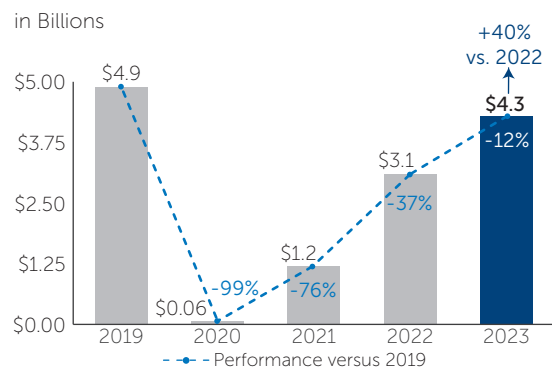
- Returned \$10.2 billion to stockholders and reduced our total outstanding share count by 9% versus the end of 2022;
- Continued to execute on our long-term Connected Trip vision, including by growing verticals such as the flight offering, with 58% year-over-year flight ticket growth across the Company, and offering a robust loyalty program that provides value to consumers and partners across all trips;
- Increased mix of alternative accommodation room nights, which were 33% of Booking.com's room nights;
- Continued to grow our Booking.com brand awareness in the United States through a successful partnership with Major League Baseball and the most viewed in-game Super Bowl ad on game day on YouTube;
- Innovated with generative AI offerings including Booking.com's AI Trip Planner, Priceline's generative AI travel assistant named "Penny," as well as other brands' ChatGPT plugins, and continued to develop ways to integrate AI into our operations to drive productivity;
- Continued working to meet objectives set out in our Climate Action Plan including progress in reducing our Scope 1, 2, and 3 emissions and making more sustainable travel choices more accessible for our consumers and partners;
- Increased adoption of our payments platform and capabilities;
- Continued our focus on diversity, equity, and inclusion, including continued investment in inclusive leadership and our employee resource groups; and
- Continued efforts to make our brands the most trusted and convenient platforms for consumers and partners.

Financial and Operating Performance

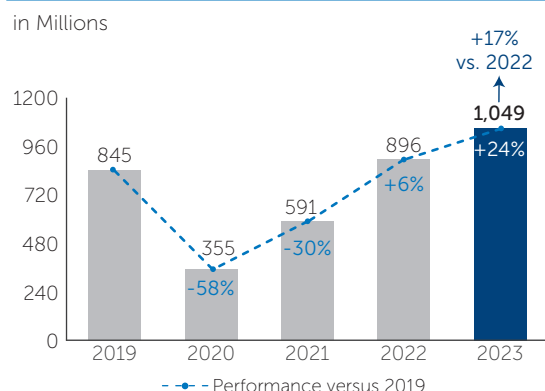
GROSS BOOKINGS¹



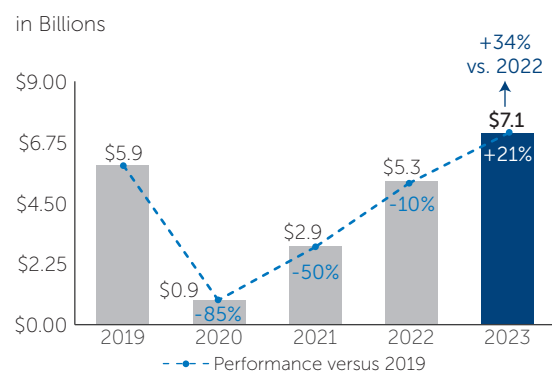
NET INCOME



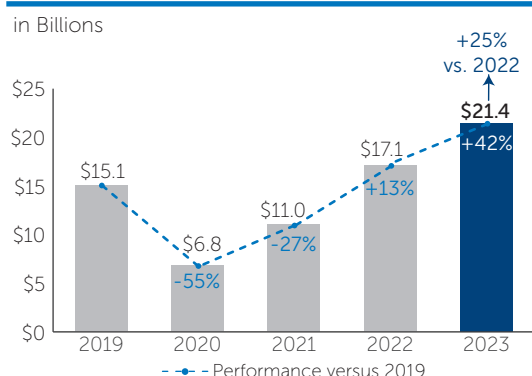
ROOM NIGHTS



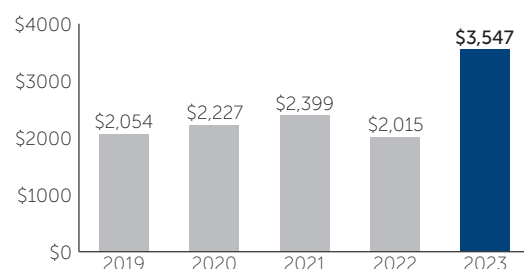
ADJUSTED EBITDA*



REVENUES



YEAR END STOCK PRICE

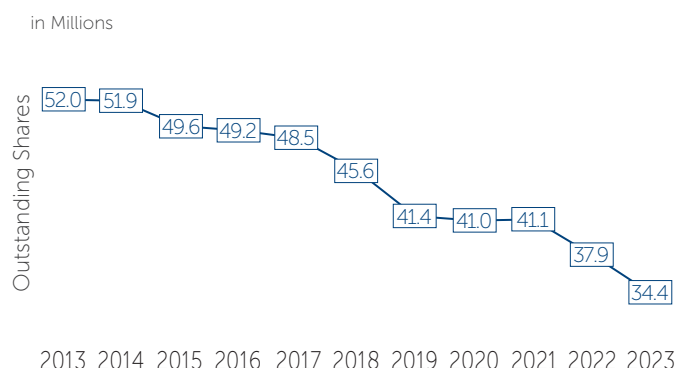


* See Appendix A to this proxy statement for a reconciliation of non-GAAP financial measures and rationale for use of non-GAAP financial measures.

(1) Gross bookings is a common operating and statistical metric used in the travel industry representing the total U.S. Dollar value, generally inclusive of all taxes and fees, of all travel services purchased by consumers through our online travel reservation businesses, net of cancellations.

Returning Value to Stockholders

RETURN OF STOCKHOLDER VALUE



In 2023, we repurchased **\$10.2 billion** of our shares, reducing our year-end share count by **9% versus 2022** and by **34% versus 2013**.

In February 2024, we announced a **quarterly dividend policy**.

We still expect to complete repurchases under our \$20 billion stock repurchase authorization announced in February 2023 by the end of 2026, assuming no major downturn in the travel market.

Our stock price increased 76% since January 3, 2023, and closed the year at \$3,547. On February 22, 2024, Booking Holdings' stock price achieved an all time high of \$3,902. From January 3, 2023 through March 28, Booking Holdings' stock price has been up 80%, compared with the S&P 500, which has been up 37% during the same period.

Executive Compensation Highlights

- After the 2022 say-on-pay proposal did not receive majority support, the Company and the T&C Committee engaged in a robust stockholder engagement process and reflected feedback from this process in the 2023 and 2024 compensation program design.
- Recent changes to our compensation program design return certain elements long favored by our stockholders while incorporating the Company's learnings through the COVID-19 pandemic. These changes were supported by our research on peer practices and positioned our program better to attract and retain external hires, like our new CFO.
 - Return to PSUs with three year targets.
 - Rigorous goal setting for long- and short-term incentive programs.
 - PSUs include rTSR modifier and absolute TSR governor, ensuring executives will not receive meaningful equity upside unless stockholders benefit from stock price appreciation.
 - Addressed cash compensation mix by raising base salaries, which were previously below the 25th percentile, and reducing cash bonus targets in 2024.
 - Implemented an individual bonus cap of 2x for the short-term incentive program (the "Bonus Plan") for executive officers in 2024.
 - New 60%/40% PSU/RSU pay mix for executive officers in 2024.
- New Compensation Policies
 - Adopted a termination pay policy that prohibits entry into new arrangements with executive officers that would pay cash severance in excess of 2.99 times salary and target bonus, without stockholder ratification.
 - Adopted a Financial Restatement Recovery Policy in accordance with the latest SEC and Nasdaq regulations.

2023 Stockholder Engagement

We believe it is important to our success to have a robust dialogue with our stockholders throughout the year regarding a range of topics, including executive compensation, board governance, sustainability, human capital management, and company strategy. In 2023, our T&C Committee Chair and our Board Chair participated in several engagements and we invited one of our top stockholders to speak with the full Board.

We provide our stockholders with the opportunity to cast an annual advisory vote on executive compensation (a “say-on-pay” proposal). While our stockholders have historically supported our executive compensation program with approximately 91%, 95%, and 90% support in 2021, 2020, and 2019, respectively, in 2022 the say-on-pay proposal received approximately 32% support. The Board and the T&C Committee responded with a robust stockholder engagement campaign and, in 2023, made several changes to the compensation program. The 2023 say-on-pay result reflected positive support for these changes with 88% stockholder support.

WHO WE REACHED OUT TO



Spring 2023

Outreach to **34** investors representing
over **55%** of outstanding shares

Meetings with **12** investors representing
15% of outstanding shares

Director present in **4** meetings representing
10% of outstanding shares



Fall 2023/Winter 2024

Full board discussion with an actively-
managed stockholder who owns **over 1%** of
our outstanding shares.

Outreach to **30** investors representing
over **50%** of outstanding shares

Meetings with **11** investors representing
17% of outstanding shares

KEY ENGAGEMENT MEMBERS



Independent Directors



Governance &
Compensation Team



Investor Relations



Sustainability

KEY THEMES

EXECUTIVE COMPENSATION	- Target setting - RSU/PSU Mix - Overlap of LTI and STI goals
BOARD GOVERNANCE AND OVERSIGHT	- Board refreshment - CFO succession planning
GOVERNANCE AND SUSTAINABILITY	- Climate action - Human rights - Data protection
HUMAN CAPITAL MANAGEMENT	- Diversity, equity, and inclusion - Metrics disclosure
COMPANY STRATEGY	Key strategic initiatives

WHAT WE HEARD

- ✓ Disfavored use of PSU awards with shorter than three-year vesting periods and annual targets.
- ✓ General support for an element of time-based awards as part of the overall compensation package to prevent complete forfeiture in the event of another significant macroeconomic event.
- ✓ Concern regarding the use of discretion by the T&C Committee, including as a result of the use of negative discretion following the overperformance of the 2022 annual incentive plan relative to the targets set at the beginning of 2022.
- ✓ Requests to consider the inclusion of non-financial metrics in the Bonus Plan, for instance relating to ESG matters, and concern that there were no individual bonus caps.

WHAT WE ARE DOING

- ✓ In 2023, our long-term incentive program returned to three-year PSUs with three-year targets.
- ✓ The compensation program incorporates learnings from COVID by maintaining a time-based element with equity awards. In 2024, we revised the pay mix to consist of 60% PSUs and 40% RSUs.
- ✓ For 2023, the T&C Committee established a goal setting framework with rigorous performance goals (including relative to consensus). The T&C Committee does not intend to exercise discretion on an ongoing basis and has relied upon a structured framework to guide its use in the past.
- ✓ In 2024, the T&C Committee adopted an individual bonus cap of two times target applicable to executive officers, as part of a broader change to compensation mix, which reduced target bonus opportunity and increased base salaries.
- ✓ The Committee considers individual contributions to the execution of business priorities and other non-financial goals as part of determining payouts under the Bonus Plan.

Compensation Philosophy and Objectives

The Company's executive compensation program has consistently adhered to fundamental principles that guide the T&C Committee's decision making, including:

- **Performance-based:** executive officers should be compensated primarily based on performance.
- **Alignment with interests of stockholders:** the programs should incentivize management through performance metrics that are likely to increase long-term stockholder returns and value.
- **Retention:** the programs should help us attract and retain key management talent.
- **Consistency:** the programs should be consistent over time to enable executive officers to implement a long-term strategy and reward them if they achieve long-term results.
- **Business-focused:** the programs aim to compensate executive officers primarily for their management of the business and endeavor to mitigate the impact of external factors, such as currency fluctuations.
- **Risk management:** the programs should incentivize appropriate risk taking.
- **Balance of short- and long-term performance:** unexpected macro events should not have an outsized impact on the programs.

Compensation Best Practices

The T&C Committee continually reviews our executive officer compensation program, solicits feedback from stockholders, and seeks the advice of Semler Brossy, its independent compensation consultant, to ensure the Company's compensation practices are in the best interests of our stockholders. Our key compensation practices, which are also reflective of our compensation philosophy and objectives, include:

WE DO:

-  Tie pay to performance.
-  Cap the bonus pool from which senior executives' individual cash bonuses are paid.
-  Cap individual bonus at two times target for executive officers beginning with the 2024 annual bonus plan.
-  Limit PSU payouts at target if TSR is not positive over the PSU measurement period.
-  Use "double triggers" in our severance agreements and equity awards.
-  Have both an incentive-based compensation clawback policy and a Financial Restatement Recovery Policy aligned with the SEC requirements.
-  Conduct an annual risk assessment of our executive compensation program.
-  Conduct a robust stockholder engagement process.
-  Conduct formal executive succession planning.
-  Have meaningful stock ownership guidelines.

WE DO NOT:

-  Pay dividend equivalents unless the vesting and performance conditions for the underlying equity award are met.
-  Permit stock option repricing without stockholder approval.
-  Provide significant executive-only perquisites.
-  Permit hedging or pledging of our stock by our directors and executive officers.
-  Provide change in control severance tax gross-ups.
-  Enter into new arrangements with executive officers that would pay cash severance in excess of 2.99 times salary and target bonus, without stockholder ratification.

Pay Elements

We use different elements in our executive compensation program to drive different behaviors. The elements work together to achieve our compensation philosophy and objectives described above.

Element	Form	Key Characteristics	Link to Stockholder Value
Base Salary 	Cash	Determined by: - Information from the Compensation Peer Group described below; - Individual performance of the executive, including level of responsibility and breadth of knowledge; and - Review of the executive's total compensation, both individually and relative to other senior executives.	Provide a level of economic security and stability so executives can focus on meeting our objectives, and encourage attraction and retention of top talent.
Short-term Incentive Program 	Cash	- Capped bonus pool determined by Company financial performance; and - Capped individual bonuses determined by a combination of Company financial performance and individual performance.	Promote the achievement of the Company's annual goals.
Long-term Incentive Program 	PSU 75% of LTI ⁽¹⁾ 	- Tied to our financial performance, our relative TSR compared to a group of travel and tourism peers, and capped at target if absolute TSR is not positive; - Number of shares ranges from zero to 2x the target grant amount, depending on our financial performance over a three-year period; and - Vest, subject to continued employment, on the three-year anniversary of the grant date.⁽²⁾	Incentivize strong long-term financial and TSR performance, as well as increases in our stock price over a three-year period.
	RSU 25% of LTI ⁽¹⁾ 	- Tied to value of stock to align executives' interests with those of stockholders; and - Also used in connection with new hires or promotions to provide an initial stake in the Company and an additional retention incentive until the individual's PSUs begin to vest.	Alignment of interests with stockholders and to provide a retention element that balances the at-risk pay in the long-term incentive program.

(1) In 2024, the T&C Committee revised the future equity mix to 60% PSUs and 40% RSUs.

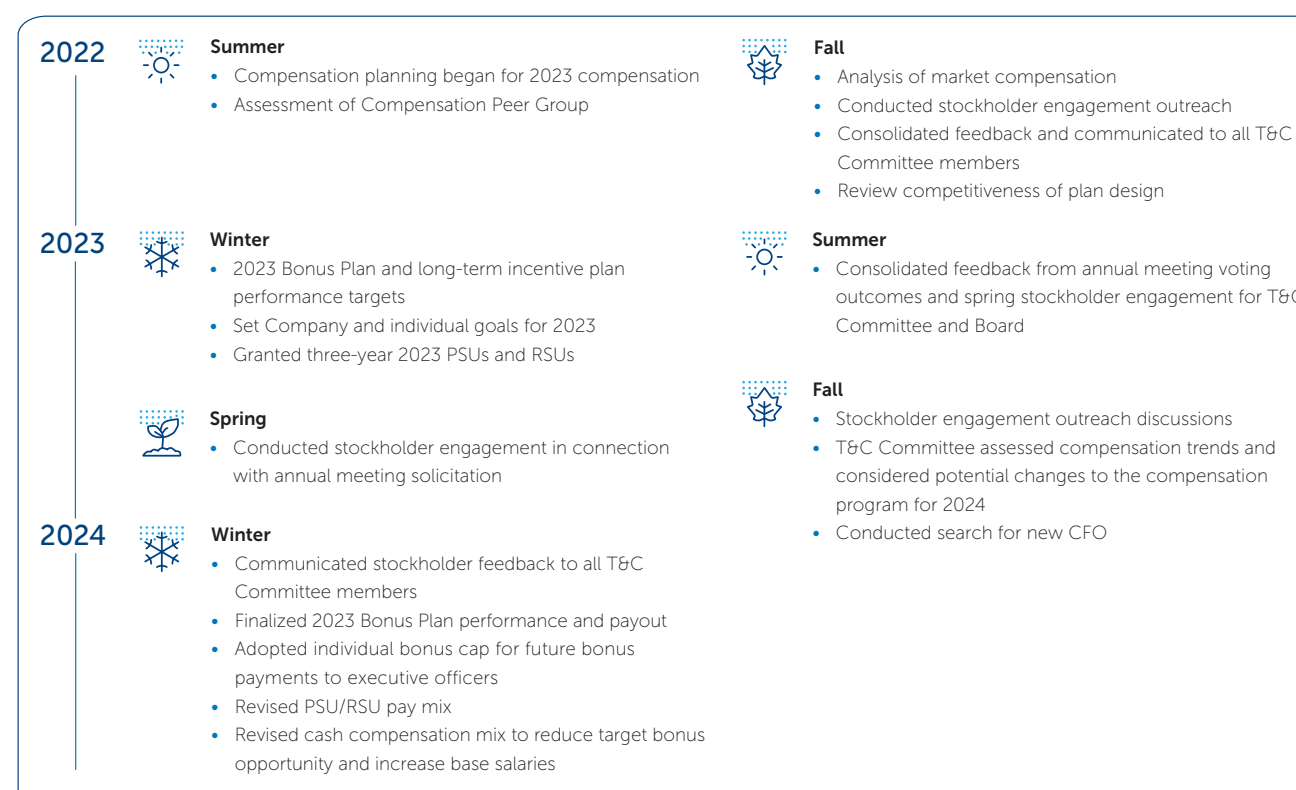
(2) Except for Mr. Goulden's 2023 PSU award, which vests as described under Mr. Goulden's 2023 Long-Term Equity Incentive Award.

How We Measure Performance

We measure performance based on:

- **Revenue** is the Company's revenue, taking into account any Compensation EBITDA adjustments that impact revenue.
- **Compensation EBITDA** is a non-GAAP financial measure based on our adjusted earnings before interest, taxes, depreciation, and amortization, as publicly reported in our earnings press releases ("Adjusted EBITDA"), further adjusted to align measurement of performance on a basis consistent with how the performance targets were set and to reduce the risk that our compensation plan could incentivize inappropriate decision-making by management to achieve Compensation EBITDA targets. In particular, Compensation EBITDA:
 - Is impacted by stock-based compensation expenses;
 - Excludes results of acquisitions that were not incorporated into the targets set at the outset of awards to prevent "buying results;"
 - Excludes the impact of foreign exchange rate changes between the time targets are set and the end of the relevant period; and
 - Treats all capital expenditures as expenses, which reduces Compensation EBITDA relative to our Adjusted EBITDA.
- **Relative Total Stockholder Return (rTSR)** is a measurement of the Company's total stockholder return versus the total stockholder return of a group of the Company's travel and tourism peers.
- **Absolute Total Stockholder Return (TSR)** is a measurement of the Company's absolute total stockholder return over the course of three years, to ensure executive compensation is aligned with stockholder value creation.
- **Individual Contributions** such as individual execution against the Company's strategic priorities, including non-financial goals.

How We Make Compensation Decisions



THE ROLE OF THE BOARD

- The Board meets at the beginning of each year with our Chief Executive Officer to agree upon his and the Company's performance objectives for the year. Our Chief Executive Officer and the Board review these objectives and the Company's performance against them during the year.
- At the beginning of the following year, our Chief Executive Officer presents to the T&C Committee a summary of his and the Company's performance over the past year.
- The T&C Committee then meets in executive session without any members of management to review our Chief Executive Officer's performance and develop recommendations for his compensation.
- The T&C Committee Chair also discusses our Chief Executive Officer's performance with each member of the Board.
- The Board then meets in executive session (without our Chief Executive Officer) to discuss our Chief Executive Officer's performance and the T&C Committee's compensation recommendations.
- The Board determines the review to be given to our Chief Executive Officer, the actual payout amount of his bonus for the prior fiscal year, and the target total compensation he will receive for the current year.

THE ROLE OF MANAGEMENT

- Our executive management team provides input to help the T&C Committee develop the structure of, and set performance metrics for, our annual performance-based Bonus Plan and annual equity grants.
- Our Chief Executive Officer provides performance assessments and detailed compensation recommendations regarding our executive officers other than himself.
- The T&C Committee gives significant weight to our Chief Executive Officer's judgment in these matters because he is in a unique position to assess the other executive officers' performance and contributions to our business.

THE ROLE OF THE COMPENSATION CONSULTANT

The T&C Committee engaged Semler Brossy, an outside global executive compensation consulting firm, to advise the T&C Committee on our compensation program for the NEOs. After considering the independence factors prescribed by SEC rules, the T&C Committee determined that Semler Brossy is independent and that there are no conflicts of interest with Semler Brossy in 2023.

At the T&C Committee's direction, management generally collaborates with Semler Brossy regarding certain T&C Committee materials in advance of T&C Committee meetings. Semler Brossy participates in T&C Committee meetings and, at the end of most meetings, meets in executive session with the T&C Committee without management present.

With the support of the T&C Committee, management regularly asks Semler Brossy to provide calculations and market data to inform the T&C Committee's decision-making process. The T&C Committee periodically requests management to seek Semler Brossy's input, analysis, or recommendation with respect to a specific compensation practice, program, or arrangement.

During 2023 and 2024, Semler Brossy assisted the T&C Committee on the following matters:

- Advised on the composition of the Compensation Peer Group and TSR Peer Group;
- Prepared analyses of executive officer compensation levels as compared to the Compensation Peer Group, and made compensation recommendations;
- Provided analysis and recommendations for the T&C Committee's consideration of changing the PSU/RSU mix;
- Advised the T&C Committee in the implementation of the individual executive officer bonus cap;
- Provided advice on the appropriateness of our 2023 Bonus Plan awards and long-term incentives;
- Actively participated in discussions leading up to the 2023 say-on-pay vote;
- Completed an independent compensation program risk assessment;
- Reviewed our non-employee director compensation program, and made compensation recommendations for our Cybersecurity Subcommittee of the Audit Committee;
- Reviewed and provided feedback on our Termination Pay Policy;
- Reviewed and provided feedback on our new Financial Restatement Recovery Policy; and
- Prepared tally sheets and IRC Section 280G analyses to determine "excess parachute payments."

Benchmarking and Target Compensation

Our benchmarking analysis includes a comparison of each element of total compensation against a peer group of publicly-traded companies. With the help of its independent compensation consultant, the T&C Committee reviews annually the appropriateness of the companies that make up the existing peer group, as well as the companies our peers identify as their peers.

The primary characteristics used to determine which companies to include in the peer group are: industry, revenues, and peers identified by our peers. In particular, the T&C Committee sought to include internet merchandisers, online travel companies, and other technology companies with revenues between one-half and two times our annual revenues. The T&C Committee also included Alphabet, Amazon.com, Meta, and Microsoft because, although their revenues were more than two times our revenues, there are relatively few companies that otherwise met our criteria, we compete with them for executive talent, and they, like us, are leading e-commerce or technology companies.

The T&C Committee determined that the 2023 peer group would consist of the seventeen companies listed below (the "Compensation Peer Group").

Activision Blizzard, Inc. ⁽¹⁾	Electronic Arts Inc.	Netflix, Inc.
Adobe Inc.	Expedia Group, Inc.	PayPal Holdings, Inc.
Airbnb, Inc.	IAC/InterActiveCorp	TripAdvisor, Inc.
Alphabet Inc.	Marriott International, Inc.	Uber Technologies, Inc.
Amazon.com, Inc.	Meta Platforms, Inc.	Wayfair, Inc.
eBay Inc.	Microsoft Corporation	

(1) Activision Blizzard, Inc. was acquired by Microsoft Corporation in October 2023.

The T&C Committee reviewed revenue of the peer companies from the last twelve months as of June 2023. Based on this data, our revenues ranked at approximately the 56th percentile of the Compensation Peer Group.

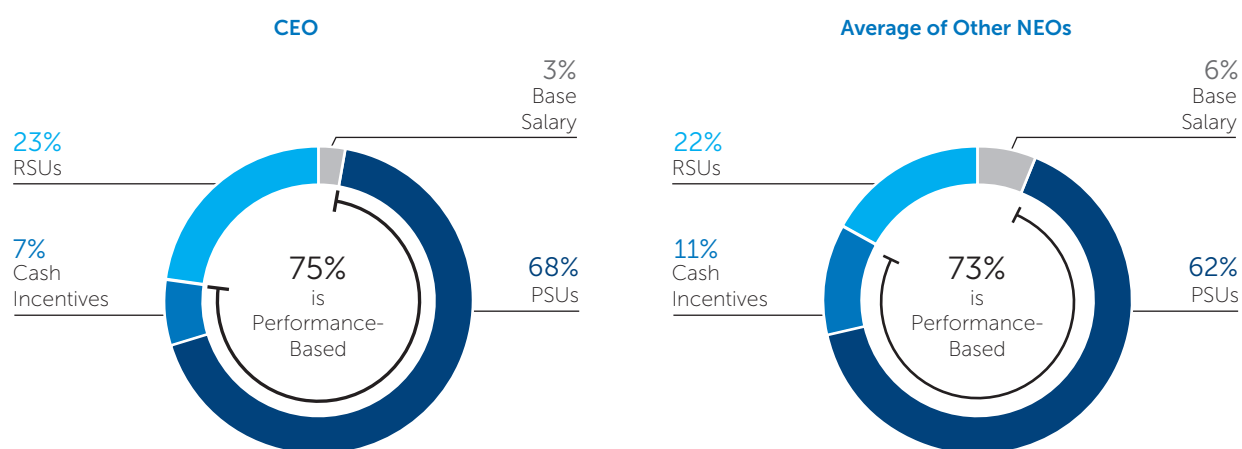
The T&C Committee refers to the Compensation Peer Group to assess "market" compensation, which it considers to be between the 50th and the 75th percentile of executive pay for the Compensation Peer Group. The T&C Committee uses the Compensation Peer Group data primarily to ensure that our executive compensation program as a whole is competitive. While the Compensation Peer Group provides the T&C Committee with guidance and information, it does not dictate the NEOs' compensation and is not a substitute for the T&C Committee's own business judgment in establishing compensation for the NEOs.

Overview

Each year, the T&C Committee reviews all compensation elements, including each executive officer's base salary, annual cash incentive bonus plan opportunity, and long-term equity incentives, as well as payments that would be required under various severance and change in control scenarios. The T&C Committee also considers each executive's market compensation levels and individual performance, including level of responsibility, potential for individual contribution, and breadth of knowledge and expertise.

The 2023 compensation program emphasizes a high percentage of at-risk pay based on Company performance for all our NEOs. At-risk pay is forfeitable if certain performance goals, set based on revenue, compensation EBITDA, relative total stockholder return, and absolute total stockholder return, are not met. The T&C Committee believes that at-risk compensation appropriately incentivizes executives to achieve results for the benefit of our stockholders and all of our stakeholders.

2023 COMPENSATION MIX⁽¹⁾



(1) Mix is shown at target. Percentages are approximate due to rounding.

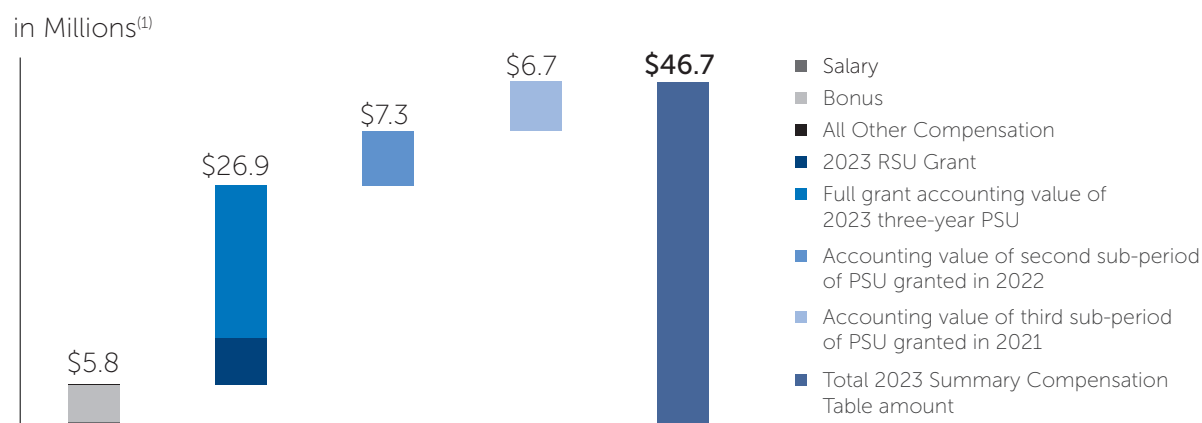
The T&C Committee believes that the Company's 2023 compensation program reflects competitive market practices that align the interests of our executives with those of our stockholders. Moreover, the program has been designed to attract and retain key members of management who have delivered record results.

2023 CEO Compensation Components

In 2023 the Board approved compensation to Mr. Fogel comprised of:

- Cash compensation of approximately \$5.8M (which amount includes base salary, cash bonus under the 2023 Bonus Plan, and certain additional "all other compensation"),
- A three-year PSU award with a grant date fair value of approximately \$20.6M, and
- An RSU award with a grant date value of approximately \$6.2M.

The total compensation shown in the 2023 Summary Compensation Table also includes PSUs that were granted prior to 2023. The rules require the accounting value of sub-periods associated with 2023 from the 2021 PSUs and 2022 PSUs to be included in the 2023 total compensation amount. For Mr. Fogel, this adds an additional \$14.1M to his 2023 total compensation in the Summary Compensation Table.



(1) Amounts are approximate due to rounding.

2023 Named Executive Officer Performance



GLENN D. FOGEL PRESIDENT AND CHIEF EXECUTIVE OFFICER

The Board and the T&C Committee assessed Mr. Fogel's performance during 2023 and considered:

- His consistent and exemplary leadership during another challenging and uncertain macroenvironment;
- Our financial and operating performance, including the Company's highest-ever revenue, gross bookings, and room nights;
- Returns to stockholders in the form of \$10.2 billion of stock repurchases during 2023, and the Company's stock outperforming the S&P 500 for the year;
- Progress toward achieving our long-term Connected Trip vision, including by growing verticals such as the flight offering and offering a robust loyalty program that provides value to consumers and partners across all trips;
- Continued to grow our Booking.com brand awareness in the United States through a successful partnership with Major League Baseball and the most viewed in-game Super Bowl ad on game day on YouTube;
- Innovation with generative AI offerings including Booking.com's AI Trip Planner, Priceline's generative AI travel assistant named "Penny," as well as other brands' ChatGPT plugins, and continued development of ways to integrate AI into our operations to drive productivity;
- Continued to grow our flight offering with 58% year-over-year flight ticket growth across the Company;
- Significant progress on our initiatives to operate the business sustainably, including our goals published in our Climate Action Plan;
- Results of our 2023 employee engagement surveys, which demonstrated a committed and engaged workforce;
- His healthy, open, and constructive relationship with key stakeholders; and
- His consistent "tone at the top" of absolute integrity, as well as his outstanding commitment, people management skills, and investor and Board communication skills.



DAVID GOULDEN EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

The T&C Committee and Mr. Fogel considered the following highlights of Mr. Goulden's 2023 performance:

- Exceptional leadership and performance as Chief Financial Officer along with strategic insight and advice;
- Returns to stockholders of approximately \$10.2 billion in stock repurchases, and the Company's stock outperforming the S&P 500 for the year;
- Leadership, management, and strengthening of our finance department through successful ongoing execution of finance optimization initiatives;
- Leadership in developing our financial plans;
- Exceptional management of capital during volatile macroeconomic periods of inflation, increasing interest rates, and economic uncertainty;
- Effective communication with the financial and investor communities; and
- Notable progress of key initiatives and improvements in procurement and talent sourcing, including the significant growth of our two centers of excellence.



PETER J. MILLONES EXECUTIVE VICE PRESIDENT AND GENERAL COUNSEL

The T&C Committee and Mr. Fogel considered the following highlights of Mr. Millones' 2023 performance:

- Exceptional leadership and performance as General Counsel;
- Skillful management of our legal department, including the compliance and privacy teams;
- Navigation of the increasingly complex regulatory environment for online digital platforms;
- Contributions to improving our systems and processes, including global legal coordination and collaboration among our different brands on key issues;
- Continued development of our Booking Holdings Privacy Principles;
- Oversight of risk management in the development and use of generative AI tools in our products;
- Key leader on our Sustainability Steering Committee and a member of our Diversity, Equity, and Inclusion Steering Committee; and
- Oversight of our corporate governance practices and efforts to organize and assist with the Board's activities.



PAULO PISANO CHIEF HUMAN RESOURCES OFFICER

The T&C Committee and Mr. Fogel considered the following highlights of Mr. Pisano's 2023 performance:

- Global coordination of the human resources function and engagement with employees through global macroeconomic uncertainty;
- Leadership and development of our diversity, equity, and inclusion initiatives, including a robust inclusive leadership training program;
- Leadership of the Chief Financial Officer retirement transition and hiring of the Chief Financial Officer successor;
- Management of our workforce through an incredibly competitive environment for talent attraction and retention;
- Continued focus on maintaining a committed and engaged workforce across continents at various brands;
- Efforts to attract talent "in key roles" to build new functions, innovations, and products;
- Co-chair of our Diversity, Equity, and Inclusion Steering Committee; and
- Creation of opportunities for employees to grow and build their careers through training and development programs.

2023 Base Salaries

In 2023, the T&C Committee did not make changes to base salaries for the NEOs.

Executive Officer	2022 Salary ⁽²⁾	2023 Salary ⁽²⁾
Glenn D. Fogel	\$ 750,000	\$ 750,000
David Goulden	\$ 625,000	\$ 630,000
Peter J. Millones	\$ 552,083	\$ 556,500
Paulo Pisano ⁽¹⁾	\$ 420,225	\$ 454,959

(1) Mr. Pisano's 2022 salary reflects the average 2022 EUR/USD exchange rate of 1.05056161 and 2023 salary reflects the average 2023 EUR/USD exchange rate of 1.08109137.

(2) 2022 and 2023 salaries listed reflect the amount received over the course of the year to align with the amount reported in the Summary Compensation Table for that year. Because there was a salary adjustment during 2022 for each of Messrs. Goulden, Millones, and Pisano, the amounts show base salary increased in 2023, though the T&C Committee did not make a change in that year.

Short-term Incentive Program

The fundamental principle underlying our typical annual senior management Bonus Plan is that the bonus pool for senior executives, including our executive officers, will be meaningfully funded only if we have significant year-over-year earnings and/or revenue growth on a fixed currency basis, taking into account the size of our business, market expectations regarding our growth, and our expectations regarding the growth of our markets.

The Bonus Plan pool applicable to our executive officers is funded based on our Compensation EBITDA and Revenue, which were used on an equally weighted basis to measure performance in connection with the 2023 senior management Bonus Plan.

The amount in the pool increases as our Compensation EBITDA and/or Revenue increase (until the cap on the pool is reached), and cash bonuses are awarded to executive officers from this pool. Although Company performance is a key factor in individual bonus payments for our executive officers, the T&C Committee maintains discretion to adjust the aggregate pool and/or individual bonuses upwards up to the max pool cap or downwards as it deems appropriate. The T&C Committee adopted an individual bonus cap of two times target applicable to executive officers beginning with the 2024 annual Bonus Plan.

2023 Bonus Plan Outcomes

The T&C Committee applied the learnings from the recent stockholder engagement efforts when it established the Compensation EBITDA and Revenue performance goals for the 2023 Bonus Plan. The T&C Committee was focused on setting rigorous growth targets after the Company's strong financial performance in 2022, taking into account consensus expectations for the Company, and incentivizing impressive outcomes.

Bonus	2023 Revenue Performance Relative to 2022	2023 Compensation EBITDA Performance Relative to 2022
At Target	10% growth	17% growth
At Maximum	16% growth	27% growth
Actual	22% growth	36% growth

The Company's record revenue and earnings performance in 2023 resulted in the Company exceeding its rigorous performance goals. The Company's Revenue performed 5% above the maximum target and Compensation EBITDA performed 7% above the maximum target, resulting in max funding for the senior management bonus pool. Additionally, the bonuses for the NEOs reflect individual performance, including each NEO's contributions to the execution of the Company's business priorities and other non-financial goals described further in 2023 Named Executive Officer Performance. The T&C Committee took the Company's financial overperformance and each NEO's individual contributions into account when it awarded the NEOs a bonus payout of approximately 2.7 times target reflected below.

Named Executive Officer	Base Salary ⁽²⁾	Bonus Target as a % of Base Salary	Actual 2023 Bonus Awarded
Glenn D. Fogel	\$750,000	250%	\$5,000,000
David Goulden	\$630,000	210%	\$3,532,000
Peter J. Millones	\$556,500	190%	\$2,823,000
Paulo Pisano ⁽¹⁾	\$454,959	146%	\$1,774,071

(1) Amounts for Mr. Pisano are converted using the EUR/USD exchange rate of 1.08109137, which was the average rate for 2023.

(2) 2023 bonus is calculated based on each NEOs' amount received over the course of the year to align with the amount reported in the Summary Compensation Table.

Long-term Incentive Program

In shaping the long-term incentive program, the T&C Committee focused on incentivizing the NEOs to deliver long-term results for the Company aligned with long-term value creation for stockholders and to execute on key strategic priorities. Accordingly, the T&C Committee structured the long-term incentive program as follows:



- **Three-year time-based award:** aligned with stock price
- **2023 PSUs:** vest in three years with three-year goals tied to Revenue and Compensation EBITDA
- **rTSR modifier:** +/- 25% depending on TSR performance relative to peers at the end of the three-year measurement period and subject to the TSR governor and a max 2x cap
- **TSR governor:** caps PSU vesting factor at target unless absolute TSR is positive over the course of the three-year award

(1) Mr. Pisano's 2023 grant is comprised of 29% RSUs and 71% PSUs as part of his transition to the other NEOs' compensation model.

(2) In 2024, the T&C Committee revised the future equity mix to 60% PSUs and 40% RSUs.

PSU vesting and goal setting

In 2023 the T&C Committee returned to its pre-pandemic long-term incentive plan structure of PSUs with three-year targets and vesting periods. The PSUs were also structured with the rTSR modifier, which is a three-year metric, along with the TSR governor that caps the PSUs at target if absolute TSR is not positive over the three-year period.

In connection with his retirement from his role as Chief Financial Officer of the Company, the T&C Committee awarded Mr. Goulden PSUs with vesting schedules described under Mr. Goulden's 2023 Long-Term Equity Incentive Award.

Relative TSR Modifier

The 2023 PSUs include an rTSR modifier. At the end of the three-year measurement period, the PSUs are adjusted upwards or downwards by up to 25% based on the Company's TSR relative to the TSR of a peer group of companies with high correlation to the Company's industry, subject to the absolute TSR governor and capped at a maximum of 2 times target.

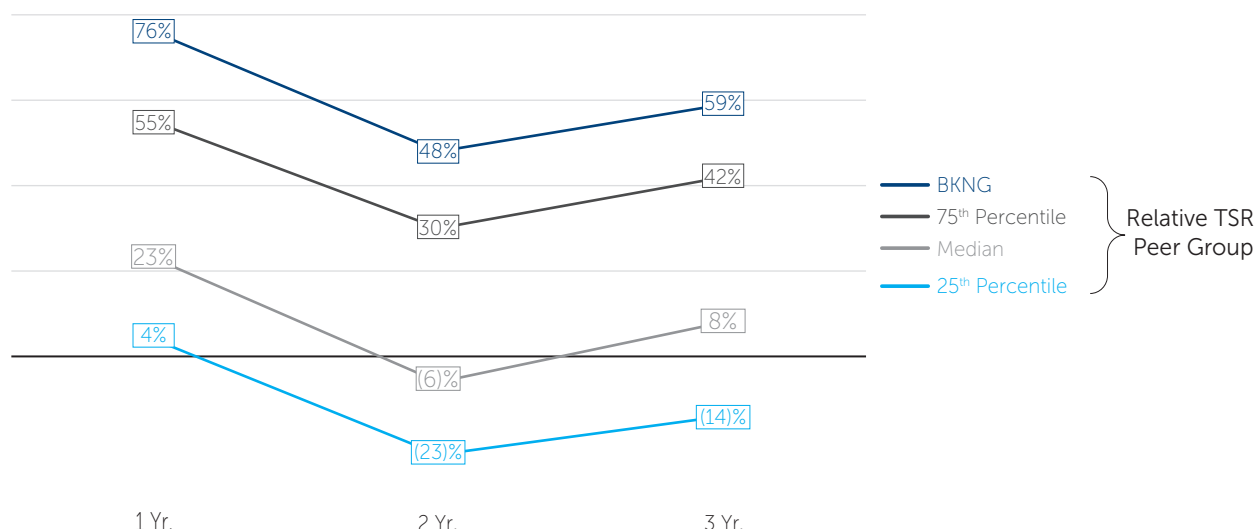
If rTSR is:	Then the rTSR Modifier is:
Below the 25th Percentile	0.75
Between the 25th and 39th Percentile	0.875
Between the 40th and 60th Percentile	1
Between the 61st and 75th Percentile	1.125
Greater than the 75th Percentile	1.25

The rTSR peer group is broader than the Compensation Peer Group because we considered only industry comparability and not size or other characteristics that are more relevant for benchmarking pay.

Relative TSR Peer Group

Accor SA	Airbnb, Inc.	Amadeus IT Group, S.A.
American Airlines Group Inc.	Avis Budget Group, Inc.	Carnival Corporation & plc
Choice Hotels International, Inc.	Delta Air Lines, Inc.	Deutsche Lufthansa AG
easyJet plc	Expedia Group, Inc.	Hilton Grand Vacations Inc.
Hilton Worldwide Holdings Inc.	Hyatt Hotels Corporation	InterContinental Hotels Group PLC
International Consolidated Airlines Group, S.A.	Japan Airlines Co., Ltd.	Marriott International, Inc.
Marriott Vacations Worldwide Corporation	Norwegian Cruise Line Holdings Ltd.	Qantas Airways Limited
Royal Caribbean Group	Ryanair Holdings plc	Sabre Corporation
Singapore Airlines Limited	Sixt SE	Southwest Airlines Co.
Travel + Leisure Co.	Trip.com Group Limited	TripAdvisor, Inc.
trivago N.V.	TUI AG	United Airlines Holdings, Inc.
Wyndham Hotels & Resorts, Inc.		

TOTAL STOCKHOLDER RETURN⁽¹⁾



(1) The 1-year, 2-year, and 3-year TSRs are based on the calculated TSRs between the last trading day of 2023 and the last trading day of the year in 2022, 2021, and 2020, respectively.

TSR Governor

The T&C Committee is committed to aligning executive incentive compensation with stockholder returns and value creation. This is the primary driver behind the TSR governor, which caps the PSU vesting factor at target unless absolute TSR is positive over the three-year period of the PSU award. As a result, executive officers realize upside only if stockholders realize positive returns.

Performance Share Units (PSUs)

The 2023 PSUs granted to our NEOs are forfeitable if certain minimum performance thresholds are not achieved and have a maximum payout of 2x the number of "target" shares. The number of "target" shares was determined by taking a fixed U.S. Dollar amount established by the T&C Committee and dividing that amount by the fair market value of our common stock on the date of grant, which, as provided under our equity plan, is the closing price of our common stock on the trading day immediately preceding the date of grant. In setting our 2023 PSU performance thresholds, the T&C Committee considered our 2023 budget, our expectations for the global travel market over the three-year performance period, internal projections over the three-year performance period for us and certain of our peers, and external consensus projections. The T&C Committee also sought to ensure that the performance thresholds, in particular those that would result in a payout above 1x, reflected performance that would be expected to reward our stockholders.

The equally-weighted Revenue and Compensation EBITDA goals for the third sub-period of the 2021 PSUs and second sub-period of the 2022 PSUs are as follows:

If Revenue for the 2023 sub-period (ending December 31, 2023) is:	If Compensation EBITDA for the 2023 sub-period (ending December 31, 2023) is:	Then the number of shares that will be issued is: ⁽¹⁾
Below \$17.1 billion	Below \$4.9 billion	Forfeiture
Between \$17.1 billion and \$18.9 billion	Between \$4.9 billion and \$5.7 billion	0x to 1x the target grant
At \$18.9 billion	At \$5.7 billion	1x the target grant
Between \$18.9 billion and \$20 billion	Between \$5.7 billion and \$6.3 billion	1x to 2x the target grant
Above \$20 billion	Above \$6.3 billion	2x the target grant

(1) Number of shares that could be issued (i) is based on relative performance against each of the Revenue and Compensation EBITDA goals, measured separately, with meaningful achievement of both performance metrics needed for a 2x outcome, and (ii) is subject to the rTSR modifier and TSR governor applied at the end of the measurement period.

The equally-weighted Revenue and Compensation EBITDA goals for the three-year period ending December 31, 2025 for the 2023 PSUs are as follows:

If Revenue for the three-year period ending December 31, 2025 is:	If Compensation EBITDA for the three-year period ending December 31, 2025 is:	Then the number of shares that will be issued is:⁽¹⁾
Below \$51.3 billion	Below \$14.6 billion	Forfeiture
Between \$51.3 billion and \$63.1 billion	Between \$14.6 billion and \$19.9 billion	0x to 1x the target grant
At \$63.1 billion	At \$19.9 billion	1x the target grant
Between \$63.1 billion and \$66.8 billion	Between \$19.9 billion and \$21.9 billion	1x to 2x the target grant
Above \$66.8 billion	Above \$21.9 billion	2x the target grant

(1) Number of shares that could be issued (i) is based on relative performance against each of the Revenue and Compensation EBITDA goals, measured separately, with meaningful achievement of both performance metrics needed for a 2x outcome, and (ii) is subject to the rTSR modifier and TSR governor applied at the end of the measurement period.

The Company's strong performance in 2023 resulted in achieving 2 times target for each of the second sub-period of the 2022 PSUs and the third sub-period of the 2021 PSUs. The overall payout for the 2022 PSUs remains subject to Company performance in subsequent sub-periods and the application of the rTSR Modifier and TSR governor. Annual goals for subsequent measurement periods are set at the beginning of each performance year. The 2023 PSUs are also subject to the application of the rTSR Modifier and TSR governor at the end of the three-year performance period.

Regardless of Revenue or Compensation EBITDA achievement, for the 2022 and 2023 PSUs, if the Company's absolute TSR is not positive, the number of shares that will be issued to executive officers will not exceed target.

Mr. Goulden's 2023 Long-Term Equity Incentive Award

In 2023, Mr. Goulden announced that he would transition to a new role pending the expected hiring of his successor by March 2024. In connection with that transition, Mr. Goulden's annual long-term equity incentive award for 2023 consisted of a three-year PSU award (the "2023 Goulden PSUs") and an RSU award (the "2023 Goulden RSUs"), each with alternate vesting schedules. One third of the 2023 Goulden PSUs became eligible to vest and one third of the 2023 Goulden RSUs vested on March 4, 2024. The remaining portions of the 2023 Goulden PSUs and 2023 Goulden RSUs are eligible to vest on a quarterly basis pro-rated for the time Mr. Goulden remains in service to the Company until March 4, 2026. Regardless of the date Mr. Goulden ceases service to the Company, the receipt of any shares that vest under the 2023 Goulden PSU will generally not take place until March 2026 to ensure Mr. Goulden is engaged during a smooth transition to the new CFO. Moreover, Compensation EBITDA and Revenue are measured against the same targets used for the three-year period ending December 31, 2025 for the 2023 PSUs awarded to other NEOs, with the resulting number of PSUs subject to modification by the rTSR modifier (+ or - 25%) or capped by the TSR governor (potentially capping payout at target).

The two-year PSUs awarded in 2022 to Mr. Goulden also achieved 2 times target payout and the absolute TSR governor did not apply because TSR was positive over the course of the award.

Restricted Stock Units (RSUs)

In 2023, our long-term incentive program consisted of 75% PSUs and 25% RSUs. After discussion with our independent compensation consultant, and further market benchmarking, the T&C Committee determined to reflect a mix of approximately 60% PSUs and 40% RSUs in our long-term incentive program in 2024. The T&C Committee believes this structure is more in line with market practice and provides an appropriate base level of long-term pay and stability in the program design, with significant retention value tied to stock price and continuous service. While most peers have a 50/50 mix of PSUs and RSUs, the T&C Committee continues to believe the majority of equity grants should be linked to performance. Stockholders have expressed to us their continued support for a time-based component in our long-term incentive program.

The NEOs received the following RSU awards in 2023:

Executive	Grant date value of award
Glenn D. Fogel	\$6,249,654
David Goulden	\$3,000,358
Peter J. Millones	\$1,876,206
Paulo Pisano	\$1,249,931

These awards constitute 25% of the long-term incentive grants to the NEOs (other than Mr. Pisano, whose RSU award constitutes 29% of his long-term incentive grant in 2023 as part of his transition to the other NEOs' compensation model) and vest over three years, provided the recipient is still employed by the Company.

RSUs are also used from time to time in connection with the hiring or promotion of a new senior executive to provide retention incentives during the first years of a position to balance the uncertainty associated with the typical three-year cliff vesting and performance terms of PSUs.

Stock Options

We did not grant any stock options to our NEOs in 2023.

Stockholder Dilution

We strongly believe in the responsible use of stock-based compensation. To be sure we are being judicious with stock-based compensation, the T&C Committee reviews the dilutive impacts of planned equity awards every year and unlike many other companies, we include the negative impact of stock-based compensation expense in the profit metrics we highlight in our quarterly earnings reports.

This year, stockholder dilution from our equity incentive programs, including our **stock-based compensation expense** as a percentage of year-end market capitalization, is **below the 25th percentile** of the Compensation Peer Group.

We are proud that in 2023, **our stock-based compensation resulted in less than 0.7% of stockholder dilution** and during the last 5 years, resulted in approximately **3% of cumulative dilution**.

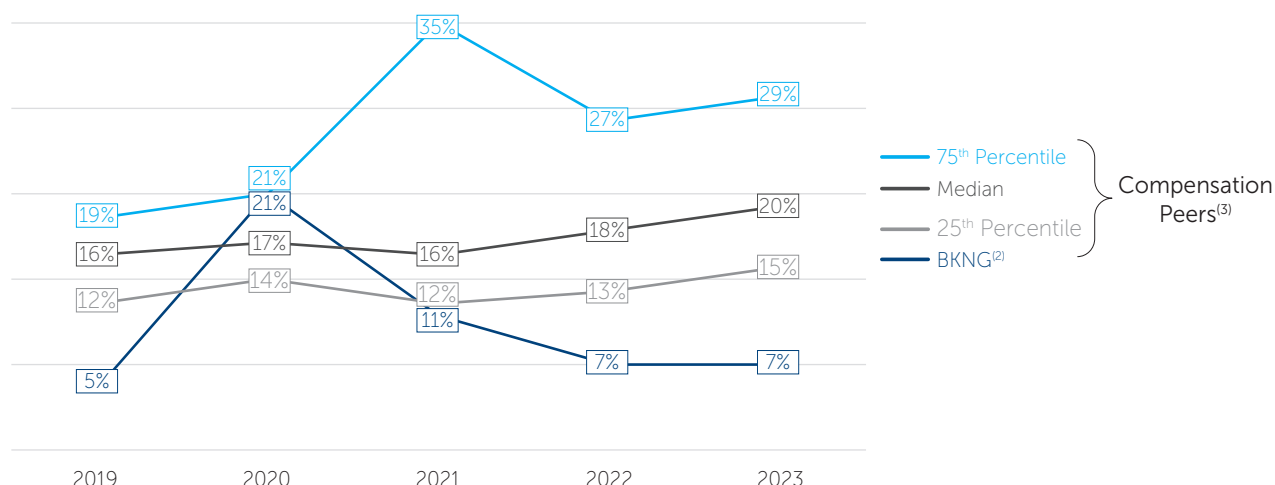
BKNG Stock-Based Compensation Expense as a % of GAAP Net Income

2019	2020	2021	2022	2023
6%	392%	32%	13%	12%

EXECUTIVE COMPENSATION

How We Make Compensation Decisions

STOCK-BASED COMPENSATION EXPENSE AS A % OF PRE-SBC EBITDA⁽¹⁾

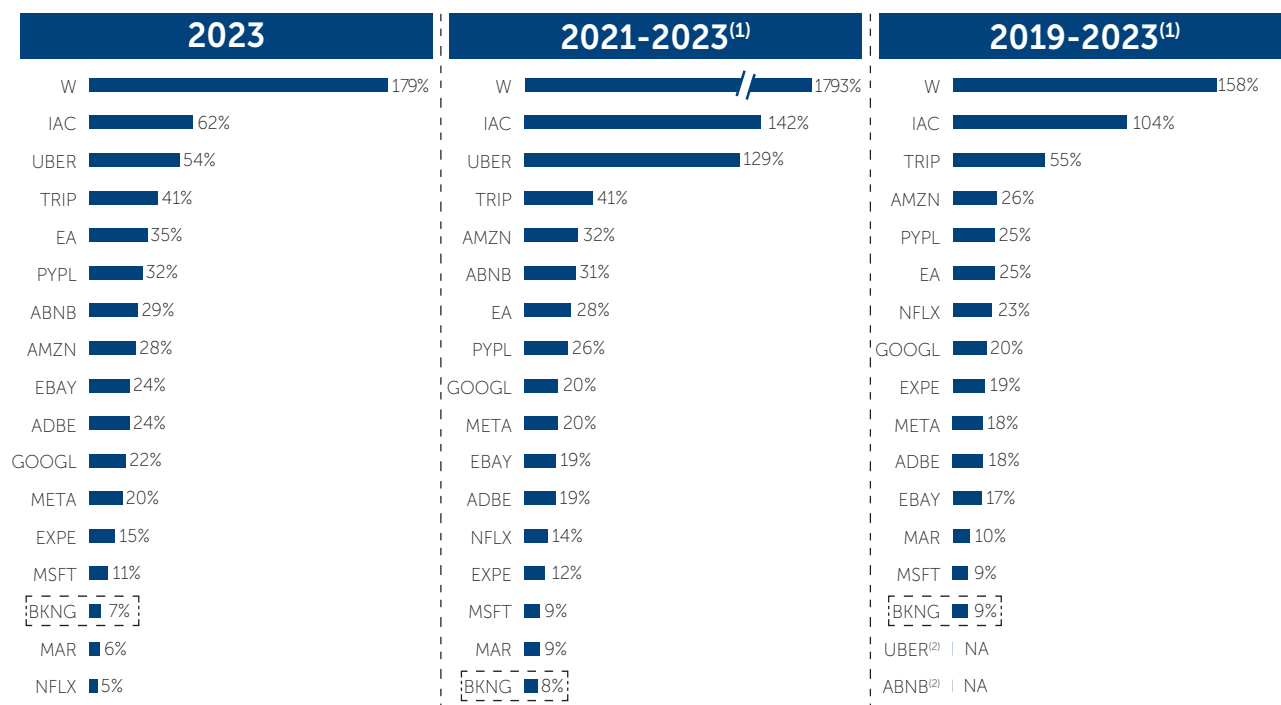


(1) SBC expense as a percentage of Pre-SBC EBITDA for each respective year. If a Compensation Peer Group company's annual EBITDA (see also footnote 3, below) is negative, its results are excluded for that year.

(2) For this chart, the Company's publicly reported Adjusted EBITDA is further adjusted to add back stock-based compensation expense to present pre-SBC Adjusted EBITDA consistent with how it is calculated for the Compensation Peer Group. See Appendix A to this proxy statement for a reconciliation of non-GAAP financial measures and rationale for use of non-GAAP financial measures.

(3) Data is derived from publicly reported information of Compensation Peer Group companies. The Company's use and calculation of Adjusted EBITDA and Pre-SBC Adjusted EBITDA may differ from the other companies' use and calculation of such non-GAAP financial measures. For companies that do not publicly report EBITDA, reported operating income excluding depreciation & amortization expense and stock-based compensation expense is used.

STOCK-BASED COMPENSATION EXPENSE AS A % OF NET CASH PROVIDED BY OPERATING ACTIVITIES



Data is derived from publicly reported information of Compensation Peer Group companies. ADBE, EA, and MSFT do not have December 31 fiscal year ends, so their full year data is shown as of their latest completed fiscal year (e.g., MSFT's 2023 data is for the twelve months ended June 30, 2023).

(1) Represents the cumulative SBC expense and cumulative net cash provided by operating activities for the given period.

(2) NA given ABNB and UBER's first full year as a public company was 2021 and 2020, respectively.

Other Components of Executive Compensation

Change in Control Benefits

Our equity grants do not provide for “single trigger” accelerated vesting based solely on the occurrence of a change in control. Rather, acceleration of equity grants can only occur upon certain terminations of employment that occur at the same time as or following a change in control or upon certain terminations of employment that occur independently of a change in control. As a general matter, upon a termination of employment by us “without cause” or by the employee on account of their disability (and in some circumstances, for “good reason”) that occurs coincident with or following a change in control, the vesting of outstanding equity will be accelerated to the termination date on a pro-rata basis based on the portion of the performance period that has passed. Our awards do not provide for full acceleration of an award except in the case of the employee’s death.

No excess parachute payment tax gross-ups

None of our executive officers are entitled to tax gross-ups in respect of taxes resulting from excess parachute payments in connection with a change of control under section 4999 of the Internal Revenue Code. We have not provided for tax gross-ups in respect of Section 4999 in any new or materially modified compensatory arrangements with our executive officers for many years and the T&C Committee has formally adopted a policy not to approve any Section 4999 tax gross-ups or similar tax reimbursement arrangements related to excess parachute payments with our directors or executive officers.

If any payment made pursuant to an NEO’s employment agreement would be an excess parachute payment, we will reduce the amount of such payment to the extent necessary so that no portion of the payment, so reduced, would constitute an excess parachute payment if such reduction would result in an increase in the aggregate payments and benefits the executive will receive on an after-tax basis. See Potential Payments Upon a Change in Control and/or Termination beginning on page 87 for additional details.

Severance Benefits

Severance arrangements and change-in-control provisions in our equity awards are designed to:

- encourage executives to remain focused on our business in the event of a rumored or actual fundamental corporate change or changes in the organization or its employment needs and provide assistance during any transition, and
- manage compensation-related risks and align the interests of executives and stockholders by incentivizing executives to manage the business and evaluate potential change in control transactions from the perspective of a stockholder.

Each of our NEOs is entitled to receive severance benefits upon, among other things, a termination “without cause” or “for good reason.” The T&C Committee believes the amount of severance compensation each NEO would receive is appropriate based on market practices and the duration of non-competition agreements between us and our NEOs. Severance and other benefits are intended to ease the consequences to an executive of an unexpected termination of employment that the T&C Committee considers outside of the separated employee’s control. See Employment Contracts, Termination of Employment, and Change in Control Arrangements beginning on page 78 for additional details.

Termination Pay Policy

In 2023, the T&C Committee adopted a policy that it will seek stockholder ratification of any future arrangement with an executive officer that provides for a cash severance payment exceeding 2.99 times the executive’s base salary and target bonus.

Employee Benefits

Our health care and other insurance programs are generally the same for all eligible employees, including the NEOs, depending on their geographic location. For all eligible U.S.-based employees and certain eligible employees based outside the United States, we maintain a 401(k) plan. The 401(k) plan in which our eligible NEOs (excluding Mr. Pisano) participate allows all eligible employees to contribute up to 75% of their eligible pay (generally base salary and bonus), up to limits imposed by the U.S. Internal Revenue Code, as pre-tax and/or Roth contributions. We make a cash matching contribution to this 401(k) plan for all participants, including participating NEOs, of 50 cents on the dollar on the first 6% of eligible pay contributed to the plan. The 401(k) match made to each of the participating NEOs is reflected in the All Other Compensation column of the Summary Compensation Table.

All eligible Booking.com employees, including Mr. Pisano, receive a work-from-home allowance and a benefit for certain travel reservations made through Booking.com.

Perquisites

We do not maintain any material perquisites or personal benefits for any of the NEOs, such as company planes, cars, financial services, or country club memberships.

In connection with Mr. Fogel taking on the role of CEO of Booking.com in the Netherlands in 2019 in addition to his role as Chief Executive Officer of the Company and Mr. Pisano taking on the role of CHRO of the Company in 2021 in addition to his role as Chief People Officer of Booking.com, the Company agreed to provide certain benefits to Messrs. Fogel and Pisano to ensure that Messrs. Fogel and Pisano do not incur additional expenses or tax liability as a result of these additional roles. These benefits include payment of costs for the preparation of Dutch and U.S. tax returns and a related tax gross-up. For Mr. Fogel, these benefits also include tax equalization, which caps Mr. Fogel's total tax exposure to what he would be taxed on earnings from the company under U.S. tax laws and is designed to yield neither an economic benefit nor detriment to Mr. Fogel as a result of his role of CEO of Booking.com in the Netherlands. Mr. Fogel also received a personal security assessment in 2023. Mr. Pisano was also reimbursed for legal services in connection with the Company's adoption of its Financial Restatement Recovery Policy.

Compensation Governance Matters

Stock Ownership Guidelines

Our stock ownership guidelines require the executive officers to own the number of shares of our common stock indicated below. For these purposes, shares owned outright by an executive officer are counted, but unvested stock options, vested stock options that have not been exercised, and unvested stock-based equity awards are not considered. Executive officers who do not meet the stock ownership guidelines must retain a minimum of 50% of the shares received on an after-tax basis from the exercise of stock options; the vesting of restricted shares, RSUs, and performance share units; and the settlement of any other stock-based equity award until the ownership target is reached. As of March 31, 2024, each current executive officer was in compliance with the guidelines with the exception of Mr. Steenbergen, who joined the Company on March 15, 2024.

Name	Number of Shares Required to be Owned under our Stock Ownership Guidelines — the Lesser of:	Number of Shares Owned as of March 31, 2024 ⁽¹⁾	Value of Shares Owned as of March 31, 2024 ⁽²⁾
Glenn D. Fogel, President and Chief Executive Officer	15,000 shares or shares valued at \$5 million	17,822	\$64,656,077
Ewout Steenbergen, Executive Vice President and Chief Financial Officer ⁽³⁾	5,000 shares or shares valued at three times base salary	0	\$0
Peter J. Millones, Executive Vice President and General Counsel	5,000 shares or shares valued at three times base salary	12,445	\$45,148,967
Paulo Pisano, Chief Human Resources Officer	5,000 shares or shares valued at three times base salary	914	\$3,315,882

(1) See Security Ownership of Certain Beneficial Owners and Management for certain details relating to beneficial stock ownership, calculated in accordance with SEC rules.

(2) Based on the closing share price of \$3,627.88 on March 28, 2024, the last trading day before March 31, 2024.

(3) Mr. Steenbergen became Chief Financial Officer on March 15, 2024 and, as a result, will be permitted to meet the Stock Ownership Guidelines over time.

Our stock ownership guidelines also establish requirements for non-employee members of the Board, which are set forth under Non-Employee Director Compensation and Benefits on page 95. Our stock ownership guidelines are detailed in our Corporate Governance Principles available on our corporate website (www.bookingholdings.com).

Short-Selling, Hedging and Pledging Prohibitions

Our longstanding policy is to prohibit executive officers, directors, and employees from entering into hedging transactions with respect to our stock, speculating in our stock, or engaging in short-term trading in our stock such as "day trading." Such prohibited activity includes short selling (profiting if the market price of the securities decreases); buying or selling publicly traded options, including writing covered calls; buying our stock on margin (unless arrangements are made to cover any margin calls in cash); and arbitrage trading. We also do not permit our executive officers or directors to pledge any of our securities.

Pre-arranged Trading Plans

We encourage, but do not require, our executive officers to adopt pre-arranged trading plans that comply with Rule 10b5-1 under the Exchange Act (a “10b5-1 Plan”). With the SEC’s new rules for the adoption and operation of a 10b5-1 Plan, in 2023 we amended our internal guidelines to align with the SEC’s rules and also continue to impose restrictions beyond the SEC’s 10b5-1 rules that the Company believes are important guardrails. The Company’s internal guidelines include:

- A 10b5-1 Plan must be adopted during an open trading window.
- The adoption or modification of a 10b5-1 Plan must adhere to the cooling-off period outlined in the SEC’s 10b5-1 rules.
- A 10b5-1 Plan must generally have a minimum term of one year.
- A 10b5-1 Plan may not be terminated earlier than the date provided for in the plan, except as approved by the chair of our T&C Committee or, if unavailable, the chair of our Audit Committee.

In addition to the required 10b5-1 Plan disclosure in Forms 10-Q and 10-K, consistent with our past practices, we intend to continue to provide a list of 10b5-1 Plans for our NEOs and directors on a quarterly basis following the closing of our trading window on our corporate website (www.bookingholdings.com).

Equity Award Dates

The T&C Committee selected March 4, May 12, August 12, and November 12, 2024 as the grant dates for any equity awards to executive officers and other employees. The T&C Committee (or the Board) has the ability to adjust dates in advance or select additional grant dates in its sole discretion. All grants are approved in advance by the T&C Committee (or the Board) or, on an exception basis, the Chair of the T&C Committee.

Clawback Policies

In accordance with new Nasdaq listing standards and SEC rules, as of December 1, 2023 we adopted a Financial Restatement Recovery Policy that states the Company will seek recovery of excess incentive compensation from executive officers in the event of a covered financial restatement, as such terms are defined in the policy filed with the Company’s Annual Report on Form 10-K.

We also have had an incentive-based compensation clawback policy in place since February 7, 2013, which provides that under certain circumstances where an executive officer has engaged in misconduct that has resulted in the executive receiving excessive incentive-based compensation, the Board may seek recovery of such excessive incentive-based compensation.

Talent and Compensation Committee Report

The Talent and Compensation Committee, comprised of independent directors, reviewed and discussed the above Compensation Discussion and Analysis with management. Based on that review and discussion, the Talent and Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement for filing with the SEC.

TALENT AND COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS

Mirian M. Graddick-Weir, Chair
Robert J. Mylod, Jr.
Sumit Singh
Lynn Vojvodich Radakovich

Summary Compensation Table

The following table shows compensation earned during 2023, 2022, and 2021 by the persons who served as our Chief Executive Officer and our Chief Financial Officer and the two next most highly-compensated executive officers serving in 2023. These individuals are referred to as the “named executive officers.” These four individuals were our only executive officers for purposes of Exchange Act Rule 3b-7 during 2023. Titles shown in the table are titles held as of December 31, 2023.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards ⁽¹⁾ (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Glenn D. Fogel President and Chief Executive Officer	2023	750,000	—	40,929,691	—	5,000,000 ⁽²⁾	41,043 ⁽⁵⁾	46,720,734
	2022	750,000	—	26,258,740	—	3,750,000 ⁽³⁾	760,908	31,519,648
	2021	750,000	—	48,010,707	—	5,212,500 ⁽⁴⁾	1,104,266	55,077,473
David Goulden Executive Vice President and Chief Financial Officer	2023	630,000	—	19,548,776	—	3,532,000 ⁽²⁾	10,138 ⁽⁵⁾	23,720,914
	2022	625,000	—	8,844,265	—	2,646,000 ⁽³⁾	9,388	12,124,653
	2021	600,000	—	15,375,661	—	3,500,000 ⁽⁴⁾	8,988	19,484,649
Peter J. Millones Executive Vice President and General Counsel	2023	556,500	—	12,165,681	—	2,823,000 ⁽²⁾	10,138 ⁽⁵⁾	15,555,319
	2022	552,083	—	8,488,874	—	2,114,700 ⁽³⁾	9,388	11,165,045
	2021	530,000	—	16,213,487	—	2,750,000 ⁽⁴⁾	8,988	19,502,475
Paulo Pisano⁽⁶⁾ Chief Human Resources Officer	2023	454,959	—	4,550,645	—	1,774,071 ⁽²⁾	32,331 ⁽⁵⁾	6,812,006
	2022	420,225	—	2,999,640	—	1,050,562 ⁽³⁾	4,736	4,475,163
	2021	455,764	—	2,349,065	—	946,018 ⁽⁴⁾	41,120	3,791,967

(1) Represents the aggregate grant date fair value of: (a) PSUs granted to Messrs. Fogel, Goulden, Millones, and Pisano in 2023; (b) RSUs granted to Messrs. Fogel, Goulden, Millones, and Pisano in 2023; (c) PSUs granted to Messrs. Fogel, Goulden, Millones, and Pisano in 2022; (d) RSUs granted to Messrs. Fogel, Goulden, and Millones in 2022; (e) PSUs granted to Messrs. Fogel, Goulden, Millones, and Pisano in 2021; (f) adjustment of 2018 and 2019 PSUs granted to Messrs. Fogel, Goulden, and Millones in 2021; and (g) RSUs granted to Messrs. Fogel, Goulden, Millones, and Pisano in 2021, in each case computed in accordance with FASB ASC Topic 718. In February 2023, the performance targets were set for (1) the third sub-period of the three-year PSUs awarded to Messrs. Fogel, Goulden and Millones in 2021, (2) the second sub-period of the two-year PSUs awarded to Mr. Goulden in 2022, and (3) the second sub-period of the three-year PSUs awarded to Messrs. Fogel, Goulden, and Millones in 2022. As a result, the grant date was established for the third sub-period of the 2021 three-year PSUs and the second sub-period for the 2022 two- and three-year PSUs. The grant date fair value for the 2021 three-year PSUs granted on February 17, 2023 to Messrs. Fogel, Goulden, and Millones was calculated using the target number of shares associated with the third sub-period multiplied by the share price of \$2,664.83, which was derived using Monte Carlo simulations (used because of the rTSR component of this award). The maximum number of shares that could be issued to Messrs. Fogel, Goulden, and Millones is two times the target number of shares for the third sub-period of the 2021 three-year PSUs, which would result in: \$13,468,051 for Mr. Fogel, \$5,857,296 for Mr. Goulden, and \$4,098,509 for Mr. Millones. The grant date fair value for the 2022 two-year PSUs granted on February 17, 2023 to Mr. Goulden was calculated using the target number of shares associated with the second-sub period multiplied by \$2,525.35, which was derived using Monte Carlo simulations (used because of the rTSR modifier and TSR governor components of this award). The grant date fair value for the 2022 three-year PSUs granted on February 17, 2023 to Messrs. Fogel, Goulden, and Millones was calculated using the target number of shares associated with the second sub-period multiplied by the share price of \$2,462.21, which was derived using Monte Carlo simulations (used because of the rTSR modifier and TSR governor components of this award). The maximum number of shares of the 2022 three-year PSUs that could be issued to Messrs. Fogel and Millones is two times the target number of shares for the second sub-period, which would result in: \$14,640,301 for Mr. Fogel and \$4,102,042 for Mr. Millones. The maximum number of shares of each of the two- and three-year PSUs that could be issued to Mr. Goulden is two times the target number of shares for the second sub-period of each award, which would result in \$4,505,224 and \$2,930,030, respectively. The grant date fair value

EXECUTIVE COMPENSATION

Summary Compensation Table

for the PSUs granted on March 4, 2023 to Messrs. Fogel, Goulden, Millones, and Pisano was calculated using the target number of shares multiplied by the share price of \$2,882.72, which was derived using Monte Carlo simulations (used because of the rTSR modifier and TSR governor components of this award). The maximum number of shares that could be issued to Messrs. Fogel, Goulden, Millones, and Pisano is two times the target number of shares of the 2023 three-year PSU award, which would result in: \$41,251,723, for Mr. Fogel, \$19,804,286, for Mr. Goulden, \$12,378,400 for Mr. Millones, and \$6,601,429 for Mr. Pisano. The amounts in this column reflect our estimate of the payout for these awards, as of the date of grant, and do not correspond to the actual value, if any, that will be recognized by the NEOs. For additional information, please refer to Notes 2 and 4 of our Consolidated Financial Statements for the year ended December 31, 2023, included in our Annual Report on Form 10-K.

(2) Represents 2023 cash awards paid in 2024 under the 2023 Bonus Plan.

(3) Represents 2022 cash awards paid in 2023 under the 2022 Bonus Plan.

(4) Represents 2021 cash awards paid in 2022 under the 2021 Bonus Plan.

(5) With respect to Messrs. Fogel, Goulden, and Millones, the amount represents the estimated value of insurance premiums paid by us during 2023 for life insurance and accidental death and dismemberment insurance for the benefit of such NEO and matching contributions made by us for each such NEO to our 401(k) plan for fiscal year 2023. For Mr. Fogel, the amount in 2023 also includes costs related to a personal security assessment as well as tax preparation services and an estimated tax gross-up for such services to be finalized at the end of 2024. For Mr. Pisano, the amount represents the U.S. Dollar value of perquisites, including the costs of certain legal and tax preparation services and related tax gross-ups in 2023 and certain benefits available to Mr. Pisano as a Booking.com employee. For Mr. Pisano, the amount shown for 2021 has been updated to reflect an additional \$31,140 for tax preparation services.

Also with respect to Mr. Fogel, amounts include any net tax equalization benefit in connection with his role as CEO of Booking.com in the Netherlands. In 2023, payments we made under the tax equalization arrangement were exceeded by tax settlement payments made by, or hypothetical taxes deducted from, Mr. Fogel, resulting in zero net reportable tax equalization benefit. In 2022, the amount shown has been updated to reflect Mr. Fogel's net tax equalization benefit of \$727,826, which includes a related tax gross-up of \$132,112, as well as tax preparation services. In 2021, the amount shown has been updated to reflect Mr. Fogel's net tax equalization benefit of \$1,095,278 (predominantly related to Dutch taxes we paid for the 2020 tax year), which includes a related tax gross-up of \$233,270. In 2020, the Company made hypothetical tax deductions from Mr. Fogel's compensation in the amount of \$1,339,320, which partially offset the Dutch taxes paid by us in 2021 for the 2020 tax year, and which are not reflected in the period covered by this table.

The above tax-equalization-related payments and deductions for all years were made pursuant to the existing tax equalization arrangement with Mr. Fogel discussed in "Perquisites." The tax equalization benefit caps Mr. Fogel's total tax exposure to what he would be taxed on earnings from the company under U.S. tax laws and is designed to yield neither an economic benefit nor detriment to Mr. Fogel as a result of his role of CEO of Booking.com in the Netherlands.

(6) Amounts (other than equity awards) for Mr. Pisano are converted using a EUR/USD exchange rate of 1.08109137, 1.05056161, and 1.1825219, which were the average rates for 2023, 2022, and 2021, respectively. Mr. Pisano became an executive officer in August 2021.

Grants of Plan-Based Awards Table

The following table provides information about equity and non-equity awards granted to our named executive officers in 2023. The column "Estimated Possible Payouts under Non-Equity Incentive Plan Awards" shows the "target" cash payouts under the 2023 Bonus Plan at the time the plan was adopted. Actual payouts were made in March 2024 and can be found in the Summary Compensation Table in the column entitled "Non-Equity Incentive Plan Compensation" for 2023.

Name	Grant Date	Date Grant Approved	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾			Estimated Future Payouts Under Equity Incentive Plan Awards ⁽²⁾			All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock and Option Awards ⁽³⁾ (\$)
			Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)		
Glenn D. Fogel	3/4/23	3/2/23	—	—	—	0	7,155	14,310	—	20,625,862
	3/4/23	3/2/23	—	—	—	—	—	—	2,385	6,249,654
	2/17/23	2/17/23	—	—	—	0	2,973	5,946	—	7,320,150
	2/17/23	2/17/23	—	—	—	0	2,527	5,054	—	6,734,025
			—	1,875,000	—	—	—	—	—	—
David Goulden	3/4/23	3/2/23	—	—	—	0	3,435	6,870	—	9,902,143
	3/4/23	3/2/23	—	—	—	—	—	—	1,145	3,000,358
	2/17/23	2/17/23	—	—	—	0	595	1,190	—	1,465,015
	2/17/23	2/17/23	—	—	—	0	892	1,784	—	2,252,612
	2/17/23	2/17/23	—	—	—	0	1,099	2,198	—	2,928,648
			—	1,323,000	—	—	—	—	—	—
Peter J. Millones	3/4/23	3/2/23	—	—	—	0	2,147	4,294	—	6,189,200
	3/4/23	3/2/23	—	—	—	—	—	—	716	1,876,206
	2/17/23	2/17/23	—	—	—	0	833	1,666	—	2,051,021
	2/17/23	2/17/23	—	—	—	0	769	1,538	—	2,049,254
			—	1,057,350	—	—	—	—	—	—
Paulo Pisano	3/4/23	3/2/23	—	—	—	0	1,145	2,290	—	3,300,714
	3/4/23	3/2/23	—	—	—	—	—	—	477	1,249,931
			—	664,240	—	—	—	—	—	—

(1) These columns show the target amount of the payout for each NEO under the 2023 Bonus Plan at the time it was adopted. The actual payments to NEOs for 2023 are included in the column entitled "Non-equity Incentive Plan Compensation" of the Summary Compensation Table. The business measurements and performance goals for determining the payouts under the 2023 Bonus Plan are described in the Compensation Discussion and Analysis beginning on page 48.

(2) These columns show the "Threshold," "Target," and "Maximum" number of shares of our common stock that could be issued in connection with the three-year 2023 PSUs (applicable to Messrs. Fogel, Goulden, Millones, and Pisano) and second sub-period of the two-year 2022 PSUs (applicable to Mr. Goulden) and second sub-period of the three-year 2022 PSUs (applicable to Messrs. Fogel, Goulden, and Millones) and the third sub-period of our three-year 2021 PSUs (applicable to Messrs. Fogel, Goulden, and Millones), which were granted under our 1999 Omnibus Plan. The target number of shares reported is the full target number of shares for the complete three-year performance period of the 2023 PSUs. The performance targets for each of the annual performance periods under each of the 2022 PSUs and the 2021 PSUs are set at the beginning of each performance year. Therefore, the target number of shares reported is one-half of the target number of shares of the applicable two-year PSUs and one-third of the target number of shares of the applicable three-year PSUs, which is the portion of the PSUs for which performance targets were set in 2023. The performance period for the three-year PSUs granted in 2023 ends on December 31, 2025. The performance periods for the two- and three-year PSUs granted in 2022 end on December 31, 2023, and December 31, 2024, respectively. The performance period for the three-year PSUs granted in 2021 ended on December 31, 2023. The performance criteria for determining the number of shares of our common stock to be issued, if any, in connection with the PSUs is described under "Long-term Incentive Program" in the Compensation Discussion and Analysis beginning on page 48.

EXECUTIVE COMPENSATION

Outstanding Equity Awards at 2023 Fiscal Year-End Table

(3) Represents the aggregate grant date fair value, as applicable, of PSUs and RSUs granted to the named executive officers, computed in accordance with FASB ASC Topic 718. Generally, the grant date fair value is the full amount that we would expense in our financial statements over the award's vesting schedule. The grant date fair value of the third sub-period of the 2021 three-year PSUs awarded to Messrs. Fogel, Goulden, and Millones included in the table is equal to the target number of shares associated with the third sub-period multiplied by the share price of \$2,664.83, which was derived using Monte Carlo simulations (used because of the rTSR modifier component of this award). The grant date fair value of the second sub-period of the 2022 two-year PSUs awarded to Mr. Goulden was calculated using the target number of shares associated with the second sub-period multiplied by the share price of \$2,525.35, which was derived using Monte Carlo simulations (used because of the rTSR modifier and TSR governor components of this award). The grant date fair value of the second sub-period of the 2022 three-year PSUs awarded to Messrs. Fogel, Goulden, and Millones was calculated using the target number of shares associated with the second sub-period multiplied by the share price of \$2,462.21, which was derived using Monte Carlo simulations (used because of the rTSR modifier and TSR governor components of this award). The actual number of shares to be issued for the applicable two-year or three-year PSUs, if any, will be determined based on the relevant performance criteria over the remaining performance period and the application of the rTSR modifier and, for the 2022 two-year and three-year PSUs, the TSR governor at the end of the performance period. The grant date fair value of the PSUs granted to Messrs. Fogel, Goulden, Millones, and Pisano on March 4, 2023, was calculated using the target number of shares multiplied by the share price of \$2,882.72, which was derived using Monte Carlo simulations (used because of the rTSR modifier and TSR governor components of this award). The grant date fair value of the RSUs granted to Messrs. Fogel, Goulden, Millones, and Pisano on March 4, 2023, was calculated using the target number of shares multiplied by the share price of \$2,620.40, which was the closing price of our common stock on March 3, 2023. For additional information, please refer to Notes 2 and 4 of our Consolidated Financial Statements for the year ended December 31, 2023, included in our Annual Report on Form 10-K.

Outstanding Equity Awards at 2023 Fiscal Year-End Table

The following table provides information on the holdings of stock awards by our NEOs at fiscal year-end 2023, including any unvested RSUs, unvested PSUs with performance or service conditions that have not yet been satisfied, and unvested or unexercised stock option awards as of December 31, 2023. The market value of the stock awards is based on the closing price of our common stock on December 29, 2023, which was \$3,547.22.

Name	Option Awards					Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#)	Market Value of Shares or Units of Stock that Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units, or Other Rights that Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units, or Other Rights that Have Not Vested (\$)
Glenn D. Fogel	—	—	—	—	—	32,267 ⁽¹⁾	114,458,148	14,310 ⁽²⁾	50,760,718
David Goulden	—	—	—	—	—	14,845 ⁽³⁾	52,658,481	6,870 ⁽⁴⁾	24,369,401
Peter J. Millones	—	—	—	—	—	9,475 ⁽⁵⁾	33,609,910	4,294 ⁽⁶⁾	15,231,763
Paulo Pisano	527 ⁽⁷⁾	0	0	1,411.00	5/12/30	4,090 ⁽⁸⁾	14,508,130	2,765 ⁽⁹⁾	9,808,063

- (1) Represents 842 shares of our common stock subject to RSUs granted to Mr. Fogel in March 2021 that vested on March 4, 2024, 1,982 shares of our common stock subject to RSUs granted in March 2022 that are scheduled to vest ratably on March 4, 2024, and March 4, 2025, respectively, and 2,385 shares of our common stock subject to RSUs granted in March 2023 that are scheduled to vest ratably on March 4, 2024, March 4, 2025, and March 4, 2026, respectively. Also includes: in connection with the three-year 2021 PSUs, 15,164 shares for which the performance periods commenced on January 1, 2021, 2022, or 2023 and ended on December 31, 2021, 2022, or 2023, as applicable, which represents two times the target number of shares for the first-, second- and third-sub periods that were issued in March 2024 upon vesting; and in connection with the three-year 2022 PSUs, 11,894 shares for which the performance period commenced on January 1, 2022 or 2023 and ended on December 31, 2022 or 2023, as applicable, which represents two times the target number of shares for the first- and second-sub periods that could be issued following the end of the performance period, subject to continued employment with us and the rTSR modifier and the TSR governor, which are not performance criteria.
- (2) Includes 14,310 shares in connection with the three-year 2023 PSUs for which the performance period commenced on January 1, 2023 and will end on December 31, 2025, which represents the maximum number of shares of our common stock that may be issued following the end of the performance period in connection with these PSUs. The actual number of shares to be issued for this grant, if any, has not been determined and will be determined based on the relevant performance criteria over the applicable three-year performance period, subject to continued employment with us and the rTSR modifier and the TSR governor, which are not performance criteria.
- (3) Represents 366 shares of our common stock subject to RSUs granted to Mr. Goulden in March 2021 that vested on March 4, 2024, 792 shares of our common stock subject to RSUs granted in March 2022 that are scheduled to vest ratably on March 4, 2024, and March 4, 2025, respectively, and 1,145 shares of our common stock subject to RSUs granted in March 2023 that are scheduled to vest one-third on March 4, 2024, and ratably each quarter from June 4, 2024 through March 4, 2026. Also includes: in connection with the three-year 2021 PSUs, 6,594 shares for which the performance periods commenced on January 1, 2021, 2022, or 2023 and ended on December 31, 2021, 2022, or 2023, as applicable, which represents two times the target number of shares for the first-, second- and third-sub periods that were issued in March 2024 upon vesting; in connection with the two-year 2022 PSUs, 3,568 shares for which the performance period commenced on January 1, 2022 or 2023 and ended on December 31, 2022 or 2023, as applicable, which represents two times the target number of shares of our common stock for the first- and second-sub periods and were issued in March 2024 upon vesting; and in connection with the three-year 2022 PSUs, 2,380 shares for which the performance period commenced on January 1, 2022 or 2023 and ended on December 31, 2022, or 2023, as applicable, which represents two times the target number of shares for the first- and second-sub periods that could be issued following the end of the performance period, subject to continued employment with us and the rTSR modifier and the TSR governor, which are not performance criteria.
- (4) Includes 6,870 shares in connection with the three-year 2023 PSUs for which the performance period commenced on January 1, 2023 and will end on December 31, 2025, which represents the maximum number of shares of our common stock that may be issued following the end of the performance period in connection with these PSUs. The actual number of shares to be issued for this grant, if any, has not been determined and will be determined based on the relevant performance criteria over the applicable three-year performance period, subject to continued employment with us and the rTSR modifier and the TSR governor, which are not performance criteria.
- (5) Includes 256 shares of our common stock subject to RSUs granted to Mr. Millones in March 2021 that vested on March 4, 2024, 555 shares of our common stock subject to RSUs granted in March 2022 that are scheduled to vest ratably on March 4, 2024, and March 4, 2025, respectively, and 716 shares of our common stock subject to RSUs granted in March 2023 that are scheduled to vest ratably on March 4, 2024, March 4, 2025, and March 4, 2026, respectively. Also includes: in connection with the three-year 2021 PSUs, 4,616 shares for which the performance periods commenced on January 1, 2021, 2022, or 2023 and ended on December 31, 2021, 2022, or 2023, as applicable, which represents two times the target number of shares for the first-, second- and third-sub periods that were issued in March 2024 upon vesting; and in connection with the three-year 2022 PSUs, 3,332 shares for which the performance period commenced on January 1, 2022 or 2023 and ended on December 31, 2022 or 2023, as applicable, which represents two times the target number of shares for the first- and second-sub periods that could be issued following the end of the performance period, subject to continued employment with us and the rTSR modifier and the TSR governor, which are not performance criteria.
- (6) Includes 4,294 shares in connection with the three-year 2023 PSUs for which the performance period commenced on January 1, 2023 and will end on December 31, 2025, which represents the maximum number of shares of our common stock that may be issued following the end of the performance period in connection with these PSUs. The actual number of shares to be issued for this grant, if any, has not been determined and will be determined based on the relevant performance criteria over the applicable three-year performance period, subject to continued employment with us and the rTSR modifier and the TSR governor, which are not performance criteria.
- (7) Represents the exercisable number of shares of our common stock subject to non-qualified stock options granted to Mr. Pisano in May 2020 that vested in March 2023.

EXECUTIVE COMPENSATION

Option Exercises and Stock Vested Table

- (8) Includes 136 shares of our common stock subject to RSUs granted to Mr. Pisano in August 2021 that are scheduled to vest on August 12, 2024, and 477 shares of our common stock subject to RSUs granted in March 2023 that are scheduled to vest ratably on March 4, 2024, March 4, 2025, and March 4, 2026, respectively. Also includes: in connection with the three-year 2021 PSUs, 1,098 shares for which the performance period commenced on January 1, 2021, 2022, or 2023 and ended on December 31, 2021, 2022, or 2023, as applicable, which represents two times the target number of shares for the first-, second- and third-sub periods that were issued in March 2024 upon vesting; in connection with the three-year 2022 PSUs, subject to continued employment, 952 shares for which the performance period commenced on January 1, 2022 and ended on December 31, 2022 and which represents two times the target number of shares for the first sub-period that could be issued following the end of the performance period; 952 shares for which the performance period commenced on January 1, 2023 and ended on December 31, 2023, which represents two times the target number of shares for the second sub-period, and 475 shares for which the performance period commenced on January 1, 2024 and ends on December 31, 2024, which represents one times the target number of shares for the third sub-period that could be issued following the end of the performance period in connection with the three-year PSUs.
- (9) Includes 2,290 shares in connection with the three-year 2023 PSUs for which the performance period commenced on January 1, 2023 and will end on December 31, 2025, which represents the maximum number of shares of our common stock that may be issued following the end of the performance period in connection with these PSUs. The actual number of shares to be issued for this grant, if any, has not been determined and will be determined based on the relevant performance criteria over the applicable three-year performance period, subject to continued employment with us and the rTSR modifier and the TSR governor, which are not performance criteria. Also includes 475 shares of the 2022 PSUs for the third sub-period in the 2024 calendar year, which represent one times the target number of shares of our common stock attributable to such sub-periods that could be issued following the end of the performance period in connection with the three-year PSUs.

Option Exercises and Stock Vested Table

The following table contains information about the vesting of stock awards held by our NEOs and options exercised by our NEOs in 2023.

	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Glenn D. Fogel	0	0	12,607	33,983,410 ⁽¹⁾
David Goulden	0	0	17,035	44,638,514 ⁽²⁾
Peter J. Millones	0	0	5,065	13,577,172 ⁽¹⁾
Paulo Pisano	1,600	2,017,767 ⁽³⁾	431	1,209,065 ⁽⁴⁾

- (1) Reflects vesting of PSUs and RSUs in March 2023 with a per share market price of \$2,620.40, the closing price of our common stock on March 3, 2023 and vesting of RSUs in December 2023 with a per share market price of \$3,479.12, the closing price of our common stock on December 15, 2023.
- (2) Reflects vesting of PSUs and RSUs in March 2023 with a per share market price of \$2,620.40, the closing price of our common stock on March 3, 2023.
- (3) Reflects the difference between the exercise price per stock option exercised and (i) the closing price per share of common stock on the date of exercise, if the resulting shares were held, or (ii) the sale price, if the resulting shares were sold. The per share market price for options exercised in March 2023 reflects (a) a closing price of \$2,613.43, or (b) a sale price of \$2,604.90, as applicable. The per share market price for options exercised in August 2023 reflects a sale price of \$3,124.72.
- (4) Reflects vesting of RSUs in March 2023 with a per share market price of \$2,620.40, the closing price of our common stock on March 3, 2023 and vesting of RSUs in August 2023 with a per share market price of \$3,206.23, the closing price of our common stock on August 11, 2023.

Employment Contracts, Termination of Employment, and Change in Control Arrangements

Our NEOs' employment agreements generally provide for minimum annual base salaries and that each executive will be eligible to participate at a level commensurate with their position in our annual bonus and long-term compensation plans generally made available to our senior executives and to participate in all benefit plans and arrangements and fringe benefits and perquisite programs generally provided to our other comparable senior executives. Additional material terms of each NEO's employment agreement and equity instruments outstanding at December 31, 2023, are summarized below. Undefined capitalized terms in this section are defined in the NEOs' respective employment agreements unless otherwise specified.

Mr. Fogel

Employment Agreement

On December 15, 2016, we entered into an employment agreement with Mr. Fogel effective January 1, 2017 in connection with his appointment as our President and Chief Executive Officer and as a member of the Board. In connection with Mr. Fogel taking on the additional roles of Chief Executive Officer and director of Booking.com in 2019, we amended and supplemented this agreement with a Letter Agreement, dated October 24, 2019. In addition to providing that Mr. Fogel will serve in the additional roles until the earliest of (a) the termination of his employment with us, (b) his removal pursuant to Booking.com's Articles of Association and (c) his resignation from either or both such positions, this amendment provides certain benefits to Mr. Fogel to ensure that Mr. Fogel is not subject to adverse tax consequences and does not incur additional expenses as a result of serving as Chief Executive Officer of Booking.com. Further, in the event Mr. Fogel terminates his employment with us, he agrees that he will voluntarily resign from his positions with Booking.com.

TERM

Mr. Fogel's employment agreement had an initial three-year term that began on January 1, 2017, which was terminable by either party upon ninety days' written notice. The three-year initial term is automatically extended for additional one-year periods unless either party gives written notice to the other party at least ninety days prior to the expiration of the then-current one year additional period that the employment agreement will not be extended.

TERMINATION WITHOUT "CAUSE" OR FOR "GOOD REASON"

In the event of a termination of Mr. Fogel's employment without "Cause" or by Mr. Fogel for "Good Reason," Mr. Fogel will be entitled to receive his compensation accrued through the date of his termination of employment and the following severance compensation and benefits, subject to his executing and not revoking a release:

1. two times his base salary and target bonus, if any, paid over a 24-month period following his termination of employment;
2. if a bonus plan is in place, a pro-rata actual annual bonus for the year in which termination of employment occurs; and
3. continuation for eighteen months following termination of employment of group health insurance benefits as if Mr. Fogel were our employee.

If Mr. Fogel's employment is terminated without "Cause" or by Mr. Fogel for "Good Reason" on or within twelve months after the consummation of, or, under certain circumstances, within six months prior to, a "Change in Control", Mr. Fogel will be entitled to the following severance compensation and benefits, subject to his executing and not revoking a release:

1. three times the sum of his base salary and target bonus, if any, for the year in which such termination occurs, paid over a 36-month period following his termination of employment;
2. if a bonus plan is in place, a pro-rata annual bonus for the year in which termination of employment occurs, determined at the higher of actual and target performance; and
3. continuation for up to eighteen months following termination of employment of group health insurance benefits as if Mr. Fogel were our employee.

TERMINATION AS THE RESULT OF DEATH OR "DISABILITY"

In the event of a termination of Mr. Fogel's employment as the result of his death or "Disability," Mr. Fogel or, as applicable, his heirs will be entitled to receive, his compensation accrued through the date of termination of employment, if a bonus plan is in place, a pro-rata target annual bonus for the year in which termination of employment occurs, continuation for twelve months following his death of group health insurance benefits for his dependents (or for Mr. Fogel, if he is terminated as the result of "Disability") as if he were our employee, and in the event of termination of Mr. Fogel's employment as the result of "Disability," continuation for twelve months following termination of employment of group life and disability insurance benefits as if Mr. Fogel were our employee.

OTHER

In addition, subject to certain limitations, if severance remuneration payable under the employment agreement is held to constitute a "parachute payment" under Section 280G of the Internal Revenue Code, we will reduce the amount of such payment to the extent necessary so that no portion of the payment, so reduced, would constitute a "parachute payment" if such reduction would result in an increase in the aggregate payments and benefits to be provided to Mr. Fogel determined

on an after tax basis. Mr. Fogel also entered into a non-competition and non-solicitation agreement with us pursuant to which Mr. Fogel is subject to one-year non-competition and non-solicitation obligations following Mr. Fogel's termination of employment with us.

Equity Instruments

PSUs

The PSU awards granted to Mr. Fogel in March 2021 with a three-year vesting period (the "2021 PSUs"), as well as the PSUs granted in March 2022 (the "2022 PSUs"), and March 2023 ("2023 PSUs"), provide for accelerated vesting upon a termination of service without "Cause," for "Good Reason," or as the result of death or "Disability." The number of shares to be delivered to Mr. Fogel upon vesting would depend on the termination event and when it occurred, the application of the rTSR modifier, and, in the case of the 2022 PSUs and 2023 PSUs, the application of the TSR Governor, and could range from 0 to 2x of the total number of shares subject to the applicable PSU award.

Upon a termination of service as the result of death (that does not occur coincident with or following a "Change in Control"), the PSU performance multiplier would be applied to (i) the target number of PSUs allocated to any completed measurement periods based on actual performance, the rTSR modifier, and for the 2022 PSUs and the 2023 PSUs, the TSR Governor, and (ii) the sum of (a) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the termination occurred (based on the number of days that had elapsed since the beginning of such measurement period as of the date of his termination of service), based generally on our performance through the most recent fiscal quarter for which our financial results have been publicly reported closest to the termination of service as a result of his death, the rTSR modifier, and for the 2022 PSUs and the 2023 PSUs, the TSR Governor and (b) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the termination occurred (based on the number of days that had elapsed from the date of termination through the end of such measurement period). In addition, with respect to the 2021 PSUs and 2022 PSUs, for any measurement periods that had not yet started at the time of termination of service as a result of death, Mr. Fogel would receive the target number of PSUs allocated to those measurement periods without the application of any performance multiplier, rTSR modifier, or TSR Governor, if applicable.

Upon a termination of service without "Cause," for "Good Reason," or as the result of "Disability" that does not occur coincident with or following a "Change in Control," the PSU performance multiplier, the rTSR modifier, and for the 2022 PSUs and 2023 PSUs, the TSR Governor, would be applied to (i) the target number of PSUs allocated to any completed measurement periods based on actual performance, if any, and (ii) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the termination occurs (based on the number of days that had elapsed since the beginning of such measurement period as of the date of his termination of service) based generally on our performance through the most recent fiscal quarter for which our financial results have been publicly reported closest to the termination of service.

If a "Change in Control" occurs (or in the case of the 2021 PSUs had occurred) prior to (i) March 4, 2026 for the 2023 PSUs, (ii) March 4, 2025 for the 2022 PSUs, or (iii) March 4, 2024 for the 2021 PSUs, and Mr. Fogel's service is terminated as a result of death coincident with or following the effective date of the "Change in Control," the PSU performance multiplier would be applied to (i) the target number of PSUs allocated to any completed measurement periods based on actual performance, the rTSR modifier, and for the 2022 PSUs and 2023 PSUs, the TSR Governor, and (ii) the sum of (a) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the "Change in Control" occurs (based on the number of days that had elapsed since the beginning of such measurement period as of the date of the "Change in Control"), based generally on our performance through the most recent fiscal quarter for which our financial results have been publicly reported closest to the "Change in Control", the rTSR modifier, and for the 2022 PSUs and 2023 PSUs, the TSR Governor, and (b) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the "Change in Control" occurs (based on the number of days that had elapsed since the date of the "Change in Control" through the end of such measurement period). In addition, with respect to the 2021 PSUs and 2022 PSUs, for any measurement periods that had not yet started as of the date of the "Change in Control," Mr. Fogel would receive the target number of PSUs allocated to those measurement periods without the application of any performance multiplier, rTSR modifier, or TSR Governor, if applicable.

If a "Change in Control" occurs (or in the case of the 2021 PSUs had occurred) prior to (i) March 4, 2026 for the 2023 PSUs, (ii) March 4, 2025 for the 2022 PSUs, or (iii) March 4, 2024 for the 2021 PSUs, and Mr. Fogel's service is terminated without "Cause," for "Good Reason," or as a result of "Disability" coincident with or at any time following the effective date of the "Change in Control," the PSU performance multiplier, the rTSR modifier, and for the 2022 PSUs and 2023 PSUs, the TSR Governor, would be applied to (i) the target number of PSUs allocated to any completed measurement periods based on actual performance and (ii) the sum of (a) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the "Change in Control" occurs (based on the number of days that had elapsed since the beginning of such measurement period as of the date of the "Change in Control"), based generally on our performance through the most recent fiscal quarter for which our financial results have been publicly reported closest to the date of the "Change in Control" and (b) a pro-rata portion of the target number of PSUs (based on the number of days that had elapsed since the date of the "Change in Control" through the date of termination).

RSUS

The RSUs granted to Mr. Fogel in March 2021 (the "2021 RSUs"), March 2022 (the "2022 RSUs"), and March 2023 (the "2023 RSUs") are subject to three-year ratable vesting, but provide for full vesting upon a termination of service as the result of his death and pro rata vesting upon a termination of service without "Cause," a termination of service for "Good Reason," or a termination of service as the result of "Disability," in each case based on the number of days elapsed from March 4, 2021 (for the 2021 RSUs), March 4, 2022 (for the 2022 RSUs), March 4, 2023 (for the 2023 RSUs), or the anniversary of the grant date that immediately precedes the date of termination, whichever applies, through and including the date of termination.

Mr. Goulden

Employment Agreement

Effective March 1, 2018, Mr. Goulden became our Executive Vice President and Chief Financial Officer. On January 19, 2018, we entered into an employment agreement with Mr. Goulden, effective March 1, 2018 in connection with his appointment as Executive Vice President and Chief Financial Officer. On February 23, 2023, in anticipation of Mr. Goulden's retirement from the Chief Financial Officer role, the Company and Mr. Goulden supplemented his employment agreement via a letter agreement, which has been amended effective January 18, 2024 and April 4, 2024 (as amended, the "Goulden Letter Agreement"). The Goulden Letter Agreement provides that Mr. Goulden would (1) remain a full-time employee and continue to serve as the Company's Executive Vice President and Chief Financial Officer until a successor begins employment with the Company, (2) continue to receive a base salary of \$630,000 and be eligible for a cash bonus for the 2023 year, (3) continue with the Company as Executive Vice President of Finance following his retirement from the Chief Financial Officer position, on a full-time basis at the same base salary as in 2023 from the date a new Chief Financial Officer begins employment (which occurred in March 2024) until May 31, 2024, and on a part-time basis at a base salary of \$315,000 from June 1, 2024 until December 31, 2024, and (4) be eligible for a cash bonus for the 2024 year with the target bonus based on actual base salary earned in 2024. A third of the PSU and RSU awards granted to Mr. Goulden on March 4, 2023 vested (or, for PSUs, became eligible to vest) on March 4, 2024, and the remaining portions of those PSU and RSU awards will vest (or, for PSUs, will become eligible to vest) quarterly until March 4, 2026 so long as Mr. Goulden continues service to the Company. Regardless of the date Mr. Goulden ceases service to the Company, the receipt of any shares that vest under the PSU award granted to Mr. Goulden on March 4, 2023 will not take place until March 2026 (other than in the event of Mr. Goulden's death or termination without "cause," for "good reason," or as a result of "Disability" coinciding with or following a "Change in Control," where shares are delivered on termination).

TERM

Mr. Goulden's original employment agreement is terminable by either party upon ninety days' written notice and is automatically extended for additional one-year periods unless either party gives ninety days written notice of termination. Mr. Goulden's original employment agreement was modified pursuant to the Goulden Letter Agreement to provide that from March 15, 2024, Mr. Goulden is Executive Vice President of Finance on a full-time basis until May 31, 2024 and then on a part-time basis until December 31, 2024, at which time the Company expects Mr. Goulden will be employed in a different position by, become a consultant to, or serve on a managing board of the Company or a subsidiary or affiliate.

TERMINATION WITHOUT "CAUSE," FOR "GOOD REASON"

In the event of a termination of Mr. Goulden's employment without "Cause" or by Mr. Goulden for "Good Reason", Mr. Goulden will be entitled to receive his compensation accrued through the date of his termination of employment

EXECUTIVE COMPENSATION

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and the following severance compensation and benefits, subject to his executing and not revoking a release:

1. one times the sum of his base salary and target bonus, paid over a 12-month period following his termination of employment;
2. if a bonus plan is in place, a pro-rata actual annual bonus for the year in which termination of employment occurs; and
3. continuation for twelve months following termination of employment of group health insurance benefits as if Mr. Goulden were our employee.

If Mr. Goulden's employment is terminated without "Cause" or by Mr. Goulden for "Good Reason" on or within twelve months after the consummation of, or, under certain circumstances, within six months prior to, a "Change in Control," Mr. Goulden will be entitled to the following severance compensation and benefits, subject to his executing and not revoking a release:

1. two times the sum of his base salary and target bonus, if any, for the year in which such termination occurs, paid over a 24-month period following his termination of employment;
2. if a bonus plan is in place, a pro-rata annual bonus for the year in which termination of employment occurs, determined at the higher of actual and target performance; and
3. continuation for up to twelve months following termination of employment of group health insurance benefits as if Mr. Goulden were our employee.

TERMINATION AS THE RESULT OF DEATH OR "DISABILITY"

In the event of a termination of Mr. Goulden's employment as the result of his death or "Disability," Mr. Goulden or, as applicable, his heirs will be entitled to receive his compensation accrued through the date of termination of employment, if a bonus plan is in place, a pro-rata target annual bonus for the year in which termination of employment occurs, continuation for twelve months following his death of group health insurance benefits for his dependents (or for Mr. Goulden, if he is terminated as the result of "Disability") as if he were our employee, and in the event of termination of Mr. Goulden's employment as the result of "Disability," continuation for twelve months following termination of employment of group life and disability insurance benefits as if Mr. Goulden were our employee.

OTHER

In addition, subject to certain limitations, if severance remuneration payable under the employment agreement is held to constitute a "parachute payment" under Section 280G of the Internal Revenue Code, we will reduce the amount of such payment to the extent necessary so that no portion of the payment, so reduced, would constitute a "parachute payment" if such reduction would result in an increase in the aggregate payments and benefits to be provided to Mr. Goulden determined on an after tax basis. Concurrently with entering into the employment agreement, Mr. Goulden also entered into a non-competition and non-solicitation agreement with us pursuant to which Mr. Goulden is subject to one-year non-competition and non-solicitation obligations following Mr. Goulden's termination of employment with us.

Equity Instruments

PSUS

The PSUs granted to Mr. Goulden in March 2021 would be treated in the same fashion as the PSUs granted to Mr. Fogel in March 2021 described above under Mr. Fogel — Equity Instruments.

The PSUs granted to Mr. Goulden in March 2022 would be treated in the same fashion as the 2022 PSUs granted to Mr. Fogel described above under Mr. Fogel — Equity Instruments, with certain exceptions, including that certain of the PSUs granted to Mr. Goulden in March 2022 vested on March 4, 2024. Therefore, the terms relating to a termination of service without "Cause," a termination of service for "Good Reason," a termination of service as the result of death or "Disability," and a termination coincident with or following a Change in Control described above under Mr. Fogel — Equity Instruments applied if those terminations had occurred before March 4, 2024.

The PSUs granted to Mr. Goulden in March 2023 would be treated in the same fashion as the 2023 PSUs granted to Mr. Fogel described above under Mr. Fogel — Equity Instruments, with certain exceptions. In particular, one-third of the PSUs granted to Mr. Goulden in March 2023 vested with respect to the service-vesting requirement as of March 4, 2024 and the remaining two-thirds are eligible to vest ratably on a quarterly basis thereafter through March 4, 2026, in each case dependent upon Mr. Goulden's continuous service with the Company, and subject to achievement of the applicable performance goals determined at the end of the three-year performance period (the "Default PSU Determination"). Upon a termination of service as the result of death (that does not occur coincident with or following a "Change in Control"), Mr. Goulden will vest in the greater of (i) the amount described above for death under Mr. Fogel — Equity Instruments, or (ii) the Default PSU Determination. Upon a termination of service without "Cause," for "Good Reason," or as the result of "Disability" that does not occur coincident with or following a "Change in Control," Mr. Goulden will vest in the greater of (i) the amount described above for such terminations under Mr. Fogel — Equity Instruments, or (ii) the Default PSU Determination, provided that in either case, Mr. Goulden will be deemed to have continued in service through the next applicable service-based vesting date following a termination without "Cause" or for "Good Reason." If a "Change in Control" occurs prior to March 4, 2026 and Mr. Goulden's service is terminated as a result of death coincident with or following the effective date of the "Change in Control," Mr. Goulden will vest in the number of PSUs calculated as described above under Mr. Fogel — Equity Instruments. If a "Change in Control" occurs prior to March 4, 2026 and Mr. Goulden's service is terminated without "Cause," for "Good Reason," or as a result of "Disability" coincident with or at any time following the effective date of the "Change in Control," Mr. Goulden will vest in the number of PSUs calculated as described above under Mr. Fogel — Equity Instruments, with Mr. Goulden deemed to have continued in service through the next service-based vesting date following a termination without "Cause" or for "Good Reason."

For all PSUs, the number of shares that Mr. Goulden could receive ranges from 0 to 2x of the total number of shares subject to the PSU award.

RSUS

The RSUs granted to Mr. Goulden in March 2021 and March 2022, would be treated in the same fashion as the RSUs granted to Mr. Fogel in March 2021 and March 2022, respectively, described above under Mr. Fogel — Equity Instruments.

The RSUs granted to Mr. Goulden in March 2023 would be treated in the same fashion as the 2023 RSUs granted to Mr. Fogel described above under Mr. Fogel — Equity Instruments, with certain exceptions. One-third of the RSUs granted to Mr. Goulden in March 2023 vested on March 4, 2024 and the remaining two-thirds are eligible to vest ratably on a quarterly basis thereafter through March 4, 2026 dependent upon Mr. Goulden's continuous service. If Mr. Goulden terminates service without "Cause" or for "Good Reason," he will be deemed to have continued in service through the next vesting date.

Mr. Millones

Employment Agreement

TERMINATION WITHOUT "CAUSE" OR FOR "GOOD REASON"

In the event of a termination of Mr. Millones' employment by us without "Cause" or by Mr. Millones for "Good Reason", Mr. Millones will be entitled to receive his compensation accrued through the date of his termination of employment and the following severance compensation and benefits:

1. two times his base salary and target bonus, if any, paid over a 12-month period following his termination of employment;
2. if a bonus plan is in place, a pro-rata target annual bonus for the year in which termination of employment occurs; and
3. continuation for one year following termination of employment of group health, life, and disability insurance benefits as if he were our employee (in the event of a "Change in Control," continuation of benefits is for two years following the termination of employment).

TERMINATION AS A RESULT OF DEATH OR "DISABILITY"

In the event of a termination of Mr. Millones' employment as a result of death or "Disability", Mr. Millones or, as applicable, his heirs will be entitled to receive his compensation accrued through the date of termination of employment; if a bonus plan is in place, a pro-rata target annual bonus for the year in which termination of employment occurs; and, in the event of termination as a result of death, continuation for one year following termination of

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employment of group health insurance benefits for Mr. Millones' dependents as if he were our employee, and in the event of termination as a result of "Disability," continuation for one year following termination of employment of group health, life, and disability insurance benefits, as if he were our employee.

OTHER

Mr. Millones' employment agreement provides that, subject to certain limitations, if severance remuneration payable under the employment agreement is held to constitute an excess parachute payment under Section 280G of the Internal Revenue Code, we will reduce the amount of such payment to the extent necessary so that no portion of the payment, so reduced, would constitute a "parachute payment" if such reduction would result in an increase in the aggregate payments and benefits to be provided to Mr. Millones determined on an after tax basis. Mr. Millones entered into a separate non-competition and non-solicitation agreement with us in February 2013 pursuant to which Mr. Millones is subject to one-year non-competition and non-solicitation obligations following Mr. Millones' termination of employment with us.

Equity Instruments

PSUS

The PSUs granted to Mr. Millones in March 2021, March 2022, and March 2023 would be treated in the same fashion as the PSUs granted to Mr. Fogel in March 2021, March 2022, and March 2023, respectively, described above under Mr. Fogel — Equity Instruments.

RSUS

The RSUs granted to Mr. Millones in March 2021, March 2022, and March 2023 would be treated in the same fashion as the RSUs granted to Mr. Fogel in March 2021, March 2022, and March 2023, respectively, described above under Mr. Fogel — Equity Instruments.

Mr. Pisano

Employment Agreement

Effective August 1, 2021, Mr. Pisano became our Chief Human Resources Officer in addition to his role as the Senior Vice President and Chief People Officer of Booking.com. On July 31, 2021, we entered into a letter agreement with Mr. Pisano in connection with his appointment as the Company's Chief Human Resources Officer. The letter agreement supplements the Dutch employment contract between Mr. Pisano and Booking.com, effective March 2, 2020, which provides for Mr. Pisano's terms of employment in his role as SVP and Chief People Officer, including one-year non-competition and non-solicitation covenants.

TERM

Mr. Pisano's letter agreement has an initial period of approximately twelve to eighteen months, which is terminable by either party.

TERMINATION WITHOUT "CAUSE" OR FOR "GOOD REASON"

In the event of a termination of Mr. Pisano's employment by us without "Cause" or by Mr. Pisano for "Good Reason," Mr. Pisano will be entitled to receive his compensation accrued through the date of his termination of employment and the following severance compensation and benefits, subject to his executing and not revoking a release:

1. one times his base salary and target bonus, if any, paid over a 12-month period following his termination of employment;
2. if a bonus plan is in place, a pro-rata actual annual bonus for the year in which termination of employment occurs;
3. reimbursement of up to EUR 50,000 for the cost of all reasonable relocation expenses incurred with respect to Mr. Pisano's relocation to a country other than the Netherlands that occurs within 180 days following the termination of his employment; and
4. reimbursement of up to EUR 10,000 of any legal fees, for purposes of negotiating the termination agreement as required under Dutch law.

In the event of the termination of Mr. Pisano's employment by us without "Cause" or by Mr. Pisano for "Good Reason," within six months preceding, or twelve months following, a "Change in Control," Mr. Pisano will be entitled to receive his compensation accrued through the date of his termination of employment and the following severance compensation and benefits, subject to his executing and not revoking a release:

1. two times his base salary and target bonus, if any, paid over a 24-month period following his termination of employment;
2. if a bonus plan is in place, a pro-rata annual bonus for the year in which termination of employment occurs, determined at the higher of actual and target performance;
3. reimbursement of up to EUR 50,000 for the cost of all reasonable relocation expenses incurred with respect to Mr. Pisano's relocation to a country other than the Netherlands that occurs within 180 days following the termination of his employment; and
4. reimbursement of up to EUR 10,000 in any legal fees, for purposes of negotiating the termination agreement as required under Dutch law.

TERMINATION AS A RESULT OF DEATH

In the event of a termination of Mr. Pisano's employment as a result of death, Mr. Pisano will be entitled to receive his compensation accrued through the date of termination of employment and a pro-rata target annual bonus for the year in which termination of employment occurs (if a bonus plan is in place).

OTHER

Mr. Pisano's employment agreement provides that, subject to certain limitations, if severance remuneration payable under his employment agreement is held to constitute an excess parachute payment under Section 280G of the Internal Revenue Code, we will reduce the amount of such payment to the extent necessary so that no portion of the payment, so reduced, would constitute a "parachute payment" if such reduction would result in an increase in the aggregate payments and benefits to be provided to Mr. Pisano determined on an after tax basis. Mr. Pisano entered into a separate non-competition and non-solicitation agreement with us in July 2021 pursuant to which Mr. Pisano is subject to one-year non-competition and non-solicitation obligations following Mr. Pisano's termination of employment with us.

Equity Instruments

PSUS

The PSU awards granted to Mr. Pisano in March 2021, March 2022, and March 2023 provide for accelerated vesting upon a termination of service without "Cause," a termination of service as the result of death or "Disability," or in connection with the March 2022 PSUs and March 2023 PSUs, a termination of service for "Good Reason." The number of shares to be delivered to Mr. Pisano upon vesting would depend on the termination event (termination without cause/for good reason/death/disability) and when it occurred (in relation to a "Change in Control" and/or during or following a particular one-year measurement period); provided that for the PSUs granted in March 2021 and March 2022, the number of shares that Mr. Pisano could receive could range from 1x to 2x of the total number of shares subject to the applicable PSU award, while for the PSUs granted in March 2023, the number of shares that Mr. Pisano could receive could range from 0 to 2x of the total number of shares subject to the applicable PSU award.

Upon a qualifying termination of employment, the PSUs granted to Mr. Pisano in March 2023 would be treated in the same fashion as the PSUs granted to Mr. Fogel in March 2023, described above under Mr. Fogel — Equity Instruments.

The following applies with respect to the PSUs granted to Mr. Pisano in March 2021 and March 2022:

Upon a termination of service as the result of death (that does not occur coincident with or following a "Change in Control"), the PSU performance multiplier would be applied to (i) the target number of PSUs allocated to any completed measurement periods based on actual performance, and (ii) the sum of (a) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the termination occurred (based on the number of days that had elapsed since the beginning of such measurement period as of the date of his termination of service), based generally on our performance through the most recent fiscal quarter for which our financial results have been publicly reported closest to the date of the termination of service as a result of his death, and (b) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the termination occurred (based on the number of days that had

elapsed from the date of termination through the end of such measurement period). In addition, for any measurement periods that had not yet started at the time of termination of service as a result of death, if applicable, Mr. Pisano would receive the target number of PSUs allocated to those measurement periods without the application of any performance multiplier.

Upon a termination of service without "Cause," as the result of "Disability," or in connection with the March 2022 PSU award, for "Good Reason," that does not occur coincident with or following a "Change in Control," the PSU performance multiplier would be applied to (i) the target number of PSUs allocated to any completed measurement periods based on actual performance and (ii) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the termination occurs (based on the number of days that had elapsed since the beginning of such measurement period as of the date of his termination of service) based generally on our performance through the most recent fiscal quarter for which our financial results have been publicly reported closest to the date of the termination of service.

If a "Change in Control" occurs prior to March 4, 2025 for the 2022 PSUs and Mr. Pisano's service is terminated as a result of death coincident with or at any time following the effective date of the "Change in Control," the PSU performance multiplier would be applied to (i) the target number of PSUs allocated to any completed measurement periods based on actual performance, and (ii) the sum of (a) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the "Change in Control" occurs (based on the number of days that had elapsed since the beginning of such measurement period as of the date of the "Change in Control"), based generally on our performance through the most recent fiscal quarter for which our financial results have been publicly reported closest to the date of the "Change in Control" and (b) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the "Change in Control" occurs (based on the number of days that had elapsed since the date of the "Change in Control" through the end of such measurement period). In addition, for any measurement periods that had not yet started as of the date of the "Change in Control," if applicable, Mr. Pisano would receive the target number of PSUs allocated to those measurement periods without the application of any performance multiplier.

If a "Change in Control" occurs prior to March 4, 2025 for the 2022 PSUs and Mr. Pisano's service is terminated without "Cause," as a result of "Disability," or in connection with the March 2022 PSU award, for "Good Reason," in each case coincident with or at any time following the effective date of the "Change in Control," the PSU performance multiplier would be applied to (i) the target number of PSUs allocated to any completed measurement periods based on actual performance, and (ii) the sum of (a) a pro-rata portion of the target number of PSUs allocated to the measurement period during which the "Change in Control" occurs (based on the number of days that had elapsed since the beginning of such measurement period as of the date of the "Change in Control"), based generally on our performance through the most recent fiscal quarter for which our financial results have been publicly reported closest to the date of the "Change in Control" and (b) a pro-rata portion of the target number of PSUs (based on the number of days that had elapsed since the date of the "Change in Control" through the date of termination).

RSUS

The RSUs granted to Mr. Pisano in March 2021 and August 2021 would be treated in the same fashion as the RSUs granted to Mr. Fogel in March 2021 described above under Mr. Fogel — Equity Instruments, except that (i) his RSUs granted in March 2021 would not be subject to pro-rata vesting upon a termination for "Good Reason," and (ii) his RSUs granted in August 2021 would vest based on the August 2021 grant date rather than the March 2021 grant date.

The RSUs granted to Mr. Pisano in March 2023 would be treated in the same fashion as the RSUs granted to Mr. Fogel in March 2023 described above under Mr. Fogel — Equity Instruments.

STOCK OPTIONS

The stock options granted to Mr. Pisano in May 2020 fully vested on March 4, 2023. The vested stock options may be exercised until the earliest to occur of the following events: (i) the date on which Mr. Pisano's termination occurs for "Cause," (ii) ninety days after the date on which his termination occurs for any reason other than "Cause," death, or "Disability," (iii) one year after his termination due to death or "Disability," and (iv) ten years from the date of grant of the stock options.

Potential Payments Upon a Change in Control and/or Termination

The following tables estimate the payments required to be made to each NEO in connection with a termination of their employment upon specified events or a change in control, assuming a \$3,547.22 per share price for our common stock (the closing market price on December 29, 2023, the last trading day of the year). The amounts shown also assume that the termination or change in control was effective December 31, 2023, and thus include amounts earned through such time and are estimates of the amounts which would be paid out to the NEOs. Therefore, amounts shown do not reflect, for instance, any changes to base salaries or bonus targets effective in 2024, 2024 changes in the cost of health benefit plans, equity grants made in 2024, or the unvested pro-rata portion of equity awards for which the performance or vesting period extends beyond December 31, 2023. However, amounts shown do reflect incremental amounts due to the NEO upon or as a result of the specified event. The terms "Cause," "Good Reason," and "Disability" have the meanings in the individual employment agreements or equity instruments described above. In the event of voluntary resignation or retirement where the person's last date of employment was December 31, 2023, the NEO would only receive their accrued but unpaid salary through the termination date of employment. See Employment Contracts, Termination of Employment and Change in Control Arrangements above for more information.

Glenn D. Fogel

	Termination without "Cause" (non- Change of Control) (\$)	Termination for Good Reason (non-Change of Control) (\$)	Termination without "Cause" or for "Good Reason" (Change of Control) (\$)	No Termination (Change of Control) (\$)	Death (\$)	Disability (\$)
Severance:						
Base Salary and Target Bonus	5,250,000	5,250,000	7,875,000	—	0	0
Pro-Rated Bonus	1,875,000	1,875,000	1,875,000	—	1,875,000	1,875,000
Equity and Benefits:						
Performance Share Units	96,151,103	96,151,103	96,151,103	0	128,495,389	96,151,103
Restricted Stock/RSUs	7,717,471	7,717,471	7,717,471	0	18,477,469	7,717,471
Stock Options	0	0	0	0	0	0
Health/Welfare ⁽¹⁾	33,386	33,386	33,386	—	22,257	22,495
Tax Gross-up	0	0	0	0	0	0
Total	111,026,960	111,026,960	113,651,960	—	148,870,115	105,766,069

(1) Benefit amounts are based on 2023 annual premiums paid by the Company for medical, dental and vision coverage. In the case of termination due to Disability, Mr. Fogel would be eligible for an additional \$238 for group life and disability insurance benefits (based on 2023 annual premiums paid by the Company).

David Goulden

	Termination without "Cause" (non -Change of Control) (\$)	Termination for Good Reason (non-Change of Control) (\$)	Termination without "Cause" or for "Good No Reason" (Change of Control) (\$)	No Termination (Change of Control) (\$)	Death (\$)	Disability (\$)
Severance:						
Base Salary and Target Bonus	1,953,000	1,953,000	3,906,000	—	0	0
Pro-Rated Bonus	1,323,000	1,323,000	1,323,000	—	1,323,000	1,323,000
Equity and Benefits:						
Performance Share Units	44,638,614	44,638,614	44,638,614	0	57,176,941	44,638,614
Restricted Stock/RSUs	3,359,509	3,359,509	3,359,509	0	8,169,248	3,359,509
Stock Options	0	0	0	0	0	0
Health/Welfare ⁽¹⁾	20,464	20,464	20,464	—	20,464	20,701
Tax Gross-up	0	0	0	0	0	0
Total	51,294,587	51,294,587	53,247,587	0	66,689,653	49,341,824

(1) Benefit amounts are based on 2023 annual premiums paid by the Company for medical, dental and vision coverage. In the case of termination due to Disability, Mr. Goulden would be eligible for an additional \$237 for group life and disability insurance benefits (based on 2023 annual premiums paid by the Company).

Peter J. Millones

	Termination without "Cause" (non -Change of Control) (\$)	Termination for Good Reason (non-Change of Control) (\$)	Termination without "Cause" or for "Good No Reason" (Change of Control) (\$)	No Termination (Change of Control) (\$)	Death (\$)	Disability (\$)
Severance:						
Base Salary and Target Bonus	3,227,700	3,227,700	3,227,700	—	—	—
Pro-Rated Bonus	1,057,350	1,057,350	1,057,350	—	1,057,350	1,057,350
Equity and Benefits:						
Performance Share Units	28,304,468	28,304,468	28,304,468	0	37,766,786	28,304,468
Restricted Stock/RSUs	2,270,017	2,270,017	2,270,017	0	5,416,605	2,270,017
Stock Options	0	0	0	0	0	0
Health/Welfare ⁽¹⁾	28,908	28,908	57,817	—	28,671	28,908
Tax Gross-up	0	0	0	0	0	0
Total	34,888,443	34,888,443	34,917,352	—	44,269,412	31,660,743

(1) Benefit amounts are based on 2023 annual premiums paid by the Company for (a) medical, dental and vision coverage, (b) group life insurance and (c) disability insurance benefits.

Paulo Pisano

	Termination without "Cause" (non -Change of Control) (\$)	Termination for Good Reason (non-Change of Control) (\$)	Termination without "Cause" or for "Good No Reason" (Change of Control) (\$)	No Termination (Change of Control) (\$)	Death (\$)	Disability (\$)
Severance:⁽¹⁾						
Base Salary and Target Bonus	1,148,660	1,148,660	2,297,320	—	0	0
Pro-Rated Bonus	689,196	689,196	689,196	—	689,196	0
Other ⁽²⁾	64,865	64,865	64,865	0	0	0
Equity⁽³⁾ and Benefits:						
Performance Share Units	10,950,380	7,282,555	10,950,380	0	15,986,488	10,950,380
Restricted Stock/RSUs	654,094	654,094	654,094	0	2,174,446	654,094
Stock Options	0	0	0	0	0	0
Health/Welfare	0	0	0	0	0	0
Tax Gross-up	0	0	0	0	0	0
Total	13,507,195	9,839,370	14,655,855	—	18,850,130	11,604,474

(1) Amounts (other than equity awards) for Mr. Pisano are converted using a EUR/USD exchange rate of 1.08109137, which was the average rate for 2023.

(2) Includes reimbursable amounts for relocation expenses up to EUR 50,000 and legal fees up to EUR 10,000.

(3) Accelerated vesting occurs upon termination for "Good Reason" only for PSUs and RSUs granted starting August 2021.

2023 CEO Pay Ratio

Our 2023 CEO Pay Ratio is the ratio of the annual total compensation of our Chief Executive Officer, Mr. Fogel, to the annual total compensation of our median employee (excluding our Chief Executive Officer). There has been no change in our employee population or employee compensation arrangements that we reasonably believe would result in a significant change to our pay ratio disclosure and so we are using the same median employee identified in 2022 in our 2023 pay ratio calculation. To identify our median employee in 2022, we used our worldwide employee population without exclusions (other than Mr. Fogel) as of November 1, 2022 and salary, wage, overtime, and bonus compensation information from our payroll records. We annualized compensation for those employees who worked for the Company for only part of the fiscal year, did not make any cost-of-living adjustments, and excluded the value of equity awards because we do not distribute equity awards to all employees.

As reported in the Summary Compensation Table, Mr. Fogel's total compensation for 2023 was \$46,720,734. Calculated in the same manner as Mr. Fogel's total compensation, the total compensation of our median employee in 2023 was \$92,967. The ratio of Mr. Fogel's total 2023 compensation to that of our median employee is 503 to 1.

Our pay ratio is a reasonable estimate calculated in a manner consistent with SEC rules. The pay ratio reported by other companies may not be comparable to ours because SEC rules for identifying the median employee and calculating the pay ratio allow companies to use different methodologies, apply certain exclusions, and make reasonable estimates and assumptions that reflect their compensation practices.

Pay Versus Performance

As required by SEC Regulation S-K Item 402(v), the following table sets forth the compensation information of our Principal Executive Officer (PEO) and our non-PEO NEOs along with total shareholder return, net income, and revenue performance results for our fiscal years ending in 2020, 2021, 2022, and 2023. The calculations and analysis below do not reflect the Company's approach to aligning executive compensation with performance. For information about how we align executive compensation with financial performance, refer to the Compensation Discussion and Analysis.

Year	Summary Compensation Table Total for PEO ⁽¹⁾	Compensation Actually Paid to PEO ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	Average Summary Compensation Table Total for Non-PEO Named Executive Officers ⁽⁵⁾	Average Compensation Actually Paid to Non-PEO Named Executive Officers ⁽²⁾⁽³⁾⁽⁵⁾⁽⁶⁾	Value of Initial Fixed \$100 Investment Based On:			
					Total Shareholder Return ⁽⁷⁾	Peer Group Total Shareholder Return ⁽⁷⁾⁽⁸⁾	Net Income (in millions)	Revenue (in millions) ⁽⁹⁾
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
2023	\$46,720,734	\$139,515,292	\$15,362,746	\$45,820,973	\$172.72	\$118.93	\$4,289	\$21,365
2022	\$31,519,648	\$32,381,096	\$9,254,954	\$7,503,594	\$98.13	\$81.50	\$3,058	\$17,090
2021	\$55,077,473	\$78,192,575	\$14,259,697	\$22,828,947	\$116.82	\$134.41	\$1,165	\$10,958
2020	\$7,148,598	(\$43,204,620)	\$13,708,464	\$1,250,364	\$108.45	\$137.32	\$59	\$6,796

(1) Mr. Fogel served as Chief Executive Officer (PEO) in each year included in the table.

(2) Year-end stock prices used as part of the "Compensation Actually Paid" calculation were: 2023 \$3,547.22, 2022 \$2,015.28, 2021 \$2,399.23, and 2020 \$2,227.27.

(3) Fair value or change in fair value, as applicable, of equity awards included in columns (c) and (e) was determined by reference to (1) for RSU awards, closing price on applicable year-end date(s) or, in the case of vesting dates, the actual vesting price, (2) for performance-based PSU awards (excluding PSUs with an rTSR component, TSR governor component, and a stock price appreciation component), the probable number of shares multiplied by the closing price on the applicable year-end date(s) or, in the case of awards that vested, the vested number of shares multiplied by the actual value per share on the vesting date, (3) for PSUs with an rTSR component and, for certain 2023 and 2022 PSUs, the TSR governor component, the probable number of shares multiplied by the share price on the applicable year-end date(s) which was derived using Monte Carlo simulations (because of the rTSR and TSR governor components of this award, as applicable), (4) for PSUs with an additional stock price appreciation component, the probable number of shares multiplied by the closing price on the applicable year-end date(s), plus the fair value of the stock price appreciation component on the applicable year-end date(s) or, in the case of awards that vested, the vested number of shares multiplied by the actual value per share on the vesting date, and (5) for stock options, a Black Scholes value as of the applicable year-end date(s) or vesting date, determined based on the same methodology as used to determine grant date fair value but using the closing stock price and assumptions including expected volatility, risk-free interest rate, expected dividends, and expected term as of the applicable revaluation date(s).

(4) Compensation Actually Paid to Mr. Fogel in 2023 reflects the following adjustments from column (b):

Adjustments to Calculate Compensation Actually Paid for PEO	2023	2022	2021	2020
Amount Reported in Summary Compensation Table ("SCT")	\$ 46,720,734	\$ 31,519,648	\$ 55,077,473	\$ 7,148,598
Subtract Amounts Reported under the Stock Awards and Option Awards Column in the SCT	(40,929,691)	(26,258,740)	(48,010,707)	(6,954,041)
Fair Value of Awards Granted during Year that Remain Unvested as of Year End	94,201,594	35,126,298	49,934,780	7,376,718
Fair Value of Awards Granted during Year that Vest during Year	—	—	20,829,900	—
Increase/Deduction for Change in Fair Value from prior Year-end to current Year-end of Awards Granted prior to Year that were Outstanding and Unvested as of Year-end	30,945,880	(4,718,980)	379,688	(44,329,590)
Increase/Deduction for Change in Fair Value from prior Year-end to Vesting Date of Awards Granted prior to Year that Vested during Year	8,576,775	(3,287,130)	(18,559)	(6,446,305)
Compensation Actually Paid to PEO	\$ 139,515,292	\$ 32,381,096	\$ 78,192,575	\$(43,204,620)

(5) In 2023, 2022, and 2021, the non-PEO NEOs were Messrs. Goulden, Millones, and Pisano. In 2020, the non-PEO NEOs were Messrs. Goulden and Millones.

(6) Average Compensation Actually Paid to the non-PEO NEOs noted in footnote (5) in 2023 reflects the following adjustments from column (d):

Adjustments to Calculate Compensation Actually Paid for non-PEO NEOs	2023	2022	2021	2020
Average Amount Reported in SCT	\$ 15,362,746	\$ 9,254,954	\$ 14,259,697	\$ 13,708,464
Subtract Average Amounts Reported under the Stock Awards and Option Awards Column in the SCT	(12,088,367)	(6,777,593)	(11,312,738)	(12,407,092)
Average Fair Value of Awards Granted during Year that Remain Unvested as of Year end	27,444,862	8,986,958	11,970,027	15,095,779
Average Fair Value of Awards Granted during Year that Vest during Year	—	—	4,463,550	—
Average Increase/Deduction for Change in Fair Value from prior Year-end to current Year-end of Awards Granted Prior to Year that were Outstanding and Unvested as of Year-End	9,603,511	(3,160,646)	3,433,026	(14,159,513)
Average Increase/Deduction for Change in Fair Value from Prior Year-end to Vesting Date of Awards Granted Prior to Year that Vested during Year	5,498,221	(800,079)	15,385	(987,274)
Average Compensation Actually Paid to non-PEO NEOs	\$ 45,820,973	\$ 7,503,594	\$ 22,828,947	\$ 1,250,364

(7) The amount listed for each year reflects what the cumulative value of \$100 would be if that had been invested on December 31, 2019 (including reinvestment of dividends for applicable peers).

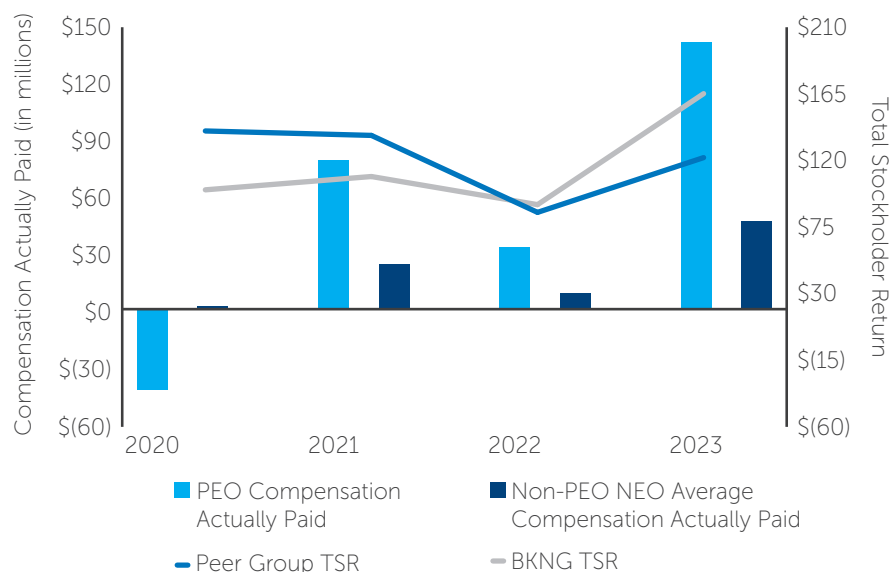
(8) Peer group total shareholder return reflects the RDG Internet Composite as reflected in our Annual Report on Form 10-K.

(9) Revenue is revenue under GAAP as reflected in the Company's financial statements.

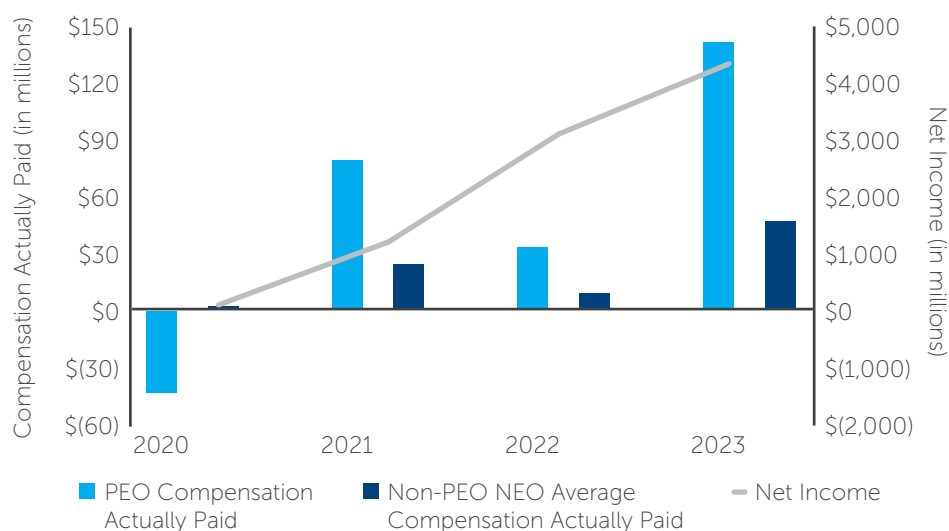
EXECUTIVE COMPENSATION Pay Versus Performance

We believe the "Compensation Actually Paid" to our PEO and other NEOs over the four-year cumulative period reflects the T&C Committee balancing performance-aligned compensation in the uncertain context of the COVID-19 pandemic, which dramatically affected the Company and its industry, as well as the Company's improved financial performance and increased stock price following the COVID-19 pandemic. The charts below show "Compensation Actually Paid" and (i) total stockholder return, (ii) net income, and (iii) revenue. Our compensation plans do not include net income as a measure of financial performance and therefore there is no direct relationship to "Compensation Actually Paid."

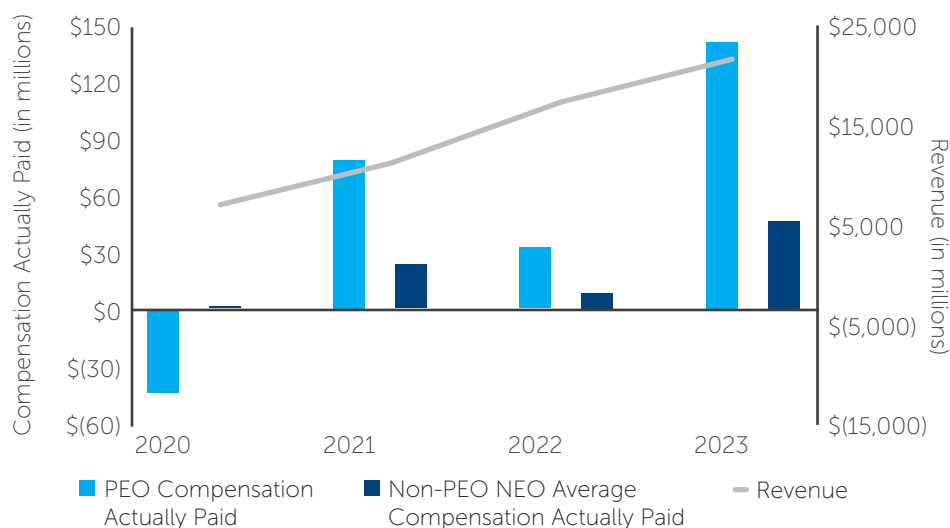
COMPENSATION ACTUALLY PAID VERSUS TSR



COMPENSATION ACTUALLY PAID VERSUS NET INCOME



COMPENSATION ACTUALLY PAID VERSUS REVENUE



We measure performance for purposes of assessing pay for our PEO and other NEOs based on the following four unranked most important financial performance measures. For additional information, see How We Measure Performance on page 55.

Revenue
Compensation EBITDA
Absolute Total Stockholder Return
Relative Total Stockholder Return

Equity Compensation Plan Information

We have one primary equity compensation plan: the 1999 Omnibus Plan, as amended (the "Plan"). In addition, in connection with our acquisition of OpenTable, Inc. in July 2014, we assumed its equity plan (the "OpenTable Plan"). We may continue to grant equity awards under the OpenTable Plan. The T&C Committee has broad authority to grant equity awards and determine the terms, conditions, and restrictions relating to those equity awards under the Plan and the OpenTable Plan. The table below presents information as of December 31, 2023 on the plans:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights ⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column) ⁽³⁾
Equity Compensation plans approved by security holders			
1999 Omnibus Plan	557,021	\$1,411.00	1,008,880
Equity Compensation plans not approved by security holders			
OpenTable Plan ⁽⁴⁾	17,984	\$0.00	3,205 ⁽⁵⁾
Total:	575,005		1,012,085

(1) Includes an aggregate of 25,523 unexercised stock options, 296,350 unvested and unissued RSUs and 253,132 unvested PSUs (based on maximum performance for the 2021, 2022 & 2023 PSUs) outstanding at December 31, 2023, consisting of 399,999 unvested shares under the 1999 Omnibus Plan and 17,984 unvested shares under the OpenTable Plan. The number of shares reported for the PSUs may overstate dilution.

(2) Represents weighted-average exercise price of stock options outstanding under the applicable plan. The weighted-average exercise price does not apply to PSUs or RSUs because there is no exercise price associated with such awards.

(3) With respect to PSUs, this column assumes that the maximum number of shares underlying the PSUs will be issued at the end of the relevant performance periods, and therefore all such shares have been excluded. As of December 31, 2023, the actual number of shares to be issued, if any, had not been determined and will be determined based on the relevant performance criteria over the applicable performance periods.

(4) The assumed OpenTable plan is the OpenTable, Inc. Amended and Restated 2009 Equity Incentive Award Plan.

(5) Under the OpenTable Plan, there is fungible share-counting, and future full value awards would deplete the securities available for future issuance by the 1.66 fungible share ratio.

Non-Employee Director Compensation and Benefits

The T&C Committee reviews our non-executive director compensation program every two years, including a review of peer director pay practices, and seeks the advice of its independent compensation consultant to ensure that it maintains director compensation practices that are in the best interests of our stockholders. The Plan includes a limit on annual compensation for non-employee directors of \$750,000. The T&C Committee's last review of non-executive director compensation occurred in 2022.

2023 Non-Employee Director Compensation Program

In consultation with the T&C Committee's independent compensation consultant, the T&C Committee and the Board approved the 2023 compensation program for the non-employee members of the Board. For 2023, our CEO, Mr. Fogel, received no additional compensation for serving on the Board during the year.

Position	2023 Director Fees (\$)
Non-employee Director Base Pay ⁽¹⁾	60,000 RSUs valued at approximately 265,000 ⁽²⁾
Additional Committee and Leadership Fees	
Non-employee Chair Premium	25,000 RSUs valued at approximately 110,000
Lead Independent Director Premium	40,000
Audit Committee Chair Premium	20,000
CG Committee Chair Premium	15,000
Cybersecurity Subcommittee Chair Premium	15,000
T&C Committee Chair Premium	15,000
Audit Committee Member Retainer	20,000
CG Committee Member Retainer	10,000
Cybersecurity Subcommittee Member Retainer	10,000
T&C Committee Member Retainer	15,000

(1) We reimburse non-employee directors for travel and other expenses incurred in connection with attending Board and committee meetings.

(2) In 2023, this resulted in RSUs representing 102 shares of common stock being granted to each incumbent non-employee director in May 2023. These RSUs vest on the one-year anniversary of the date of grant, and vesting will accelerate upon a change in control or if the director's service on the Board terminates as a result of the director's death or disability.

EXECUTIVE COMPENSATION

Non-Employee Director Compensation and Benefits

The following table shows compensation earned during 2023 by all non-employee directors serving at any time during fiscal 2023.

Name	Fees Earned or Paid in Cash ⁽¹⁾ (\$)	Stock Awards ⁽²⁾⁽³⁾ (\$)	Option Awards (\$)	All Other Compensation (\$)	Total (\$)
Timothy Armstrong ⁽⁴⁾	25,833	0	0	0	25,833
Mirian M. Graddick-Weir	110,000	264,295	0	0	374,295
Kelly Grier	12,222	150,637	0	0	162,859
Wei Hopeman	70,000	264,295	0	0	334,295
Robert J. Mylod, Jr.	100,000	375,714	0	0	475,714
Charles H. Noski	145,000	264,295	0	0	409,295
Larry Quinlan	77,639	264,295	0	0	341,934
Nicholas J. Read	87,056	264,295	0	0	351,351
Thomas E. Rothman	70,000	264,295	0	0	334,295
Sumit Singh	68,542	264,295	0	0	332,837
Lynn Vojvodich Radakovich	85,000	264,295	0	0	349,295
Vanessa A. Wittman	107,056	264,295	0	0	371,351

(1) This column reports the amount of cash compensation earned in 2023 for Board and committee service.

(2) This column represents the aggregate grant date fair value of RSUs computed in accordance with FASB ASC Topic 718. For additional information, please refer to Notes 2 and 4 of the Company's Consolidated Financial Statements for the year ended December 31, 2023, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. These amounts reflect the Company's accounting expense for these awards and do not correspond to the actual value, if any, that will be recognized by the non-employee directors.

(3) As of December 31, 2023, the Company's non-employee directors had the following outstanding equity awards:

- Kelly Grier: RSUs for 49 shares;
- Mirian M. Graddick-Weir: RSUs for 773 shares (which includes 671 vested shares the receipt of which has been deferred by Dr. Graddick-Weir for tax planning purposes);
- Wei Hopeman: RSUs for 376 shares (which includes 274 vested shares the receipt of which has been deferred by Ms. Hopeman for tax planning purposes);
- Robert J. Mylod, Jr.: RSUs for 1,125 shares (which includes 980 vested shares the receipt of which has been deferred by Mr. Mylod for tax planning purposes);
- Charles H. Noski: RSUs for 1,333 shares (which includes 1,231 vested shares the receipt of which has been deferred by Mr. Noski for tax planning purposes);
- Larry Quinlan: RSUs for 102 shares;
- Nicholas J. Read: RSUs for 102 shares;
- Thomas E. Rothman: RSUs for 1,879 shares (which includes 1,777 vested shares the receipt of which has been deferred by Mr. Rothman for tax planning purposes);
- Sumit Singh: RSUs for 102 shares;
- Lynn Vojvodich Radakovich: RSUs for 102 shares; and
- Vanessa A. Wittman: RSUs for 102 shares.

(4) Timothy Armstrong retired from the Board effective June 6, 2023.

Non-Employee Director Stock Ownership Guidelines

We recently increased our Stock Ownership Guidelines to require that each non-employee director own shares of our common stock in an amount equal to or exceeding ten times our annual base cash retainer (currently \$60,000). Prior to this amendment in the fall of 2023, the Stock Ownership Guidelines required each non-employee director to own shares of our common stock in an amount equal to or exceeding the lesser of 2,500 shares and shares valued at \$350,000. All non-employee directors met those holding requirements as of March 31, 2024 with the exception of Mr. Quinlan, who joined the Board in October 2022, and Ms. Grier, who joined the Board in November 2023. Upon vesting of shares of our common stock in May 2024, we expect Mr. Quinlan will meet the Stock Ownership Guidelines. See Security Ownership of Certain Beneficial Owners and Management on page 43 for more details regarding stock ownership by our non-employee directors.

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires our directors and executive officers, as well as stockholders holding 10% of our outstanding shares of common stock, to file reports regarding their ownership of our securities with the SEC. Due to an administrative error, we filed one late Form 4 report for Mr. Read in December 2023. We believe that during 2023 our directors and executive officers otherwise complied with all Section 16(a) filing requirements.

In making this statement, we have relied upon examination of the copies of Forms 3, 4, and 5, and amendments to these forms provided to us, and the written representations of our directors and executive officers.

Talent and Compensation Committee Interlocks and Insider Participation

The T&C Committee is currently comprised of four non-employee independent directors: Mirian M. Graddick-Weir, Robert J. Mylod, Jr., Sumit Singh, and Lynn Vojvodich Radakovich. No member of the T&C Committee is or was formerly an officer or employee of the Company, other than Mr. Mylod, who was an officer and employee of ours until 2011 and joined the Board in 2017. No member of the T&C Committee had any related person transaction required to be disclosed in which we were a participant during the last fiscal year. In addition, none of our executive officers serve on the compensation committee or board of directors of a company for which any of our directors serves as an executive officer.

Compensation Risk Assessment

The T&C Committee believes that our compensation programs do not create or encourage excessive or inappropriate risk-taking that is reasonably likely to have a material adverse effect on us or our business.

Proposal 2

Advisory Vote to Approve 2023 Executive Compensation



The Board of Directors recommends that you vote **FOR the approval, on an advisory basis, of the 2023 compensation paid to our named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables, and narrative discussion.**

Since 2011, we have sought advisory approval of our executive compensation on an annual basis. At our 2023 annual meeting of stockholders, approximately 88% of shares present and entitled to vote were voted in support of our 2022 executive compensation program. As required by SEC rules, the Board is submitting this non-binding stockholder vote to approve our executive compensation for 2023 as described in this proxy statement (commonly referred to as "say-on-pay"), by approving the following resolution.

"RESOLVED, that the compensation paid to the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables, and narrative discussion is hereby APPROVED."

This non-binding advisory vote on executive compensation will be considered approved by the affirmative vote of a majority of the total number of shares present and entitled to vote on the matter. With respect to Proposal 2, abstentions are considered present and entitled to vote on the matter and therefore have the same effect as votes against the matter, and broker non-votes are not considered entitled to vote on the matter and therefore have no effect on the outcome of the vote. Although this vote is non-binding, the Board and the T&C Committee, which is comprised of independent directors, expect to take into account the outcome of the vote when considering future executive compensation decisions.

As described in detail under Compensation Discussion and Analysis, our compensation program continues to be designed to attract, motivate, and retain highly talented individuals at all levels of our organization and incentivize decision making and management focus that is designed to enhance long-term stockholder value. The T&C Committee remains committed to responsible stewardship of our Company's executive compensation programs.



AUDIT MATTERS

REPORT OF THE AUDIT COMMITTEE	99
AUDITOR INDEPENDENCE	101
RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	102

Report of the Audit Committee

We, the Audit Committee of the Board of Directors of Booking Holdings Inc. (the “Company”), have the responsibility to oversee the preparation of the Company’s consolidated financial statements, the Company’s system of internal controls, and the qualifications, independence, compensation, and performance of the Company’s independent registered public accounting firm (“independent auditor”). We have the sole authority and responsibility to select, evaluate and, when appropriate, replace the Company’s independent auditor. Our specific duties and responsibilities are described in our charter, which is available on the Company’s corporate website (www.bookingholdings.com). We review the charter annually and work with the Board to amend it as appropriate to reflect the evolving role of the Audit Committee. The Board has determined that each of us is an independent director based on The Nasdaq Stock Market’s listing rules and that each of us also satisfies the SEC additional independence requirements for members of audit committees. In addition, the Board has determined that each of Kelly Grier, Charles H. Noski, Nicholas J. Read, and Vanessa A. Wittman is an “audit committee financial expert,” as defined by SEC rules.

Management is responsible for the financial reporting process, including the Company’s system of internal controls, and for the preparation of the Company’s consolidated financial statements in accordance with U.S. generally accepted accounting principles. The Company’s independent auditor, Deloitte & Touche LLP (“Deloitte”), is responsible for performing an independent audit of the Company’s consolidated financial statements and internal control over financial reporting in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”) and to issue reports in connection with such audit. Our responsibility is to oversee these processes, and we rely on the expertise and knowledge of management, the internal auditor, and the independent auditor in carrying out that role. We are not professionally engaged in the practice of accounting or auditing and do not provide any expert or other special assurance or professional opinion as to the sufficiency of internal and external audits, whether the Company’s consolidated financial statements are complete and accurate and are in accordance with generally accepted accounting principles, or on the effectiveness of the Company’s system of internal control over financial reporting.

We met nine times in 2023. Additional information regarding our activities can be found under Audit Committee on page 34, Board’s Role in Risk Oversight on page 32, and Proposal 3 Ratification of Selection of Independent Registered Public Accounting Firm on page 102.

We reviewed and discussed with management and Deloitte the Company's quarterly earnings press releases and periodic reports for the year ended December 31, 2023, including the Company's 2023 audited consolidated financial statements and Annual Report on Form 10-K, each filed with the SEC. We also reviewed management's assessment of the effectiveness of the Company's internal control over financial reporting with management, the internal auditor, and Deloitte. In connection with such discussions, Deloitte addressed the matters required to be discussed with us by applicable PCAOB standards and SEC rules and regulations. In addition, we discussed with the internal auditor and Deloitte the overall scope and plans for their respective audits. We met periodically with the internal auditor and Deloitte, separately or together, as appropriate, to discuss their work and the results of their audits. Our meetings included, as appropriate, executive sessions with the internal auditor or Deloitte without the presence of management.

We have also received the written disclosures and the letter from Deloitte required by PCAOB Rule 3526 ("Communication With Audit Committees Concerning Independence") and have discussed with Deloitte its independence with respect to the Company. In addition, we have considered whether Deloitte's provision of non-audit services (including the fees for such services) is compatible with maintaining its independence.

Deloitte rotates its lead audit partner every five years. In connection with the rotation that occurred for 2024 we interviewed proposed candidates, consulted with management, and selected the lead audit partner.

We assessed Deloitte's performance as independent auditor during 2023, including the performance of the lead audit partner and the audit team, a process we undertake on an annual basis. We reviewed a variety of indicators of audit quality relating to Deloitte, including:

- the quality and candor of its communications with us and management, its responsiveness and accessibility, and its historical and recent performance on the Company's audits;
- how effectively it maintained its independence and employed independent judgment, objectivity, and professional skepticism;
- the quality of insight demonstrated in its review of the Company's assessment of internal control over financial reporting and remediation of control deficiencies;
- available external data about quality and performance, including reports by the PCAOB and Deloitte's response to those reports;
- the appropriateness of its fees, taking into account the Company's size and complexity and the resources necessary to perform the audit; and
- its tenure as the Company's independent auditor and knowledge of the Company's global operations, accounting policies and practices, and internal control over financial reporting.

We also consider the impact of changing auditors when assessing whether to retain the current independent auditor. As a result of our evaluation of the independent auditor's performance and considering other factors we deemed relevant, we concluded that the selection of Deloitte as the Company's independent auditor for the year ending December 31, 2024 is in the best interests of the Company and its stockholders.

Based on the review and discussions referred to above, and our review of the representations of management and the report of the independent auditor, we recommended to the Board that the Company's audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

SUBMITTED BY THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS

Vanessa A. Wittman, Chair
Mirian M. Graddick-Weir
Kelly Grier
Charles H. Noski
Nicholas J. Read

Auditor Independence

Deloitte & Touche LLP is our independent registered public accounting firm ("independent auditor"). The approximate aggregate fees and expenses billed for professional services by Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu and their respective affiliates (collectively, "Deloitte") in 2023 and 2022 were as follows:

Type of Fees	2023 (\$)	2022 (\$)
Audit Fees	14,293,000	13,043,000
Audit-Related Fees	422,000	584,000
Tax Fees	176,000	285,000
All Other Fees	10,000	308,000

- **Audit Fees.** The aggregate fees and related expenses billed for professional services rendered by Deloitte for the audit of our consolidated financial statements included in our Annual Report on Form 10-K, review of consolidated financial statements included in our Form 10-Qs, and audit of management's assessment of internal controls and for services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements. The increase in audit fees in 2023 as compared with 2022 primarily relates to an increased scope of work including procedures around new finance systems.
- **Audit-Related Fees.** The aggregate fees billed for assurance and related services by Deloitte that are reasonably related to the performance of the audit or review of our consolidated financial statements and are not reported under "Audit Fees," which include services for matters such as system readiness work and audits of employee benefit plans. The decrease in audit-related fees in 2023 as compared with 2022 primarily relates to a decrease in costs related to work on finance systems readiness.
- **Tax Fees.** The aggregate fees and related expenses billed for professional services rendered by Deloitte for tax regulatory matters covering an employee benefit plan and tax compliance. The decrease in tax fees in 2023 as compared with 2022 primarily relates to a decreased scope of work for indirect tax matters.
- **All Other Fees.** The aggregate fees billed for other services rendered by Deloitte included fees related to human capital practice consulting, licenses obtained for an online accounting research tool, and training. The decrease in fees in 2023 as compared with 2022 relates to fees paid in 2022 for advice and recommendations related to skills-based organization transformation.
- **Pre-Approval Policies and Procedures.** The Audit Committee has adopted policies and procedures for pre-approving all audit and non-audit work performed by Deloitte. In accordance with our policy and applicable SEC rules and regulations, the Audit Committee or its chair pre-approves all audit-related services, tax services, and other services provided to us by Deloitte ("Auditor Services"). Pre-approval is detailed as to the particular service or category of services. If Auditor Services are required prior to a regularly scheduled Audit Committee meeting and do not fall within the pre-approved services set forth in the pre-approval policy adopted by the Audit Committee, the Audit Committee chair is authorized to approve such services, provided that they are consistent with our policy and applicable SEC rules and regulations, and that the full Audit Committee is advised of such services at the next regularly scheduled Audit Committee meeting. Deloitte and management periodically report to the Audit Committee regarding the extent of the Auditor Services provided by Deloitte in accordance with this pre-approval, and the fees for the Auditor Services performed. All audit-related services, tax services and other services described above were pre-approved by the Audit Committee or the Audit Committee's chair, and the Audit Committee concluded that the provision of such services by Deloitte was compatible with the maintenance of that firm's independence.

Proposal 3

Ratification of Selection of Independent Registered Public Accounting Firm



The Board of Directors recommends a vote **FOR Proposal 3.**

The Audit Committee is directly responsible for the appointment, compensation, retention, and oversight of our independent auditor. Deloitte has audited our consolidated financial statements since 1997. After taking into account its assessment of Deloitte's prior service to us, the Audit Committee has selected Deloitte as our independent auditor for the year ending December 31, 2024. In order to ensure continuing auditor independence, the Audit Committee periodically considers whether there should be a regular rotation of the independent auditor, and the advisability and potential impact of selecting a different independent auditor. Further, in conjunction with the mandated rotation of Deloitte's lead audit partner (which occurs at least every five years), the Audit Committee and its chair are directly involved in the selection of Deloitte's new lead audit partner. We are submitting the Audit Committee's selection of our independent registered public accounting firm for ratification by the stockholders at the Annual Meeting. Representatives of Deloitte will be available at the Annual Meeting, will have an opportunity to make a statement if they wish, and will be available to respond to appropriate questions.

Our By-Laws do not require that stockholders ratify the selection of our independent auditor. However, we are submitting the selection of Deloitte to our stockholders for ratification as a matter of good corporate governance. Although the Audit Committee and the Board believe that the continued retention of Deloitte to serve as our independent auditor is in our best interests and those of our stockholders, if our stockholders do not ratify the selection, the Audit Committee will reconsider whether or not to retain Deloitte. Even if the selection is ratified, the Audit Committee, in its discretion, may change the appointment at any time during the year.

With respect to Proposal 3, the ratification of the selection of Deloitte to act as our independent registered public accounting firm requires approval by a majority of the total number of shares present and entitled to vote on the matter. With respect to Proposal 3, abstentions will have the same effect as a vote against the matter.

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Proposal 4**Stockholder Proposal — Improve Clawback Policy for Unearned Executive Pay**

Mr. John Chevedden, 2215 Nelson Avenue, No. 205, Redondo Beach, California 90278, owner of not less than 10 shares of the Company's common stock, has submitted the following proposal, supporting statement, and graphic, and has given notice that he intends to present the following proposal at the Annual Meeting:

Proposal 4 — Improve Clawback Policy for Unearned Executive Pay

Shareholders ask the Board of Directors to amend the Company Policy on recoupment of incentive pay to apply to the each Named Executive Officer and to state that conduct or negligence — not merely misconduct — shall trigger mandatory application of that policy. Also the Board shall report to shareholders in each annual meeting proxy the results of any deliberations about whether or not to cancel or seek recoupment of unearned compensation paid, granted or awarded to NEOs under this policy. There shall at least be the full web address of the complete Clawback Policy in each annual meeting proxy.

These amendments should operate prospectively, be in plain English and be implemented so as not to violate any contract, compensation plan, law or regulation. This includes that at the time of the amendment that no section of such revised policy be adopted that would act against this proposal and make it more difficult to clawback unearned NEO pay and that no section of such revised policy shall further restrict the current policy.

The 2023 Booking Holdings annual meeting proxy has only 94-words on the Clawback Policy that has not been updated for 11-years. It is based solely on misconduct so Booking Holdings executives get a free ride for negligence. Plus the Clawback Policy completely optional so that the Board can decide to give an executive a free ride for misconduct. Plus there is no web address in the proxy for the complete Clawback Policy.

Because the Booking Holdings clawback policy merely gives the Board the option of clawback and does not require disclosure to shareholders of its being put to use in actual cases, that policy is too narrow, too vague, and does not address situations where an executive fails to exercise oversight responsibilities that result in significant financial or reputational damage to Booking Holdings. It should.

A clawback policy based on conduct — not serious misconduct is consistent with a 2022 rule from the Securities and Exchange Commission that requires a clawback of erroneously awarded incentive pay — even with no misconduct — if a company restates its financial statements owing to material errors.

Wells Fargo offers a prime example of why Booking Holdings needs a stronger policy. After 2016 Congressional hearings, Wells Fargo agreed to pay \$185 million to resolve claims of fraudulent sales practices. Wells Fargo's board then moved to claw back \$136 million from 2 top executives. Wells Fargo unfortunately concluded that the CEO had only turned a blind eye to the practice of opening fraudulent accounts.

Please vote yes:

Improve Clawback Policy for Unearned Executive Pay - Proposal 4

Board of Directors Statement in Opposition to Proposal 4



The Board of Directors recommends that you vote **AGAINST this Proposal 4. Your proxy will be so voted unless you specify otherwise on the proxy card.**

The Board of Directors and our Talent and Compensation Committee have considered the stockholder proposal and believe that adoption of the proposal is not in the best interests of the Company or our stockholders. We recommend against this proposal because the Company already has compensation clawback policies and a strong risk management framework which are appropriate and effective in aligning the interests of management with those of our stockholders.

The Company already has two strong clawback policies that we believe are appropriate and effective in protecting the interests of our stockholders.

We adopted a policy for the clawback of executive compensation in February 2013 (the "Incentive-Based Clawback Policy"). The Incentive-Based Clawback Policy was developed based on market practice, and the Talent and Compensation Committee regularly reviews all elements of the Company's executive compensation program with the guidance of its independent compensation consultant. In 2023, the Board, upon the recommendation of the Talent and Compensation Committee, adopted the Booking Holdings Inc. Financial Restatement Recovery Policy (the "Recovery Policy" and together with the Incentive-Based Clawback Policy, the "Clawback Policies") pursuant to the new Securities and Exchange Commission ("SEC") rules and Nasdaq Stock Market ("Nasdaq") listing standards.

The Recovery Policy requires the clawback of erroneously awarded incentive compensation paid to an executive officer based on financial results that were subsequently restated due to noncompliance with reporting requirements, regardless of the executive officer's personal culpability. The Company's Incentive-Based Clawback Policy covers a wider range of circumstances by allowing the Board to seek recovery of excessive incentive-based compensation received by an executive officer where the executive officer engaged in misconduct that resulted in the executive officer receiving excessive incentive-based compensation. Together, the Clawback Policies permit the Board to recover excessive compensation from executive officers in a broader set of circumstances than currently required by law and seek to ensure our executive officers act ethically and in the best interests of our stockholders.

The proposal is overly broad and could limit the Company's ability to attract and retain top talent.

Proposal 4 seeks to introduce an overly prescriptive, vague, and imprecise standard for recovery under the Incentive-Based Clawback Policy by mandating recoupment of compensation if an executive officer has "fail[ed] to exercise oversight responsibilities that result in significant financial or reputational harm to the Company." Adoption of this standard would place executive officers' incentive-based compensation at constant risk and could result in recovery of compensation in situations where the executive officer has no personal culpability. Because the proposed amendment does not specify the criteria for determining or measuring reputational harm or a method for calculating the compensation to be recovered, the proposed amendment would require the Talent and Compensation Committee to engage in a subjective analysis regarding an executive officer's conduct under a standard that is not clear to the executive officer or the Board. This result could undermine the objectives of our performance-based compensation program and discourage our executive officers from taking appropriate risks for fear that their legitimate business decisions may subsequently come under scrutiny, which could disadvantage our ability to attract and retain top talent in the highly competitive technology industry.

The proposal's requirements are overly prescriptive and would limit our Board's ability to exercise discretion in significant and sensitive cases.

The proposal requests a mandatory application of recoupment of compensation from executive officers in vague and wide-ranging scenarios, thereby restricting the Board from using its judgment to ensure that a recoupment would be in the best interests of the Company and our stockholders. Further, the Company may take a number of actions to address executive performance issues and other concerns, and a requirement that strips the Board of its judgment and requires application of financial recoupment is overly prescriptive. Outside the scope of the required clawback under the Recovery Policy, the Board should be given flexibility to use judgment in its assessment and actions relating to executive compensation. Pursuant to the SEC rules and Nasdaq listing standards referenced above, we are already required to provide detailed disclosures regarding the application of the Recovery Policy in the event of a financial restatement. We believe that mandating the application of the policy and additional disclosure regarding deliberations about potential clawbacks would unnecessarily restrict the Board's ability to exercise judgment and discretion with respect to executive officer compensation.

We are committed to achieving and fostering a culture of and reputation for the highest levels of ethics, transparency, and integrity.

We embed compliance and ethics in everything we do to allow us to achieve our mission: making it easier for everyone to experience the world. We believe that the Clawback Policies, together with the Company's robust governance and risk management policies and practices, effectively address the reputational risks described in the proposal. For example, our Code of Conduct, which applies to all directors, executive officers and employees, defines our expectations and commitment to operating with integrity, honesty, and accountability and in compliance with applicable regulations. In the event an executive officer violates the Code of Conduct or our other policies, the Board may take disciplinary and/or preventive action, up to and including termination, and, if warranted, legal proceedings for damages.

Our values guide our actions at every level and we strive to foster a culture of inclusion and integrity that lives up to our compliance and ethics tagline: the Right Results, the Right Way. In 2023, we were named to Newsweek's "Most Trustworthy Companies in America" and Fortune's "World's Most Admired Companies" lists, which reflects our dedication to achieving success with integrity and accountability. We believe that our existing policies and practices collectively motivate our executive officers to act in a manner that promotes the long-term interests of the Company and our stockholders while providing the Board and the Talent and Compensation Committee with the appropriate tools to monitor for and address misconduct or other issues as they deem appropriate in their business judgment.

We are committed to aligning our executive pay with our stockholders' interests and conduct a robust stockholder engagement process to ensure our compensation program reflects stockholders' feedback.

Our compensation philosophy is to link executive compensation to long-term value creation and positive stockholder returns. The Talent and Compensation Committee continually reviews our executive officer compensation program and seeks the advice of its independent compensation consultant to ensure our executive compensation program continues to provide balanced and competitive compensation that promotes long-term stockholder value. Part of these reviews includes an annual compensation risk assessment to ensure the compensation program appropriately balances risk to the Company. The Talent and Compensation Committee considers feedback from stockholders when shaping the executive compensation program to ensure that the Company's compensation practices are in the best interests of our stockholders. Therefore, the Board believes the proposed clawback policy is unnecessary and does not align with the best interests of stockholders.

For these reasons, the Board believes that Proposal 4 is not in the best interests of the Company or our stockholders.

Proposal 5

Stockholder Proposal — Reproductive Rights and Data Privacy

Arjuna Capital, 13 Elm Street, Manchester, Massachusetts 01944, on behalf of Warren Wilson College, owner of at least \$2000 of the Company's common stock, has submitted the following proposal and supporting statement, and has given notice that it intends to present the following proposal at the Annual Meeting:

Proposal 5 — Reproductive Rights and Data Privacy

WHEREAS: Following the revocation of the constitutional right to an abortion in June 2022, policymakers have become concerned about the use of personal digital data to enforce state laws banning or restricting abortion access. Law enforcement agencies may demand data held by Booking Holdings and its subsidiaries seeking evidence of consumer acts that were legal in the state where they occurred, but illegal in the consumer's state of residence, including travel information related to reproductive healthcare.

Law enforcement's reliance on digital consumer data has become increasingly common. While Booking Holdings does not publicly report figures on compliance with law enforcement requests, such requests are common. Alphabet and Meta alone collectively received around 119,000 requests in the second half of 2022, and each complied with about 84 percent of those requests. ⁽¹⁾ In one example from 2022, Meta satisfied, to significant negative press, a data request from Nebraska police for private Facebook messages between a mother and teenage daughter regarding plans to end the daughter's pregnancy. Based on those messages, both were convicted for felony crimes and will serve prison time. ⁽²⁾

As the world's leading provider of online travel and related services, Booking Holdings and its subsidiaries, including Priceline, Booking.com, and Rentalcars.com, collect sensitive personal information from consumers such as geolocation data, travel history, and browsing history. Shareholders are concerned that such data will be accessed without consumer consent by states that criminalize abortion, especially as some restrictive states seek to ban or severely restrict abortion interstate travel. ⁽³⁾ Booking and subsidiaries' privacy policies allow disclosure of personal information to law enforcement to "comply with applicable laws," which may include instances where compliance is voluntarily sought. ⁽⁴⁾ ⁽⁵⁾ ⁽⁶⁾ ⁽⁷⁾

Booking Holdings is not exempt from abortion-related law enforcement requests that may create significant reputational, financial, and legal risks. There is brand value in upholding and increasing longstanding consumer privacy expectations.

RESOLVED: Shareholders request the Board issue a public report detailing known and potential risks and costs to the Company of fulfilling information requests relating to Booking Holdings customers for the enforcement of state laws criminalizing abortion access, and setting forth any strategies beyond legal compliance that the Company may deploy to minimize or mitigate these risks. The report should be produced at reasonable expense, exclude proprietary or legally privileged information, and be published within one year of the annual meeting.

SUPPORTING STATEMENT: Shareholders recommend, at board and management discretion, that input from reproductive rights and civil liberties organizations be solicited and reflected in the report, and that the report contain an assessment of the benefits and feasibility of:

- Notifying consumers about law enforcement information requests regarding their data prior to, and with sufficient time for consumer response, complying with any such request;
- Disclosing and assessing metrics on government requests for customer data received by the company, including categories of requests and consumer data produced.

(1) <https://transparencyreport.google.com/user-data/overview?hl=en>; <https://transparency.fb.com/data/government-data-requests/country/US/>

(2) <https://www.nytimes.com/2023/09/22/us/jessica-burgess-abortion-pill-nebraska.html>

(3) https://www.stltoday.com/states-clash-over-abortion-trafficking/article_eee90a89-d086-52c8-a4fb-3579d6dc2d1f.html

(4) <https://www.bookingholdings.com/privacy-notice/>

(5) <https://www.priceline.com/static-pages/privacy-policy.html>

(6) <https://www.booking.com/content/privacy.html>

(7) <https://www.rentalcars.com/en/privacy/>

Board of Directors Statement in Opposition to Proposal 5



The Board of Directors recommends that you vote **AGAINST this Proposal 5. Your proxy will be so voted unless you specify otherwise on the proxy card.**

The Board of Directors has considered this proposal and believes that adoption of the proposal is not in the best interests of the Company or our stockholders. We recommend against this proposal because:

- We have implemented a robust privacy program which is intended to comply with applicable legislation and regulations,
- We are committed to transparent disclosure regarding our data practices, and
- The requested report would create an undue burden and incur unnecessary costs to the Company and our stockholders without enhancing the Company's compliance with applicable laws.

We invest significant resources to develop a robust privacy program that involves all levels of our organization.

Our privacy program reflects our Privacy Principles set out in our Code of Conduct: transparency, purpose, control, security, embedded privacy, and accountability. We reinforce these principles and our expectations of all employees regarding the management of customer, employee, and partner data through our Protecting Personal Data Policy. We have taken steps to build a comprehensive governance structure to manage privacy and data protection risks, including the following:

- We require our employees to maintain the privacy, security, and confidentiality of all personal information entrusted to them, except when disclosure is authorized or legally mandated.
- Our Global Privacy Advisory Council, comprised of our Chief Privacy Officer and brand-level privacy leaders, monitors internal and external privacy risks and aligns strategies to mitigate and/or remediate these risks.
- Our employees participate in privacy training to maintain focus on privacy and compliance.
- The Audit Committee of the Board has established a Cybersecurity Subcommittee composed of independent directors which oversees, among other things, privacy and data protection risk and the steps management has taken to monitor and mitigate such exposures.
- Our Chief Privacy Officer and others with responsibility for privacy and data protection risks provide an update to the Board twice a year regarding these matters.

We agree with the proponent's statement that there is brand value in upholding and increasing long standing consumer privacy expectations, and we understand that our customers provide their personal information to us with the expectation that we will safeguard it appropriately from misuse and/or unauthorized processing. As such, we view the management of privacy and data protection risk as key among our responsibilities as a global technology company. We invest in the people, processes, and technology for protecting personal information we collect and complying with applicable privacy regulations, such as the European Union's General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA), and similar data protection regulations.

We are committed to transparency about our data practices.

Our Privacy Principles emphasize our commitment to transparency about our data practices and our responsibility to do the right thing with the personal data we collect. We disclose our privacy and data protection risks, including those arising in connection with our compliance with applicable legislation and regulations, in the Company's Annual Report on Form 10-K filed with the SEC.

We make publicly available our privacy policies which disclose to customers clear and easily accessible information on what personal data we collect and the manners in which we collect, use, share, protect, and store this data. These privacy policies also describe the privacy rights our customers and other stakeholders have related to the personal data we collect.

In light of our stated commitment to transparency and the responsible handling of data we collect, we do not believe the report requested by the proposal would meaningfully expand or enhance our existing public disclosures regarding our data practices and enterprise-wide focus on safeguarding the personal data we collect in order to deliver on our mission to make it easier for everyone to experience the world.

The preparation and publication of the report requested by the proposal would create an undue burden and incur unnecessary cost to the Company and our stockholders without enhancing the Company's compliance with applicable laws.

The Company carefully considers requests for information from law enforcement agencies and regulators with the goal of ensuring we appropriately respond to and comply with lawful inquiries while protecting our customers' privacy. The details requested by the proposal may not even be reasonably ascertainable by the Company in most cases because legal process methods typically do not specify the crime an issuing agency or prosecuting authority is investigating. Criminal laws frequently prohibit disclosure of criminal investigations and government authorities often issue non-disclosure orders which may prohibit the Company from disclosing the existence of legal process, including the demand itself, to a customer whose data is at issue. In considering this proposal, the Company performed an internal search and was unable to confirm it has ever received a request of the type referred to in the proposal. As such, the Company would nevertheless be limited in its ability to identify and report on the details requested in the proposal and the report requested by the proponent would be inherently limited in its utility.

The broad scope of the requested report would divert the attention of our Board, management, and privacy leaders away from the implementation of our privacy program, while providing little to no value to our stockholders. We believe that these individuals' time is better spent monitoring and addressing privacy risks facing the Company and further enhancing the privacy program in response to the rapidly changing landscape of privacy legislation and regulations across the globe.

For these reasons, the Board believes that Proposal 5 is not in the best interests of the Company or our stockholders.

2025 Stockholder Proposals

Stockholders who, in accordance with Rule 14a-8 of the SEC's proxy rules, wish to present proposals (other than nominees for election to the Board pursuant to Article II Section 13 of our By-Laws) for inclusion in the proxy materials to be distributed by us in connection with the 2025 annual meeting of stockholders must submit their proposals to our Corporate Secretary on or before December 24, 2024.

In order for proposals, including stockholder nominees for election to the Board (other than those requested to be included in our proxy materials pursuant to Article II Section 13 of our By-Laws), to be properly brought before the 2025 annual meeting of stockholders in accordance with our By-Laws (and not pursuant to SEC Rule 14a-8), a stockholder's notice of the matter the stockholder wishes to present must be delivered to our Corporate Secretary not less than 90 nor more than 120 days prior to the first anniversary of the date of this year's Annual Meeting. As a result, any notice given by or on behalf of a stockholder pursuant to these provisions of the By-Laws (and not pursuant to SEC Rule 14a-8 or Article II Section 13 of our By-Laws) must be received no earlier than February 4, 2025 and no later than March 6, 2025.

If one or more eligible stockholders desire to include one or more nominees for election to the Board in our proxy materials for the 2025 annual meeting of stockholders pursuant to Article II Section 13 of our By-Laws, the notice required by Article II Section 13 of the By-Laws must be delivered to our Corporate Secretary not less than 120 nor more than 150 days prior to the first anniversary of the date of this year's Annual Meeting. As a result, any such notice must be received no earlier than January 5, 2025 and no later than February 4, 2025.

In addition to satisfying the foregoing requirements under our By-Laws, to comply with the universal proxy rules, stockholders who intend to solicit proxies in support of director nominees other than the Company's nominees must provide notice that sets forth the information required by Rule 14a-19 under the Exchange Act no later than April 5, 2025.

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Other Matters

The Board knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the meeting, the persons named in the accompanying proxy card intend to vote on those matters in accordance with their best judgment.

This proxy statement contains forward-looking statements, including with respect to our sustainability goals and objectives. These forward-looking statements reflect our views regarding current expectations and projections about future events and conditions and are based on currently available information. They are not guarantees of future performance and are subject to risks, uncertainties, and assumptions. Expressions of future goals and expectations and similar expressions, including “may,” “will,” “should,” “could,” “aims,” “seeks,” “expects,” “plans,” “anticipates,” “intends,” “believes,” “estimates,” “predicts,” “potential,” “targets,” and “continue,” reflecting something other than historical fact are intended to identify forward-looking statements. Unless required by law, we undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. However, readers should carefully review the reports and documents we file or furnish from time to time with the SEC, including our annual report on Form 10-K for the fiscal year ended December 31, 2023, filed with the SEC on February 22, 2024, our quarterly reports on Form 10-Q and current reports on Form 8-K.

Website links and other reports referenced in this proxy statement are for convenience only. Information contained in or accessible through such website links and other reports is not incorporated herein and does not constitute a part of this proxy statement.

Annual Meeting Information

For the Annual Meeting of Stockholders to be Held on Tuesday, June 4, 2024

The enclosed proxy is solicited on behalf of the Board of Booking Holdings Inc. for use at our 2024 Annual Meeting of Stockholders to be held on Tuesday, June 4, 2024, at 11:00 a.m. local (Eastern) time, or at any adjournment or postponement of the Annual Meeting, for the purposes set forth in this proxy statement and in the accompanying Notice of Annual Meeting of Stockholders. The Annual Meeting will be held virtually at www.virtualshareholdermeeting.com/BKNG2024. We intend to mail this proxy statement and the proxy card on or about April 23, 2024 to all stockholders entitled to vote at the Annual Meeting.

Voting Rights and Outstanding Shares; Approval

Only stockholders of record at the close of business on April 9, 2024 will be entitled to notice of and to vote at the Annual Meeting. At the close of business on April 9, 2024, 34,020,016 shares of common stock were outstanding and entitled to vote. Each holder of record of common stock on April 9, 2024 will be entitled to one vote for each share held on all matters to be voted upon at the Annual Meeting. If your shares are registered directly in your name with the Booking Holdings Inc. transfer agent, Equiniti Trust Company, LLC, you are the shareholder of record with respect to those shares.

The inspector of election appointed for the meeting will tabulate all votes and will separately tabulate affirmative and negative votes, abstentions, and broker non-votes. A majority of the issued and outstanding shares of common stock entitled to vote at the Annual Meeting, present either at the webcast or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting. Stockholders who are present at the Annual Meeting webcast or by proxy and who abstain, and proxies relating to shares held by a broker on your behalf (that is, in "street name"), that are not voted (referred to as "broker non-votes") will be treated as present for purposes of determining whether a quorum is present.

Item	Proposal	Vote Required for Proposals		How Votes are Counted			Board Vote Recommendation
		Approval Standard	Voting Choices	Broker Discretion to Vote ⁽¹⁾	Impact of Abstain Vote	Treatment of Broker Non-Vote	
1	Election of Directors	Majority of votes cast	For Against Abstain	No	No effect	No effect	FOR each nominee
2	Advisory Vote to Approve 2023 Executive Compensation	Majority of shares present and entitled to vote	For Against Abstain	No	Same effect as a vote against	No effect	FOR
3	Ratification of Selection of Independent Registered Public Accounting Firm	Majority of shares present and entitled to vote	For Against Abstain	Yes	Same effect as a vote against	Not applicable as brokers are entitled to vote ⁽¹⁾	FOR
4	Non-Binding Stockholder Proposal to Amend the Company’s Clawback Policy	Majority of shares present and entitled to vote	For Against Abstain	No	Same effect as a vote against	No effect	AGAINST
5	Non-Binding Stockholder Proposal Regarding Reproductive Rights and Data Privacy	Majority of shares present and entitled to vote	For Against Abstain	No	Same effect as a vote against	No effect	AGAINST

(1) If your shares are held in "street name," and you do not instruct the broker as to how to vote your shares on Proposals 1, 2, 4, or 5, the broker may not exercise discretion to vote for or against those proposals. This would be a "broker non-vote" and these shares will not be counted as having been voted on the applicable proposal. With respect to Proposal 3, the broker may exercise its discretion to vote for or against that proposal in the absence of your instruction. Please instruct your broker so your vote can be counted.

Revocability of Proxies

Any person giving a proxy in response to this solicitation has the power to revoke it at any time before it is voted. Proxies may be revoked by any of the following actions:

- filing a written notice of revocation with our Corporate Secretary at our principal executive office (800 Connecticut Avenue, Norwalk, Connecticut 06854);
- filing with our Corporate Secretary at our principal executive office (800 Connecticut Avenue, Norwalk, Connecticut 06854) a properly executed proxy showing a later date; or
- attending the virtual Annual Meeting and voting through the platform (attendance at the meeting will not, by itself, revoke a proxy).

Please note that if your shares are held of record by a broker, bank, or other nominee and you wish to vote at the meeting, you must obtain from the record holder a proxy issued in your name to obtain a 16-digit control number.

Solicitation

We will pay for the entire cost of proxy solicitations, including preparation, assembly, printing, and mailing of proxy solicitation materials. We will provide copies of solicitation materials to banks, brokerage houses, fiduciaries, and custodians holding in their names shares of our common stock beneficially owned by others to forward these materials to the beneficial owners of common stock. We may reimburse persons representing beneficial owners of common stock for their costs of forwarding solicitation materials. Our directors, officers, or other employees may also solicit proxies by telephone, in-person, or otherwise. We will not additionally compensate directors, officers, or other employees for these services. We have engaged Morrow Sodali LLC to assist in the solicitation of proxies, and we currently expect to pay Morrow Sodali LLC approximately \$11,000 for its services.

How to Attend the Annual Meeting

If you plan to attend the Annual Meeting, it will begin promptly at 11:00 a.m. Eastern Time and the webcast can be accessed at www.virtualshareholdermeeting.com/BKNG2024. We encourage you to access the meeting website prior to the start time to ensure your ability to access the meeting. If you wish to vote or ask questions at the Annual Meeting, you must provide the 16-digit control number provided on your proxy card, on the Notice of Internet Availability of Proxy Materials, or on the instructions that accompanied the proxy materials and follow the instructions available on the meeting website during the Annual Meeting. If you experience technical difficulties during check-in or during the Annual Meeting, please call the technical support number that will be posted on the virtual meeting platform page for assistance.

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Appendix A**Unaudited Reconciliation of GAAP to Non-GAAP Financial Information****RECONCILIATION OF GAAP* NET INCOME TO ADJUSTED EBITDA AND PRE-SBC ADJUSTED EBITDA**

(In millions) ⁽¹⁾	Year Ended December 31,				
	2023	2022	2021	2020	2019
GAAP Net income	\$ 4,289	\$ 3,058	\$ 1,165	\$ 59	\$4,865
(a) Adjustment to personnel expenses	-	-	-	-	66
(b) Accruals related to the Netherlands pension fund matter	276	-	-	-	-
(c) Accruals related to a draft decision by the Spanish competition authority	530	-	-	-	-
(d) Accruals related to settlements of indirect tax matters	62	46	-	-	-
(e) Termination fee related to an acquisition agreement	90	-	-	-	-
(f) Depreciation and amortization	504	451	421	458	469
(g) Loss on assets classified as held for sale	-	36	-	-	-
(h) Gain on sale and leaseback transaction	-	(240)	-	-	-
(i) Impairment of goodwill	-	-	-	1,062	-
(f) Interest and dividend income	(1,020)	(219)	(16)	(54)	(152)
(f) Interest expense	897	391	334	356	266
(j) Net losses (gains) on equity securities	131	963	577	(1,711)	(745)
(k) Foreign currency transaction losses (gains) on the remeasurement of certain Euro-denominated debt and accrued interest and debt-related foreign currency derivative instruments	163	(56)	(135)	200	(7)
(l) Losses on early extinguishment of debt and related reverse treasury lock agreements	-	-	257	-	-
(f) Income tax expense	1,192	865	300	508	1,093
ADJUSTED EBITDA	\$ 7,112	\$ 5,295	\$ 2,904	\$ 879	\$ 5,855
(m) Stock-based compensation ("SBC") recorded in Personnel expenses	530	404	370	233	308
(m) PRE-SBC ADJUSTED EBITDA	\$ 7,642	\$ 5,699	\$ 3,274	\$ 1,111	\$ 6,162
STOCK-BASED COMPENSATION AS A % OF GAAP NET INCOME	12%	13%	32%	392%	6%
STOCK-BASED COMPENSATION AS A % OF PRE-SBC ADJUSTED EBITDA	7%	7%	11%	21%	5%

RECONCILIATION OF GAAP* NET INCOME TO NON-GAAP NET INCOME

(In millions, except share and per share data) ⁽¹⁾	Year Ended December 31,	
	2023	2022
GAAP Net income	\$ 4,289	\$ 3,058
(b) Accruals related to the Netherlands pension fund matter	276	-
(c) Accruals related to a draft decision by the Spanish competition authority	530	-
(d) Accruals related to settlements of indirect tax matters	62	46
(e) Termination fee related to an acquisition agreement	90	-
(g) Loss on assets classified as held for sale	-	36
(h) Gain on sale and leaseback transaction	-	(240)
(j) Net losses on equity securities	131	963
Foreign currency transaction losses (gains) on the remeasurement of certain		
(k) Euro-denominated debt and accrued interest and debt-related foreign	163	(56)
currency derivative instruments		
(n) Amortization of intangible assets	222	224
(o) Interest received on refunded tax payments	(31)	-
(p) Net unrecognized tax benefits related to French income tax matters	-	100
(q) Tax impact of Non-GAAP adjustments	(170)	(133)
NON-GAAP NET INCOME	\$ 5,561	\$ 3,998
WEIGHTED-AVERAGE NUMBER OF DILUTED COMMON SHARES	36,530	40,052
OUTSTANDING (IN 000'S)		
GAAP NET INCOME APPLICABLE TO COMMON STOCKHOLDERS PER	\$ 117.40	\$ 76.35
DILUTED COMMON SHARE		
NON-GAAP NET INCOME APPLICABLE TO COMMON STOCKHOLDERS PER	\$ 152.22	\$99.83
DILUTED COMMON SHARE		

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW

(In millions) ⁽¹⁾	Year Ended December 31,	
	2023	2022
Net cash provided by operating activities	\$ 7,344	\$ 6,554
(r) Additions to property and equipment	(345)	(368)
FREE CASH FLOW	\$ 6,999	\$ 6,186
NET CASH PROVIDED BY OPERATING ACTIVITIES AS A % OF TOTAL	34.4%	38.3%
REVENUES		
FREE CASH FLOW AS A % OF TOTAL REVENUES	32.8%	36.2%

APPENDICES

Unaudited Reconciliation of GAAP to Non-GAAP Financial Information

* U.S. generally accepted accounting principles.

(1) Amounts may not total due to rounding.

Notes:

- (a) Adjustment to correct an immaterial error related to the nonpayment of prior-period wage-related tax on compensation paid to certain highly compensated former employees in the year of separation, which is recorded in Personnel expenses and is excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (b) Accruals related to the Netherlands pension fund matter are recorded in Personnel expenses and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (c) Accruals related to a draft decision by the Spanish competition authority are recorded in General and administrative expenses and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (d) Accruals related to settlements of certain indirect tax matters are recorded in General and administrative expenses and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (e) Termination fee related to the acquisition agreement for the Etraveli Group is recorded in General and administrative expenses and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (f) Amounts are excluded from Net income to calculate Adjusted EBITDA.
- (g) Loss on assets classified as held for sale is recorded in Other operating expenses and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (h) Gain on the sale and leaseback transaction related to Booking.com's headquarters building is recorded in Other operating expenses and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (i) Impairment of goodwill related to our OpenTable and KAYAK reporting unit in 2020 is recorded in Operating expenses and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (j) Net losses (gains) on equity securities with readily determinable fair values, significant gains on equity securities without readily determinable fair values, and impairments of investments in equity securities are recorded in Other income (expense), net and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (k) Foreign currency transaction losses (gains) on the remeasurement of Euro-denominated debt and accrued interest that are not designated as hedging instruments for accounting purposes and debt-related foreign currency derivative instruments used as economic hedges are recorded in Other income (expense), net and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (l) Loss on early extinguishment of debt and losses on related reverse treasury lock agreements which were designated as cash flow hedges are recorded in Other income (expense), net and excluded from Net income to calculate Non-GAAP Net income and Adjusted EBITDA.
- (m) Stock-based compensation recorded in Personnel expenses is excluded from Net income to calculate Pre-SBC Adjusted EBITDA.
- (n) Amortization of intangible assets is recorded in Depreciation and amortization expenses and excluded from Net income to calculate Non-GAAP Net income.
- (o) Interest received on tax payments refunded pursuant to a settlement with authorities is recorded in Other income (expense), net and Income tax expense, as applicable, and excluded from Net income to calculate Non-GAAP Net income.
- (p) Net unrecognized tax benefits related to French income tax matters is recorded in Income tax expense and excluded from Net income to calculate Non-GAAP Net income.
- (q) Reflects the tax impact of Non-GAAP adjustments above which are excluded from Net income to calculate Non-GAAP Net income.
- (r) Cash used for additions to property and equipment is included in the calculation of Free cash flow.

For (a) - (q) above, Net income, Personnel expenses, General and administrative expenses, Other operating expenses, Operating expenses, Other income (expense), net, Depreciation and amortization expenses, and Income tax expense refers to the respective line item in the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. For a more detailed discussion of the adjustments described above, please see our earnings press release for the relevant period, including the section under the heading "Non-GAAP Financial Measures" which provides definitions and information about the use of non-GAAP financial measures.

Non-GAAP Financial Measures

Non-GAAP net income (loss) represents GAAP net income (loss), adjusted to exclude the impact of charges to correct an immaterial error related to the nonpayment of prior-period wage-related tax on compensation paid to certain highly-compensated former employees in the year of separation, accruals related to the Netherlands pension fund matter, accruals related to a draft decision by the Spanish competition authority, accruals related to settlements of certain indirect tax matters, the termination fee related to an acquisition agreement, significant losses on assets classified as held for sale, significant gains and losses on sale and leaseback transactions, the impact of impairments of goodwill, gains and losses on equity securities with readily determinable fair values, the impact, if any, of significant gains and losses on the sale of and impairment and credit losses on investments in available-for-sale debt securities and significant gains and losses on the sale of and impairment and other valuation adjustments on investments in equity securities without readily determinable fair values, foreign currency transaction gains and losses on the remeasurement of Euro-denominated debt and accrued interest that are not designated as hedging instruments for accounting purposes and debt-related foreign currency derivative instruments used as economic hedges, gains and losses on early extinguishment of debt and related reverse treasury lock agreements which were designated as cash flow hedges, amortization expense of intangible assets, interest received on tax payments refunded pursuant to settlement with authorities, the impact of net unrecognized tax benefits related to certain income tax matters, and the income tax impact of the non-GAAP adjustments mentioned above.

In addition to the adjustments listed above regarding non-GAAP net income (loss), Adjusted EBITDA excludes depreciation expense, interest expense, and to the extent not included in the adjustments listed above, interest and dividend income and income tax expense (benefit). In addition, Pre-SBC Adjusted EBITDA excludes stock-based compensation also.

Free cash flow represents net cash provided by (used in) operating activities less capital expenditures.

Non-GAAP net income (loss), Adjusted EBITDA, Pre-SBC Adjusted EBITDA, and Free cash flow are “non-GAAP financial measures,” as such term is defined by the SEC, and may differ from non-GAAP financial measures used by other companies. As discussed in this proxy statement, we use Adjusted EBITDA (calculated as described in this proxy statement) as a key performance measure under our annual cash incentive bonus plan and long-term equity incentive awards, as they pertain to the named executive officers. This non-GAAP measure and the other non-GAAP measures used are not intended to represent funds available for our discretionary use and are not intended to represent, or to be used as a substitute for, operating income (loss) or net income (loss) as measured under GAAP. The items excluded from Non-GAAP net income (loss), Adjusted EBITDA, and Pre-SBC Adjusted EBITDA, but included in the calculation of their closest GAAP equivalent, are significant components of our consolidated statements of operations, and must be considered in performing a comprehensive assessment of overall financial performance.

We also use non-GAAP net income (loss) and Adjusted EBITDA for financial and operational decision-making. We believe that non-GAAP net income (loss), Adjusted EBITDA, Pre-SBC Adjusted EBITDA, and Free cash flow are useful for analysts and investors to evaluate our ongoing operating performance because they facilitate comparison of our results for the current period and projected next-period results to those of prior periods and to those of our competitors (though other companies may calculate similar non-GAAP financial measures differently than those calculated by us). Data of our competitors presented in this proxy statement is derived from publicly available information. The Company has not independently verified the accuracy or completeness of the underlying non-GAAP financial measures of any such competitor.

The presentation of this financial information should not be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. The discussion on non-GAAP adjustments above is based on GAAP as applicable to the Company for the year ended December 31, 2023.

Appendix B

Form of Proxy Card



VOTE BY INTERNET

Before The Meeting - Go to www.proxyvote.com or scan the QR Barcode above

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time on June 3, 2024. Have your proxy card in hand when you access the website and follow the instructions to obtain your records and to create an electronic voting instruction form.

During The Meeting - Go to www.virtualshareholdermeeting.com/BKNG2024

You may attend the meeting via the Internet and vote during the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time on June 3, 2024. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign, and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

V44118-P04731

KEEP THIS PORTION FOR YOUR RECORDS
DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

BOOKING HOLDINGS INC.

The Board of Directors recommends you vote **FOR** the following:

1. To elect twelve directors to hold office until the next annual meeting of stockholders and until their respective successors are elected and qualified.

Nominees:

- | | |
|-----------------------------|-------------------------------|
| 01) Glenn D. Fogel | 07) Larry Quinlan |
| 02) Miriam M. Graddick-Weir | 08) Nicholas J. Read |
| 03) Kelly Grier | 09) Thomas E. Rothman |
| 04) Wei Hopeman | 10) Sumit Singh |
| 05) Robert J. Mylod, Jr. | 11) Lynn Vojvodich Radakovich |
| 06) Charles H. Noski | 12) Vanessa A. Wittman |

For All
Against All
For All Except

☐ ☐ ☐

To vote against any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.

The Board of Directors recommends you vote **FOR** the following proposals:

2. Advisory vote to approve 2023 executive compensation.
3. Ratification of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2024.

For Against Abstain

☐ ☐ ☐

☐ ☐ ☐

The Board of Directors recommends you vote **AGAINST** the following proposals:

4. Stockholder proposal requesting a non-binding stockholder vote to amend the Company's clawback policy.
5. Stockholder proposal requesting a non-binding stockholder vote regarding reproductive rights and data privacy.

For Against Abstain

☐ ☐ ☐

☐ ☐ ☐

NOTE: Such other business as may properly come before the meeting or any adjournment thereof.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX] Date

Signature (Joint Owners) Date

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Proxy Statement and Annual Report are available at www.proxyvote.com.

V44119-P04731

**BOOKING HOLDINGS INC.
PROXY SOLICITED BY THE BOARD OF DIRECTORS
FOR THE ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON JUNE 4, 2024**

The undersigned hereby appoints EWOUT L. STEENBERGEN and PETER J. MILLONES, and each of them, as attorneys and proxies of the undersigned, with full power of substitution, to vote all of the shares of stock of Booking Holdings Inc. that the undersigned may be entitled to vote at the Annual Meeting of Stockholders of Booking Holdings Inc. to be held on Tuesday, June 4, 2024 at 11:00 a.m. Eastern Time held virtually at www.virtualshareholdermeeting.com/BKNG2024, and at any and all continuations and adjournments of the meeting, with all powers that the undersigned would possess if personally present, upon and in respect of the following matters and in accordance with the following instructions, with discretionary authority as to any and all matters that may properly come before the meeting.

UNLESS YOU INDICATE OTHERWISE, THIS PROXY WILL BE VOTED FOR ALL NOMINEES LISTED IN PROPOSAL 1, FOR PROPOSALS 2 AND 3, AND AGAINST PROPOSALS 4 AND 5, EACH AS MORE SPECIFICALLY DESCRIBED IN THE PROXY STATEMENT AND IN ACCORDANCE WITH THE JUDGMENT OF THE PROXIES ON ANY OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE MEETING. IF SPECIFIC INSTRUCTIONS ARE INDICATED, THIS PROXY WILL BE VOTED IN ACCORDANCE WITH YOUR INSTRUCTIONS.

Continued and to be signed on reverse side

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

FORM 10-K
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended: **December 31, 2023**

Commission File No.: **1-36691**

Booking Holdings Inc.

(Exact name of Registrant as specified in its charter)

Delaware

06-1528493

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification Number)

800 Connecticut Avenue

Norwalk, Connecticut 06854

(address of principal executive offices)

Registrant's telephone number, including area code: **(203) 299-8000**

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 par value \$0.008 per share	BKNG	The NASDAQ Global Select Market
2.375% Senior Notes Due 2024	BKNG 24	The NASDAQ Stock Market LLC
0.100% Senior Notes Due 2025	BKNG 25	The NASDAQ Stock Market LLC
4.000% Senior Notes Due 2026	BKNG 26	The NASDAQ Stock Market LLC
1.800% Senior Notes Due 2027	BKNG 27	The NASDAQ Stock Market LLC
3.625% Senior Notes Due 2028	BKNG 28A	The NASDAQ Stock Market LLC
0.500% Senior Notes Due 2028	BKNG 28	The NASDAQ Stock Market LLC
4.250% Senior Notes Due 2029	BKNG 29	The NASDAQ Stock Market LLC
4.500% Senior Notes Due 2031	BKNG 31	The NASDAQ Stock Market LLC
4.125% Senior Notes Due 2033	BKNG 33	The NASDAQ Stock Market LLC
4.750% Senior Notes Due 2034	BKNG 34	The NASDAQ Stock Market LLC

Securities Registered Pursuant to Section 12(g) of the Act: **None.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of common stock held by non-affiliates of Booking Holdings Inc. at June 30, 2023 was approximately \$97.2 billion based upon the closing price reported for such date on the NASDAQ Global Select Market. For purposes of this disclosure, shares of common stock held by executive officers and directors of Booking Holdings Inc. on June 30, 2023 have been excluded because such persons may be deemed to be affiliates of Booking Holdings Inc. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

The number of outstanding shares of Booking Holdings Inc.'s common stock was 34,171,027 at February 15, 2024.

DOCUMENTS INCORPORATED BY REFERENCE

The information required by Part III of this Annual Report on Form 10-K, to the extent not set forth in this Form 10-K, is incorporated herein by reference from Booking Holdings Inc.'s definitive proxy statement relating to its annual meeting of stockholders to be held on June 4, 2024, to be filed with the Securities and Exchange Commission within 120 days after the end of Booking Holdings Inc.'s fiscal year ended December 31, 2023.

Booking Holdings Inc. Annual Report on Form 10-K for the Year Ended December 31, 2023 Index

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Special Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K, including "Management's Discussion and Analysis of Financial Condition and Results of Operation" in Part II, Item 7, and the documents incorporated by reference contain forward-looking statements. These statements reflect our views regarding current expectations and projections about future events and conditions and are based on currently available information. They are not guarantees of future performance and are subject to risks, uncertainties, and assumptions that are difficult to predict, including the Risk Factors identified in Part I, Item 1A of this Annual Report. Our actual results could differ materially from those expressed or implied in any such statements. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. Unless required by law, we undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. However, readers should carefully review the reports and documents we file or furnish from time to time with the Securities and Exchange Commission (the "SEC" or the "Commission").

PART I

Item 1. Business

Our mission is to make it easier for everyone to experience the world. We aim to provide consumers with a best-in-class experience offering the travel choices they want, with tailored language, payment, and other options, seamlessly connecting them with our travel service provider partners. We offer these services through five primary consumer-facing brands: Booking.com, Priceline, Agoda, KAYAK, and OpenTable:

	Accommodations	Ground Transportation	Flights	Activities	Restaurants	Meta Search
Booking.com	☒	☒	☒	☒		
Priceline	☒	☒	☒	☒		
agoda	☒	☒	☒	☒		
KAYAK						☒
OpenTable					☒	

We are proud that, despite challenges to our global community such as the wars in Ukraine and the Middle East and the impact of inflation, we continued our efforts to make our brands the most trusted and convenient platforms for consumers and partners, including:

- achieving record annual room nights in 2023;
- continuing to increase room nights and brand awareness in key markets such as the U.S.;
- strongly growing our alternative accommodations offering;
- improving our loyalty programs, particularly the Genius program at Booking.com, and increasing our focus on value for our consumers;
- further integrating artificial intelligence ("AI") technology into our offerings;
- improving and expanding our flight offering at Booking.com and extending our partnership with Etraveli Group through at least 2028; and
- increasing adoption of our payments platform and capabilities.

Our common stock is listed on the NASDAQ Global Select Market under the symbol "BKNG." We refer to our company and all of our subsidiaries and brands collectively as "Booking Holdings," the "Company," "we," "our," or "us."

Our Business Model

We derive substantially all of our revenues from providing online travel reservation services, which facilitate online travel purchases between travel service providers and travelers (which we generally refer to as "partners" and "consumers," respectively). We also earn revenues from advertising services, restaurant reservations, and various other services, such as travel-related insurance and restaurant management services.

For the year ended December 31, 2023, we had revenues of \$21.4 billion, which we classify as "merchant" revenues, "agency" revenues, and "advertising and other" revenues.

- Merchant revenues are derived from transactions where we facilitate payments from travelers for the services provided, generally at the time of booking. Merchant revenues include travel reservation commissions and transaction net revenues (i.e., the amount charged to travelers, including the impact of merchandising, less the amount owed to travel service providers); credit card processing rebates and customer processing fees; and ancillary fees, including travel-related insurance revenues. The majority of our merchant revenue is from Booking.com's accommodation reservations.
- Agency revenues are derived from travel-related transactions where we do not facilitate payments from travelers for the services provided. Agency revenues consist almost entirely of travel reservation commissions from our reservation services. Substantially all of our agency revenue is from Booking.com's accommodation reservations.
- Advertising and other revenues are derived primarily from (a) revenues earned by KAYAK for sending referrals to online travel companies ("OTCs") and travel service providers and for advertising placements on its platforms and (b) revenues earned by OpenTable for its restaurant reservation services and subscription fees for restaurant management services.

Our Strategy

We aim to demonstrate global leadership in online travel bookings and related services by:

- making it easy for people to find, book, pay for, and experience travel;
- providing consumers with the most comprehensive choices and value on any device;
- offering platforms, tools, and insights to our business partners to help them be successful; and
- operating our business sustainably and supporting sustainable travel choices by our consumers and partners.

We focus on relentless innovation and execution and a commitment to serve both consumers and partners with unmatched service and best-in-class technology. We believe that global travel bookings will generally continue to grow while shifting from traditional offline methods to online channels like ours. We expect to benefit from this growth in travel and the continued shift to online channels as we work to expand our service offerings and increase our presence in key geographies. In particular, we seek to (a) leverage technology to provide consumers with the best experience, (b) partner with travel service providers and restaurants to our mutual benefit, (c) operate multiple brands that collaborate with each other, and (d) invest in profitable and sustainable growth.

Provide the best consumer experience. We focus on providing consumers with: (a) personalized and easy-to-use online travel services; (b) a comprehensive selection of travel and payment options; (c) informative and useful content; (d) excellent customer service; and (e) value through competitive prices and loyalty programs.

We continue to innovate to meet the needs of our consumers and partners through intuitive, easy-to-use websites and mobile apps. An increasing percentage of our room nights are booked on our mobile apps. We believe that our development of payments capabilities across the Company removes friction from the booking process and delivers additional value for travelers. We continue to execute against our long-term strategy to create an ideal traveler experience, offering our customers relevant options and connections at the times and in the language they want them, making trips booked with us seamless, easy, and valuable. We refer to this as the "Connected Trip." The goal of our Connected Trip vision is to offer a differentiated and personalized online travel planning, booking, payment, and in-trip experience for each trip, enhanced by a robust loyalty program that provides value to travelers and partners across all trips. In the near term, we are focused on providing consumers the ability to build a complete travel itinerary on our platforms by, for example, enabling them to book convenient ground transportation to coincide with their flight arrival or attractions near their accommodation, and developing a generative AI assisted trip planner. We also continue to grow verticals such as our flight offering, with 2023 flight ticket growth across the

Company of 58% year-over-year. We endeavor to provide excellent customer service, including through call centers and online platforms and the use of chatbots and other technologies.

Partner with travel service providers and restaurants. We aim to establish mutually beneficial relationships with our partners around the world. We believe they benefit from participating in our services by increasing their distribution channels, demand, profile and reputation, and inventory utilization in an efficient and cost-effective manner. They also benefit from our trusted brands and marketing efforts, expertise in offering an excellent consumer experience, and ability to offer their inventory in markets and to consumers that they may otherwise be unable or unlikely to reach, for instance due to language or payments services we can offer on their behalf.

Operate multiple brands. We operate multiple brands, which allows us to provide numerous service offerings, appeal to different consumers, pursue distinct marketing and business strategies, encourage experimentation and innovation, and focus on specific markets or geographies. We continue to optimize collaboration among our brands to provide consumers with the most comprehensive and value-oriented services, sharing resources and technological innovations among our brands and co-developing new services. We invest to support growth by our brands, whether through increased marketing, geographic expansion, technological innovation, or increased access to travel service offerings.

Invest in profitable and sustainable growth. We seek to offer online services that meet the needs and the expectations of consumers and partners and that we believe will result in mutual long-term profitability and growth. We have made significant investments in people, technology, marketing, and added or expanded travel offerings. In 2023, we expanded our commercial partnership with Etraveli Group to strengthen and accelerate our efforts to build a frictionless global flights offering, and we increased our investments in generative AI functionalities both for internal productivity and in consumer-facing initiatives. We also regularly evaluate, and may pursue, potential strategic acquisitions, partnerships, joint ventures, or investments as part of our long-term business strategy.

Service Offerings

Booking.com. Booking.com is the world's leading brand for booking online accommodation reservations, based on room nights booked, with operations worldwide and headquarters in the Netherlands. At December 31, 2023, Booking.com offered accommodation reservation services for approximately 3.4 million properties in over 220 countries and territories and in over 40 languages, consisting of over 475,000 hotels, motels, and resorts and over 2.9 million homes, apartments, and other unique places to stay.

In 2023, Booking.com offered flights in 55 markets and in-destination tours and activities in 1,300 cities around the world. Booking.com offers online rental car reservation services in approximately 42,000 locations throughout the world and ground transportation services at over 1,900 airports throughout the world, with customer support in over 40 languages.

Priceline. Priceline is a leader in the discount travel reservation business, offering online travel reservation services primarily in North America, with headquarters in Norwalk, Connecticut. Priceline offers consumers hotel, flight, activity, and rental car reservation services, as well as vacation packages, cruises, and hotel distribution services for partners and affiliates.

Agoda. Agoda is a leading online accommodation reservation service catering primarily to consumers in the Asia-Pacific region, with headquarters in Singapore and operations in Bangkok, Thailand, and elsewhere. Agoda also offers flight, ground transportation, and activities reservation services.

KAYAK. KAYAK, headquartered in Stamford, Connecticut, provides online meta-search services that allow consumers to easily search and compare travel itineraries and prices from hundreds of online travel platforms at once. KAYAK offers its services in over 60 countries and territories, with its largest market in the United States, through various websites including momondo, Cheapflights, and HotelsCombined.

OpenTable. OpenTable is a leading brand for booking online restaurant reservations. With significant operations in San Francisco, California, OpenTable provides online restaurant reservation services to consumers and reservation management services to restaurants, primarily in the United States.

Marketing and Brand Awareness

We have established widely used and recognized e-commerce brands through marketing campaigns and strategic use of performance marketing spend. We invest in marketing and other brand building to preserve and enhance consumer awareness of our brands.

Competition

We compete globally with both online and traditional travel and restaurant reservation and related services. The markets for the services we offer are intensely competitive and constantly evolving. Current and new competitors launch new services at a relatively low cost. Some of our current and potential competitors include the largest global technology companies, which have significantly more customers or users, consumer data, and resources than we do, and may be able to leverage other aspects of their businesses (e.g., search or mobile device businesses, or generative AI capabilities) to compete more effectively with us. For example, Google's online travel offerings have grown rapidly in this area by linking travel search services to its dominant search functionality through flight, hotel, and alternative accommodations meta-search products, and by integrating such products into its Google Maps app.

We currently, or may in the future, compete with a variety of companies, including:

- online travel or restaurant reservation services and meta-search services;
- large online search, social networking, and marketplace companies;
- travel service providers (e.g., accommodations, rental car companies, or airlines);
- traditional travel agencies, travel management companies, wholesalers, and tour operators; and
- companies offering technology services and software solutions to travel service providers.

For more information regarding current and potential competitors and the competitive nature of the markets in which we operate, see Part I, Item 1A, Risk Factors - *"Intense competition could reduce our market share and harm our financial performance."*

Government Regulation

Our ability to provide our services and any future services is affected by legal regulations of governments and regulatory authorities around the world, many of which are evolving and subject to revised interpretations. Violations of any laws or regulations could result in fines, penalties, and criminal sanctions against us, our officers or employees, and prohibitions on how or where we conduct our business, which could damage our reputation, brands, global expansion efforts, ability to attract and retain employees and business partners, business, and operating results. Even if we comply with these laws and regulations, doing business in certain jurisdictions or violations of these laws and regulations by the parties with which we conduct business runs the risk of harming our reputation and our brands. Regulations that impact our business or our industry include:

- *Data Protection and Privacy:* We have policies and a global governance framework to comply with privacy laws that apply to our business, meet evolving stakeholder expectations, and support business innovation and growth. In the European Union, the General Data Protection Regulation (the "GDPR") imposes significant compliance obligations and costs. In the United States, the California Consumer Privacy Act (the "CCPA") and the California Privacy Rights Act ("CPRA") impose privacy requirements and rights for consumers in California that will result in additional compliance complexity, risks, and costs. Other U.S. states and jurisdictions globally have adopted or may adopt similar data protection regulations. Some data protection and privacy laws afford consumers a private right of action against companies like ours for certain statutory violations.
- *Competition, Consumer Protection and Online Commerce:* Competition and consumer protection authorities are increasingly focused on large technology companies, including in relation to the regulation of digital platforms. The Digital Markets Act ("DMA") and Digital Services Act ("DSA") give regulators in the EU more instruments to investigate and regulate digital businesses and impose new rules and requirements on platforms designated as "gatekeepers" under the DMA and online platforms more generally, with separate rules for "Very Large Online Platforms" ("VLOPs") under the DSA. In 2023, Booking.com received a VLOP designation notice from the European Commission. The Company has met the quantitative notification criteria set forth in the DMA and expects to notify the European Commission of that fact within the required deadline.

- *Regulation of the Travel Industry:* Our business is impacted by travel-related regulations such as local regulation of the use of alternative accommodations. Local jurisdictions around the world have instituted a variety of measures to address the issues of "overtourism" and the impact of tourism on the climate. As our business evolves, we expect to become subject to existing and new regulations. For example, some parts of our business are already subject to certain requirements of the EU Package Travel Directive (the "Package Directive"), and as our offerings continue to diversify and expand, we may become subject to additional requirements of the Package Directive.
- *Payments:* As we expand our payments services to consumers and business partners, we are subject to additional regulations, such as financial services regulations and license requirements, which has resulted in increased compliance costs and complexities, including those associated with the implementation of new or advanced internal controls. We are also subject to payment card association rules and obligations under our contracts with payment card processors, including the Payment Card Industry Data Security Standard, compliance with which is complex and costly.

For further discussion of these regulations and how other global regulations may impact our business, see Part I, Item 1A, Risk Factors - "*Information Security, Cybersecurity, and Data Privacy Risks*" and "*Legal, Regulatory, Compliance, and Reputational Risks*."

Technology

Our business is supported by multiple systems and platforms designed with an emphasis on scalability, performance, redundancy, and security. Our systems connect us with vendors and partners. We are modernizing our technology by building new applications with modern development tools and application programming interfaces, and we increasingly rely upon public cloud infrastructure. Our applications utilize digital certificates and other security technologies to help us conduct secure communications and transactions, as appropriate. The systems infrastructure and web and database servers of our worldwide operations are hosted in data centers in Europe, Asia, and North America, and each provides services and support typical of hosted data centers. For discussion of risks relating to our technology, see Part I, Item 1A, Risk Factors - "*Information Security, Cybersecurity, and Data Privacy Risks*."

Intellectual Property

The protection of our intellectual property is important to our success. We rely on intellectual property such as trademarks, copyrights, patents, and trade secrets to support our business as well as domain names or other intangible rights or property secured through purchase, licensing, or other agreements with employees, travel service providers, vendors, and other parties. We have filed applications for protection of certain aspects of our intellectual property in the United States and other jurisdictions, and we currently hold a number of issued patents in several jurisdictions. See Part I, Item 1A, Risk Factors - "*We face risks related to our intellectual property*."

Seasonality and Other Timing Factors

In 2023, our gross bookings were generally similar in the first three quarters of the year and higher than in the fourth quarter. We generally recognize our marketing activities as the expense is incurred, which is typically in the quarter when the gross bookings for the associated reservations are recognized. However, we would generally recognize revenue from these bookings when the travel begins (at "check-in"), and accommodation check-ins in Europe and North America are generally highest in the third quarter during those regions' peak summer travel season and lowest in the first quarter. As a result of this timing difference between when we record marketing expenses and when we generally recognize associated revenues, we typically experience our highest levels of profitability in the third quarter and our lowest level of profitability in the first quarter. In addition to the typical seasonality effects on our business, our quarterly results and quarterly year-over-year growth rates can be impacted by:

- The length of the booking window (the average time between the booking of a travel reservation and when the travel begins), which impacts the relationship between our gross bookings (recognized at the time of booking) and our revenues (recognized at the time of check-in). In 2023, the booking window was longer than we experienced in 2022 as an increased percentage of bookings were made for travel that was to occur further out from the time of booking;
- The level of acceleration or deceleration in the gross bookings growth rate. For example, our operating margins are typically negatively impacted in the near term from gross bookings and related variable marketing expense growth acceleration, as revenue growth is typically less impacted by accelerating gross bookings growth in the near term. Any such acceleration would positively impact revenue growth in subsequent periods as a portion of the revenue

recognized from such gross bookings will occur in future quarters. Conversely, in periods where our gross bookings growth rate substantially decelerates, our operating margins typically benefit; and

- The date on which certain holidays (e.g., Easter and Ramadan) fall.

Human Capital Resources

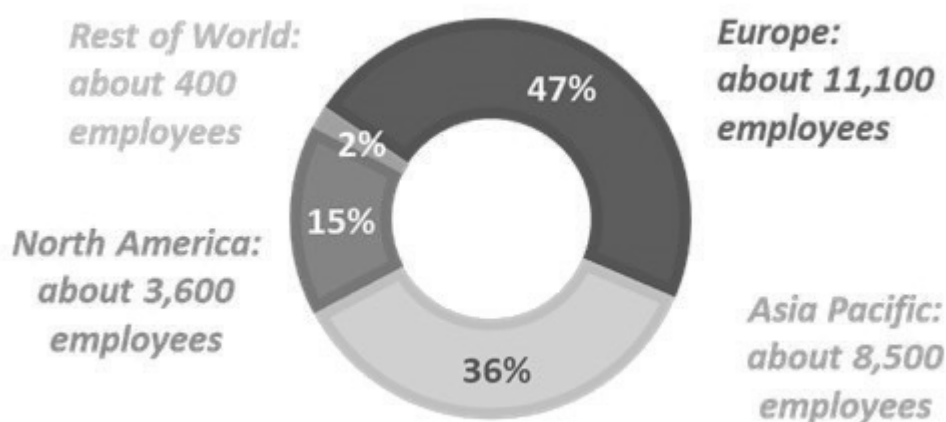
Our employees are fundamental to delivering on our mission to make it easier for everyone to experience the world. Our goal is to attract, develop, and retain highly-skilled talent with a significant focus on a diverse workforce operating in an equitable and inclusive environment. We are committed to engaging with our employees across our Company and maintaining a productive workforce that is proud to work for Booking Holdings.

Workforce

Our Board of Directors and the Talent and Compensation Committee have oversight of our human capital management. As a result of our operating structure with multiple distinct brands, our approach to human capital management can vary by brand.

At December 31, 2023, we employed approximately 23,600 employees, of which approximately 3,100 were based in the United States, and approximately 20,500 were based outside the United States. Approximately 99% of our employees are full-time employees. We also retain independent contractors, including to support our customer service, website content translation, and system support functions.

Employees by Geography (as of December 31, 2023)

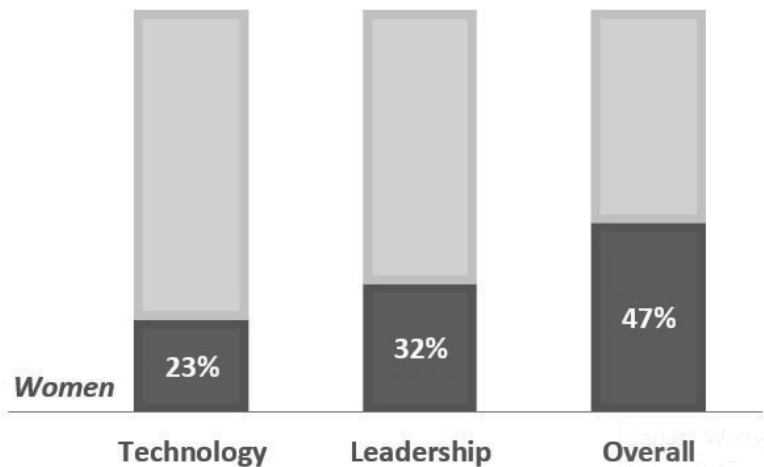


Diversity, Equity, and Inclusion

Our commitment to diversity, equity, and inclusion means honoring all experiences, valuing all voices, and leading with empathy on our journey to become a more inclusive company. We believe that a diverse workforce operating in an inclusive environment is critical to leveraging our human capital to achieve our long-term strategic goals. We strive for our leadership and workforce to reflect the broad spectrum of people we work with throughout the world because we believe this is the best way for us to connect with the viewpoints, backgrounds, and experiences of our customers and partners. We are committed to creating workplaces that embrace and celebrate the different cultures and practices of our employees and we prohibit unlawful discrimination of any type.

As of December 31, 2023, approximately 47% of our employees were women, approximately 23% of our technology positions were filled by women, and approximately 32% of leadership (which includes vice presidents and above for all brands except Booking.com, which includes senior directors and above due to a greater number of employees) were women. We are committed to pay equity, regardless of gender, race, or ethnicity. With the help of an independent compensation consultant, we conduct pay equity studies every other year, and in the off years, we work on remediation plans to address outliers.

Gender Diversity of Employees (as of December 31, 2023)



While a significant percentage of our workforce is located in jurisdictions that may present challenges to tracking employee racial or ethnic demographics for legal reasons, we seek other ways to assess our employees' experience of inclusion. For example, all of our brands include diversity and inclusion questions in annual employee engagement surveys to gauge our inclusivity progress. We also publish our consolidated EEO-1 report for employees in the United States, although as of December 31, 2023, this represents only approximately 13% of our workforce.

We encourage equality and inclusivity across our workforce through various initiatives. As part of our recruitment efforts to ensure that candidate slates are diverse, we use diversity-focused sourcing platforms, we apply an inclusive language tool to job descriptions to attract candidates of all backgrounds, and we hold recruiters accountable for presenting multicultural candidates by tying it to their performance goals. In addition, we provide training to ensure interviewers consider all candidates objectively.

We have invested in a robust inclusive leadership training program and unconscious bias training for our leaders and we continue to cascade these initiatives further into the organization to ensure that these tenets contribute to our strategy. Additionally, we are entering our eighth year of operating our Women in Leadership program, which is a Company-wide initiative designed to support the advancement and development of high-performing women within our company with the goal of building and enabling gender diversity in our executive pipeline. We sponsor various employee resource groups, including those that support the LGBTQ community and its allies, employees with differing physical and mental abilities, the Black and persons-of-color (POC) community, veteran employees, and gender equality, among others. We are proud of the progress we have made in this space, while recognizing the need for continuous improvement.

Attraction, Development, and Retention

We work diligently to attract the best and most innovative talent from a wide range of sources to grow our business and achieve our long term strategic goals. We believe that we offer a rich culture where employees feel empowered to do their best work with opportunities to grow as well as competitive compensation and benefits. For example, while the specifics can vary by brand, in the United States our employee benefit plans generally include: coverage for fertility treatments, gender reassignment surgery, gender-neutral domestic partner benefits, and paid leave for new parents and grandparents, those caring for a loved one, or bereavement.

We create opportunities for employees to grow and build their careers through training and development programs. These include offering tailored learning opportunities to enable employees to upskill while at work and driving frequent career conversations between employees and their managers, as well as executive succession planning.

Competition for talent in our industry has historically been intense. However, the proliferation of global working from anywhere policies and the associated increased ability for employees to seek out and switch jobs that may not have been accessible to them previously has heightened the competition for employees even further, particularly software engineers, mobile communications talent, and other technology professionals. As a result, the competition for talent in our industry combined with inflationary pressure on compensation has caused our expenses to attract and retain key talent to increase. We continue to focus on our employees' engagement and mental well-being, career satisfaction, development, and succession planning.

We recognize that expectations for the ways and places in which employees work have shifted dramatically since 2020. Each of our brands has taken their own tailored approach to working policies that takes into account geographic location and the needs of current and prospective employees and many have adopted more flexible working location arrangements.

We measure organizational culture and engagement so we can be responsive to our employees' needs. Taking into account employee feedback, our engagement efforts include regular communication touchpoints with the CEO and other senior leaders, mental wellness workshops, and free access to a meditation app and telehealth services. We regularly connect with our employees through formal engagement surveys and quick pulse surveys to request feedback on the employee experience. The results of these efforts are shared with senior management at each of our brands who analyze areas of progress or prioritize areas for improvement in order to encourage and sustain employee engagement. We are proud that the results of our employee engagement surveys throughout 2023 broadly demonstrate a committed and engaged workforce.

Employee Relations

Although we have works councils or employee representatives in certain countries, our U.S. employees are not represented by a labor union and are not covered by a collective bargaining agreement. We work in close collaboration with works councils, employee representatives, and other organizations in the relevant jurisdictions. We have never had a work stoppage and we consider our relations with our employees to be good.

For more information, see Part I, Item 1A, Risk Factors - *"We rely on the performance of highly skilled employees; and, if we are unable to retain or motivate key employees or hire, retain, and motivate well-qualified employees, our business would be harmed."*

Company Websites

We maintain websites with the addresses www.bookingholdings.com, www.booking.com, www.priceline.com, www.agoda.com, www.kayak.com, and www.opentable.com, among others. We are not including the information contained on our websites as a part of, or incorporating it by reference into, this Annual Report on Form 10-K. We make available free of charge through the www.bookingholdings.com website our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and amendments to these reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the SEC. These reports and other information are also available, free of charge, at www.sec.gov. In addition, the Company's Code of Conduct is available through the www.bookingholdings.com website and any amendments to or waivers of the Code of Conduct will be disclosed on that website.

Item 1A. Risk Factors

Our business and financial results are subject to risks and uncertainties, which could adversely affect our business, results of operations, financial condition, and cash flows.

The risk factors section below contains a description of the significant risks facing our Company and should be carefully considered in full. The following is only a summary of the principal risks that make an investment in our securities speculative or risky.

Risk Factors Summary

Industry and Business Risks

- Adverse changes in market conditions for travel services;
- The effects of competition;
- Our ability to successfully manage growth and expand our global business;
- Adverse changes in relationships with travel service providers and restaurants and other third parties on which we are dependent;
- Our performance marketing efficiency and the effectiveness of our marketing efforts;
- Our ability to respond to and keep up with the rapid pace of technological and market changes;
- Our ability to attract and retain qualified personnel;

Information Security, Cybersecurity, and Data Privacy Risks

- Risks related to data privacy obligations and cyberattacks;
- IT systems-related failures or security breaches;

Tax Risks

- Risks related to exposure to additional tax liabilities and maintaining tax benefits;

Legal, Regulatory, Compliance, and Reputational Risks

- Legal and regulatory risks;
- Risks associated with the facilitation of payments;

Financial Risks

- Fluctuations in foreign currency exchange rates and other risks associated with doing business in multiple currencies and jurisdictions;
- Financial risks including increased debt levels and stock price volatility; and
- Success of investments and acquisitions, including integration of acquired businesses.

Industry and Business Risks

Declines or disruptions in the travel industry could adversely affect our business and financial performance.

Our financial results depend upon sales of travel services, which can fluctuate based on consumer discretionary spending levels. Demand for and sales of travel services often decline during periods of perceived or actual adverse economic conditions and times of political or economic uncertainty. Economic and political uncertainty can negatively impact transaction growth rates, cancellation rates, and accommodation average daily rates ("ADR"). While lower occupancy rates can increase distribution of accommodation reservations through third-party intermediaries such as us, if there are lower ADRs, it generally has a negative effect on our revenues and results of operations. For a discussion of occupancy rates and ADRs, see Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations - Trends.

Macroeconomic uncertainties have led to significant volatility in currency exchange rates, stock markets, and oil prices, which can impact consumer travel behavior. The uncertainty of macroeconomic factors and their impact on consumer behavior makes it difficult to forecast industry and consumer trends and the timing and degree of their impact on our business, which could adversely affect our ability to effectively manage our business and adversely affect our results of operations.

Other events beyond our control such as pandemics and epidemics, terrorist attacks, natural disasters, wars and regional hostilities, travel-related accidents, or increased focus on the environmental impact of travel may disrupt or limit the ability or willingness of travelers to visit certain locations, or result in declines in demand for our travel offerings. Responses to such events by governments or global organizations could restrict travel in ways that could impact our ability to conduct our business. Because these events and their impacts and responses to them are largely unpredictable, they can dramatically and suddenly affect travel behavior by consumers, demand for and provision of our services, and relationships with travel service providers and other partners, any of which can adversely affect our business and results of operations.

Intense competition could reduce our market share and harm our financial performance.

We compete globally with both online and traditional travel and restaurant reservation and related services. The markets for the services we offer are intensely competitive and constantly evolving. Current and new competitors launch new services at a relatively low cost. Some of our current and potential competitors include the largest global technology companies, which have significantly more customers or users, consumer data, and resources than we do, and may be able to leverage other aspects of their businesses (e.g., search or mobile device businesses or generative AI capabilities) to compete with us. For example, Google's online travel offerings have grown rapidly by linking travel search services to its dominant search functionality through flight, hotel, and alternative accommodations meta-search products, and integrating such products into Google Maps. The structure of the travel industry or consumer preferences could also change in ways that disadvantage us and benefit competitors or new entrants. For example, during the COVID-19 pandemic, we saw a shift in favor of domestic travel and alternative accommodations, which benefited competitors more established in those areas. If we are unable to successfully adapt to such changes, our ability to compete, and our business and results of operations, would be adversely affected.

We currently, or may in the future, compete with companies that provide a variety of products and services, including:

- online platforms, including accommodation and alternative accommodation search or reservation services, travel meta-search and price comparison services, and large online companies including in search, social networking, marketplace, artificial intelligence, and ride-sharing;
- travel service providers (e.g., accommodations, rental car companies, or airlines), which may offer lower prices on their direct channel than they provide to us;
- traditional travel agencies, travel management companies, wholesalers and tour operators; and
- companies offering technology services and software solutions to travel service providers, including large global distribution systems ("GDSs") and hospitality software and payments platforms.

Meta-search services aggregate travel search results for the consumer's specific itinerary across travel service providers, OTCs, and other online platforms and compete directly with us for customers. Google leverages its general search business to compete with Kayak by showing its own meta-search results at the top of its organic search results, and offers its meta-search services free to travel service providers. Furthermore, meta-search services may evolve into more traditional OTCs by offering consumers the ability to make travel reservations directly.

We compete with constantly evolving online and/or mobile application platforms. The market for accommodations covers a wide range of property types including alternative accommodations. As such, companies like Airbnb and Vrbo (owned by Expedia) compete directly with our accommodations businesses. Meta-search services may lower the cost for new companies to enter the market by providing a distribution channel without the cost of promoting the new entrant's brand. Moreover, some of our competitors and potential competitors offer a variety of online services, many of which are used by consumers more frequently than online travel services or have created "super-apps" where consumers can use such various services without leaving the company's app. A competitor that has established other, more frequent online or app-based interactions with consumers may be able to more easily or cost-effectively acquire customers for its online travel services than we can. Some competitors include private equity-funded platforms, which can more easily withstand significant losses for an extended period of time while building market share through heavy marketing and/or discounting of their services. In addition, competitors may more effectively invest in new online marketing channels such as TikTok, which could hinder growth of our services if they are more successful at promoting their platform via social media.

For many consumers, the price of the travel service is the primary factor determining whether to book a reservation. It is increasingly important to offer travel services at competitive prices, whether through discounts, coupons, closed-user group rates or loyalty programs, increased flexibility in cancellation policies, or otherwise. In some cases, our competitors are willing to make little or no profit on a transaction or offer travel services at a loss in order to gain market share. As a result, in certain markets, we may need to provide discounts or other incentives in order to be competitive, which may make it difficult for us to maintain or grow market share, maintain historical profit margins, and may also result in lower ADRs and lower revenues as a

percentage of gross bookings. Further, consolidation among travel service providers could result in lower OTC commission rates, increased discounting, and greater incentives for consumers to join closed-user groups as such travel service providers expand their offerings. If we are unable to effectively offer competitive prices, our market share, business, and results of operations could be materially adversely affected.

We face risks related to the growth rate and the global expansion of our business.

We derive a substantial portion of our revenues and have significant operations outside the United States. Before the COVID-19 pandemic, our OTC operations outside of the United States historically had achieved significant year-over-year growth in their gross bookings. Without taking into consideration the recent declines caused by the COVID-19 pandemic, these growth rates had generally declined over time as the absolute level of our gross bookings increased and online travel growth rates declined. In addition to the general slowing growth rates of online travel, other factors may also slow the growth rates of our businesses outside of the United States, including economic conditions, strengthening of the U.S. Dollar versus other currencies, declines in ADRs, increases in cancellations, adverse changes in travel market conditions, and competition. Any decline in the growth rates of our businesses could negatively impact our revenue and earnings growth rates and as a consequence our stock price.

We are also subject to risks related to expanding our business internationally. International markets may have strong local competitors with an established brand and travel service provider or restaurant relationships making expansion in that market difficult or costly. Certain markets in which we operate have unique localized preferences and lower operating margins compared to other markets. Scaling and growing our business in such markets could require significant investment, which could have a negative impact on our profit margins. In some markets such as China, legal and other regulatory requirements may restrict participation by foreign businesses. Such restrictions could make our entry into and expansion in those markets difficult or impossible, require that we work with a local partner, or result in higher operating costs. If we are unsuccessful in expanding in new and existing markets and managing that expansion, our business and results of operations could be adversely affected.

We believe that the breadth, variety, and quality of accommodations on our platforms is a key driver of our growth. The growth rate of the number of accommodations on our platforms may vary in part as a result of removing accommodations from our platforms from time to time. Many of the newer accommodations we add to our travel reservation services, especially in highly-penetrated markets, may have fewer rooms or higher credit risk and may appeal to a smaller subset of consumers (e.g., hostels and bed and breakfasts). If occupancy rates increase, accommodation providers often limit the amount of business that flows through certain distribution channels. Also, certain jurisdictions have instituted regulations intended to address the issues of "overtourism" and the impact of tourism on climate, including by restricting accommodation offerings near popular tourist destinations, which has limited the number of tourists permitted to visit and stay near popular areas. As a result, we may experience constraints on the number of listings or accommodation room nights actually available to us or could experience a decrease in demand if consumers cannot book the experiences they would like during their trip, which could negatively impact our business growth rate and results of operations.

We are dependent on travel service providers, restaurants, search platforms, and other third parties.

We rely on providers of accommodations, rental cars, and airline tickets, and on restaurants, to make their services available to consumers for reservation through us. Our arrangements with travel service providers generally do not require them to make available any specific quantity of reservations, or to make reservations available in any geographic area, for any particular route, or at any particular price. Similarly, our arrangements with restaurants generally do not require them to provide all of their available tables and reservations to customers through us. Our arrangements with OTCs and travel service providers to provide pricing, schedules, availability, and other information in connection with Kayak's meta-search services are non-exclusive and can be terminated with little notice. A significant reduction on the part of any of our major travel service providers, or restaurants, for a sustained period of time or their complete withdrawal from our services could have a material adverse effect on our business, market share, and results of operations. Further, as consolidation among travel service providers increases, the potential adverse effect of a decision by a significant travel service provider to withdraw from or reduce its participation in our services also increases. In addition, the potential harm to our business and results of operations is greater if any significant partners declare bankruptcy or close. Moreover, to the extent partners withdraw from Kayak's meta-search services, consumers may not view us as a reliable source of comprehensive travel service information and fewer consumers are likely to utilize our meta-search websites, which would have a negative impact on our advertising revenue and results of operations.

We rely upon Google to generate a significant portion of traffic to our platforms and to a lesser extent, other search and meta-search services, principally through pay-per-click marketing campaigns. The pricing and operating dynamics on these platforms can experience rapid change commercially, technically, and competitively. If the logic determining placement and

display of results of a consumer's search changes, the placement of links to our platforms can be negatively affected and our costs to improve or maintain our placement in search results can increase. In addition, a decline or slowing growth in travel search traffic negatively impacts our ability to efficiently generate traffic to our platforms through performance marketing on general search platforms, which could have an adverse effect on our business and results of operations.

We rely on various third-party distribution channels (i.e., marketing affiliates) to distribute accommodation, rental car, and airline ticket reservations. Should one or more of such third parties cease distribution of reservations made through us, or suffer deterioration in its search or meta-search ranking, our business, market share, and results of operations could be adversely affected.

We offer a range of insurance products related to our travel offerings, primarily through third-party insurance providers. Our business and reputation may be adversely affected if such providers no longer make such offerings available to us on economically reasonable terms or at all.

We face risks related to the growth of our alternative accommodations business.

Our alternative accommodations business may face risks relating to claims of liability, regulatory developments, and continued growth and profitability. Because alternative accommodations are often either a single unit or a small collection of independent units, and may have additional costs to be offered on our platforms, these properties generally represent more limited booking opportunities and lower profit margins than hotels, motels, and resorts. Further, alternative accommodations may be subject to increased seasonality or may not be available at peak times due to use by property owners. To the extent alternative accommodations represent an increasing percentage of the properties we add to our platforms, we expect that our room-night growth rate and property growth rate will continue to diverge over time, and the number of reservations per property will likely continue to decrease.

In addition, alternative accommodations are subject to claims of liability based on injury, death, discrimination, or criminal activities occurring at these properties. We have no control over the actions of our consumers, property owners, and other third parties during the customer's stay, and cannot guarantee the safety of such individuals. In addition, we have not in the past and may not in the future undertake to systematically verify the safety, quality, and legal compliance of our alternative accommodation listings. We rely on property owners to disclose information relating to their listings and such information may be inaccurate or incomplete. In addition, Booking.com facilitates the provision of partner liability insurance that may protect alternative accommodation partners against liability claims, lawsuits by third parties for bodily injury, or personal property damage that occur during a stay at a partner property. This partner liability insurance, if applicable to the claim, may provide partners with up to \$1.0 million equivalent (policy limit) of third party liability coverage related to the underlying claim. The Company could be required to pay amounts in excess of the partner liability policy limit. Any resulting complaints or claims could result in negative publicity and increased costs, which could adversely affect our reputation, business, and results of operations.

The regulatory environment related to the alternative accommodations business is evolving, and laws, regulations, or property association rules could impose restrictions or burdens on property owners and managers that limit or negatively affect their ability to rent their properties. For example, the European Commission has adopted a short-term rental regulation that imposes new obligations around property owner registration, property verification, and enforcement of local registration schemes, and in conjunction with the Digital Services Act. For additional discussion regarding the Digital Services Act, see - *"Our business is subject to various competition/anti-trust, consumer protection, and online commerce laws and regulations around the world, and as the size of our business grows, scrutiny of our business by legislators and regulators in these areas may intensify."* Some jurisdictions have adopted or are considering legal restrictions that prohibit owners and managers from renting certain properties for fewer than a stated number of consecutive days or for more than an aggregate total number of days per year or that require online platforms, owners or managers to obtain a license to rent or list alternative accommodations. From time to time, we are subject to inquiries related to compliance with alternative accommodation legal requirements that we may not be able to respond to in a timely manner or in full satisfaction. The outcome of such inquiries has resulted in fines and could result in additional fines, adversely affect our reputation, or require modifications to our business operations. Legal requirements applicable to alternative accommodations are evolving and can be inconsistent among each individual locality. As governments adopt new legal requirements related to alternative accommodations, we are unable to predict what effect they may have on our business. This dynamic regulatory environment requires us to expend significant time and resources and could negatively impact the growth and/or size of our alternative accommodation reservation business.

We face risks relating to our marketing efforts.

We invest considerable resources in the establishment and maintenance of our brands, and we intend to continue to invest resources in marketing and other brand building efforts to preserve and enhance consumer awareness of our brands and attract and retain customers. Performance marketing costs to grow traffic to our platforms are variable because they are dependent on others' marketing spend in the same channels. If we are unable to maintain or enhance consumer awareness and acceptance of our brands or if such efforts are not cost-effective, our business, market share, and results of operations would be materially adversely affected.

Our marketing efficiency, expressed as marketing expense as a percentage of revenues, is impacted by a number of factors that are subject to variability and are in some cases outside of our control, including ADRs, costs per click, cancellation rates, foreign currency exchange rates, our ability to convert paid traffic to booking customers, and the extent to which consumers come directly to our websites or mobile apps for bookings. If our marketing efforts are less effective at generating new bookings, our marketing efficiency could deteriorate and our margins, revenues, and earnings growth could be adversely affected. For example, competition for desired rankings in search results and/or a decline in ad clicks by consumers could increase our costs-per-click and negatively impact our marketing efficiency. For more information regarding the role of online search engines in generating traffic to our websites, see - "*We are dependent on travel service providers, restaurants, search platforms, and other third parties.*" At times we may pursue a strategy of increasing marketing returns on investment ("ROIs"), which could negatively affect our gross bookings and revenue growth rates. Pursuing a strategy of improving performance marketing ROIs along with factors such as competitors' actions in the bidding environment, the amount of marketing invested by these channels to generate demand, and overall marketing platform traffic growth trends, may also impact growth rates for marketing channels. Additionally, many factors could cause consumers to increase their shopping activity before making a travel purchase. Increased shopping activity impedes our marketing efficiency and effectiveness because traffic becomes less likely to result in a reservation through our platforms, and such traffic is more likely to be obtained through paid marketing channels than through direct channels. Any negative trends in our marketing efficiency, performance marketing ROIs, or consumer shopping activity could negatively impact our business, market share, and results of operations.

We may not be able to keep up with rapid technological or other market changes.

We compete in markets characterized by rapidly changing technology, evolving industry standards, consolidation, frequent service developments, and changing consumer preferences. In addition, these market characteristics are heightened by the progress of technology adoption in various markets, including the continuing adoption of online commerce in certain geographies and the growth of the use of smart devices for mobile e-commerce transactions. We may not be able to keep up with these rapid changes. See - "*Consumer adoption and use of mobile devices creates challenges and may enable device companies such as Google and Apple to compete directly with us.*"

Additionally, our ability to achieve our long-term strategy to build the Connected Trip will require increased financial and personnel investments that could have an adverse impact on our results of operations until we achieve the expected return on these investments. While we believe that we have the ability to achieve our long-term strategy to build the Connected Trip, the development of the Connected Trip is subject to uncertainties, including further development of the verticals and technological capabilities necessary for the Connected Trip experience, the ability to collect, store, and use customer data in a compliant and integrated fashion, and the attraction and retention of employees dedicated to this development effort. As a result, it may take longer than we expect to realize the Connected Trip vision or it may not achieve the expected return on investment. These efforts may also not be successful in improving the travel experience or retaining and attracting new customers. Further, regulatory authorities may subject us to existing or new restrictions that could prevent us from successfully commercializing the Connected Trip or expose us to unanticipated claims or liabilities. With any technical innovation such as the Connected Trip effort, there could be bugs, vulnerabilities, and other system failures, which could result in lost business, harm to our brand or reputation, consumer complaints, and other adverse consequences, any of which could adversely affect our business and results of operations.

We are working toward enhancing our payments capabilities, including by offering alternative payment solutions to consumers even when those payment solutions may not be accepted by the travel service provider or restaurant. In many markets, alternative payment methods are the exclusive or preferred means of payment for many consumers. If we are unable to offer consumers their preferred method of payment by integrating new or emerging payment methods into our platforms, we may not be able to effectively offer our services to these consumers, which would limit our growth opportunities in these markets and our business and results of operations could be harmed.

Furthermore, in the future the competitive pressure to innovate could encompass a wider range of services and technologies, including services and technologies that may be outside of our historical core business, and our ability to keep

pace may slow. Emerging start-ups may be able to innovate and focus on developing a particularly new product or service faster than we can or may foresee consumer need for new services or technologies before we do. In addition, the widespread adoption of new technologies, such as generative artificial intelligence and machine learning ("AI"), could influence how customers search for and book travel, require us to modify or adapt our services or infrastructure, and subject us to new regulatory frameworks, which could adversely affect our results of operations or financial condition. For example, the development, adoption, and uses for AI technologies, which we are incorporating into certain of our offerings, are still in their early stages and the regulatory framework for its use is uncertain. The use of AI presents risks and challenges because in some instances we may make use of third-party foundational models that have been pre-trained on data which may be insufficient, erroneous, stale, contain biased information, or infringe IP rights. Additionally, the output produced by these models may be inaccurate, misleading, discriminatory, offensive, illegal or otherwise harmful. Such risks are heightened if we or third-party developers or vendors lack sufficient responsible AI development or governance practices. These deficiencies and other failures of AI systems could subject us to competitive harm, regulatory action, legal liability, and brand or reputational harm.

We rely on the performance of highly skilled employees; and, if we are unable to retain or motivate key employees or hire, retain, and motivate well-qualified employees, our business would be harmed.

Our performance is largely dependent on the talents and efforts of highly skilled individuals, including key senior management in the United States, Europe, and Asia. We may not be able to retain the services of key employees, the loss of whom could harm our business and competitive position. Our future success and ability to innovate depends on our continuing to identify, attract, hire, develop, motivate, and retain a highly skilled, global, diverse workforce. In addition, our customer service resources and outsource arrangements for customer support may be unable to provide adequate customer service support. There may continue to be operational and workplace cultural challenges that may adversely affect our business, including talent retention, in connection with changes to work environments due to the COVID-19 pandemic.

Competition for well-qualified employees in all aspects of our business, especially software engineers, mobile communication talent, product professionals, and other technology professionals, is intense and costly. In particular, our success in global markets has led to increased efforts by our competitors and others to hire our employees. These difficulties may be amplified by increased ability to work remotely, evolving restrictions on immigration or availability of visas or work permits for skilled technology workers, requirements of applicable collective bargaining agreements, and laws in jurisdictions where we operate that make recruiting senior talent more difficult, such as the reductions in the (partial) tax exemption that benefits certain non-Dutch citizens working in the Netherlands. The competition for talent in our industry and with companies with whom we did not historically compete combined with inflationary pressure on compensation has caused our personnel expenses to attract and retain key talent to increase, which may adversely affect our results of operations. If we do not succeed in attracting and retaining well-qualified employees, our business, our ability to grow and innovate, competitive position, reputation, and results of operations would be adversely affected.

Consumer adoption and use of mobile devices creates challenges and may enable device companies such as Google and Apple to compete directly with us.

Widespread adoption of mobile devices, particularly smartphones, coupled with the web browsing functionality and development of apps available on these devices, continues to drive substantial online traffic and commerce to mobile platforms. We have experienced a significant shift of business, both direct and indirect, to mobile platforms, and we believe that mobile bookings are necessary to maintain and grow our business as consumers increasingly turn to mobile devices instead of a personal computer. The revenues earned on a mobile transaction may be less than a typical desktop transaction due to different consumer purchasing patterns. To the extent mobile devices or platforms enable users to block advertising content, our advertising revenue and our ability to market our brands may also be negatively affected. Given the device sizes and technical limitations of smartphones, mobile consumers may not be willing to download multiple apps providing a similar service and instead prefer to use one or a limited number of apps for their mobile travel and restaurant reservation activity. As a result, the consumer experience with mobile apps as well as brand recognition and loyalty are critical. It is increasingly important for us to provide consumers with an appealing, easy-to-use mobile platform experience and that the features of our mobile platforms are competitive. If we are unable to attract consumers to our mobile platforms, we could lose market share and our business, future growth, and results of operations could be adversely affected.

As the primary smartphone manufacturers, Google and Apple could leverage their operating systems to give a competitive advantage to their services that overlap with ours. We rely heavily on Google and Apple's app stores to provide our mobile apps to users, and each of Google and Apple have more experience developing mobile apps and access to greater resources than us. To the extent Google or Apple use their mobile operating systems, app distribution channels, mobile payment systems, or search or other marketplace services to favor their services that overlap with ours, our business and results of operations could be harmed.

Impairments of goodwill, long-term investments, and long-lived assets, increases in provisions for expected credit losses on receivables from and cash advances made to our travel service provider and restaurant partners, and increases in cash outlays to refund consumers for prepaid reservations have a negative impact on our results of operations.

We have recorded and may in the future record impairments of goodwill, long-term investments, or long-lived assets. Future events and changing market conditions, like significant adverse changes in the market valuations of companies in the travel and technology industries, may result in the need to recognize goodwill, investment, and asset impairment charges, which could have a material adverse effect on our results of operations.

Any significant increase in our provision for expected credit losses and any significant increase in cash outlays to refund consumers could have a corresponding adverse effect on our results of operations and related cash flows. We could experience a high level of cancellations of existing reservations which could result in higher than normal cash outlays to refund consumers for prepaid reservations. In some instances, where we had agreed to provide free cancellations to consumers for non-refundable reservations, we did not estimate a recovery of prepayment already made to a travel service provider. We may also offer cancellable room rates on behalf of a partner to provide flexibility to our consumers even if the partner has not provided a cancellable room rate, which could have a negative impact on our revenues if we are unable to facilitate booking from another customer.

We face risks related to our operational and technological infrastructures.

Historically, our brands operated on a largely independent basis and many of them focused on particular services or geographies. We continue to optimize collaboration among our brands. As we manage this shift, in addition to managing any changes in our workforce, we may find it difficult to maintain the beneficial aspects of our corporate culture at the brand companies and throughout the organization as a whole. In addition, any future expansion or shift increases the complexity of our business and places additional strain on our management, operations, technical performance, financial resources, and administrative, legal, tax, internal controls, and financial reporting functions. Our current and planned employees and outsourced resources, systems, procedures, and controls may not be adequate to support and effectively manage growth and increased complexity, or could result in actual or perceived disruption of our service or customer support, especially as we have employees and outsourced resources in multiple geographic locations around the world and increase the number and variety of our products and payment systems.

In addition, we are conducting a multi-year phased migration to integrate and upgrade certain systems and processes. The implementation of new information technology, payment, enterprise resource planning, or other systems is disruptive and costly and may not be successful, which could adversely affect our business and results of operations. For example, during a recent upgrade of certain financial systems, some of Booking.com's partners experienced delays in receiving payment from us. Any failure to implement or adapt to new technologies in a timely manner or at all could adversely affect our ability to compete, increase our consumer acquisition costs or otherwise adversely affect our business, brand, market share, reputation, or results of operations.

Investments in new business strategies and acquisitions could disrupt our ongoing business and present risks not originally contemplated.

We have invested and in the future may invest in new business strategies and acquisitions of complementary businesses. Such endeavors may not be successful. In 2023 our agreement to acquire European-based flights booking provider Etraveli Group was terminated after the European Commission blocked the transaction. Additionally, such ventures may involve significant risks and uncertainties, including diversion of management's attention from current operations, greater than expected liabilities and expenses, increased regulatory scrutiny, inadequate return on capital, new risks with which we are not familiar, legal and compliance obligations that previously did not apply to us, integration risks, and unidentified issues not discovered in our evaluations of those strategies and acquisitions. Further, we may issue shares of our common stock in these transactions, which could result in dilution to our stockholders. As a result, entering new businesses involves risks and costs that could, if realized, have an adverse effect on our business, reputation, results of operations, profit margins, cash flows or financial condition, as well as on our ability to achieve the expected benefits of any such investments or acquisitions. In addition, we may decide to make minority investments, including through joint ventures, in which we have limited or no management or operational control. The controlling person in such a case may have interests that are inconsistent with ours, and decisions of the company or venture in which we invested may result in harm to our reputation or business or adversely affect the value of our investment.

We may not be able to successfully integrate acquired businesses or combine internal businesses.

The integration of acquired businesses requires significant time and resources, and we may not manage these processes successfully. In addition to acquired businesses, we have integrated certain of our businesses that had been managed independently, integrated certain functions across our businesses, and restructured or ceased operating certain assets or businesses, and we may do so in the future, including through divestitures. Integrations are complex, costly, and create a variety of risks, including:

- disruption or harm to the businesses involved, or to our other businesses, including the need for management to spend time and attention on the integration;
- difficulty combining different company cultures, systems, processes, and human resource policies and practices, or implementing and maintaining effective internal controls, procedures, and policies;
- problems retaining key personnel; and
- loss of travel service providers, restaurants, or other partners of the acquired business.

We may not successfully integrate companies or achieve the strategic, financial, or operating objectives of an acquisition or integration, any of which could adversely affect our business, results of operations, or value of our acquisitions.

Information Security, Cybersecurity, and Data Privacy Risks

Our processing, storage, use, and disclosure of personal data exposes us to risks of data breaches and could give rise to liabilities and/or damage our reputation.

We are dependent on sophisticated software applications and computing infrastructure for the operation of our business. If threat actors such as cyber-criminals, hackers, and state-sponsored organizations are able to circumvent our security measures, including as a result of our own acts or omissions, it could result in a compromise or breach of consumer, partner, or employee data. Data security is essential to maintaining consumer and partner confidence in our services and the uninterrupted availability of our web and mobile platforms is essential for our business. Consumers may provide us with their personal identity data and payment information, which in turn attracts attention from threat actors. Cyberattacks are increasing in frequency and sophistication and are constantly evolving. We may not be able to defend against sophisticated cyberattacks from determined adversaries. In addition, our security policies and controls may not keep pace with the continuous innovation of our offerings.

Vulnerabilities in our consumer and partner account security and workflow practices could and have resulted in unauthorized access to personal and confidential data. These risks are likely to increase as we expand our offerings, integrate our products and services, incorporate AI and Large Language Models, and store and process more data, including personal information and payment data. The disclosure of non-public Company-sensitive information by our workforce or other parties could lead to information loss, reputational harm, or loss of a competitive advantage. We expend significant resources to protect against security breaches and maintain or increase our systems' security. We have experienced and responded to cyberattacks, which we believe have not had a material impact on the integrity of our systems or the security of data, including personal information maintained by us. Security breaches could result in negative publicity, damage our reputation, expose us to risk of loss or litigation and possible liability, subject us to regulatory penalties and sanctions, or cause consumers to lose confidence in our security and choose to use the services of our competitors, any of which would have an adverse effect on our brands, market share, results of operations, and financial condition. See - "*Cyberattacks and system vulnerabilities could lead to sustained service outages, data loss, reduced revenue, increased costs, liability claims, or harm to our competitive position.*" Our efforts to protect information from unauthorized access may also result in the rejection of legitimate attempts to book reservations through our services, which could result in lost business. Additionally, our consumers' personal data could be affected by security breaches at third parties upon which we rely. See - "*Our business relies on a global supply chain of third party services providers and we are exposed to risks because we rely on the resilience, security, and legal compliance of their products and services.*"

In the operation of our business, we receive and store a large volume of personally identifiable data and payment information. The handling and storage of such data, as well as privacy rights of consumers, are subject to complex and evolving laws and regulations in numerous jurisdictions. Regulations such as the European Union's General Data Protection Regulation (the "GDPR"), the California Consumer Privacy Act (the "CCPA"), the California Privacy Rights Act, and the Digital Markets Act ("DMA") add complexity and impose significant compliance obligations and costs on us. For example, under the GDPR, violations could result in fines of up to 20 million Euros or up to 4% of the annual global revenues of the infringer, whichever is greater. Several data protection authorities have imposed significant fines on companies for violations of the GDPR. These

regulations typically intend to protect the integrity and security of personal data that is collected, processed, and transmitted in or from the governing jurisdiction as well as to give individuals greater rights and/or control over how their data is processed. In many cases, these laws apply not only to third-party transactions, but also to transfers of information between us and our subsidiaries, including employee information. These laws and their interpretations continue to develop and may be inconsistent from jurisdiction to jurisdiction. Additionally, some of these regulations, such as the CCPA, give consumers a private right of action against companies for violations of these rules. While we invest significant resources to comply with a growing patchwork of privacy regulations, many of these regulations (such as the Personal Information Protection Law in the People's Republic of China and the Digital Personal Data Protection Act in India) are complex to implement and subject to uncertain interpretation. Non-compliance with these laws could result in negative publicity, damage to our reputation, significant penalties, or other legal liability. If laws or regulations are expanded to require changes in our business practices, or interpreted in ways that negatively affect our business, our results of operations, financial condition, or competitive position could be adversely affected.

Cyberattacks and system vulnerabilities could lead to sustained service outages, data loss, reduced revenue, increased costs, liability claims, or harm to our competitive position.

If our systems cannot cope with the level of demand required to service our consumers and partners, we could experience unanticipated disruptions in service, slower response times, decreased customer service and customer satisfaction, and delays in the introduction of new services. As an online business, we are dependent on the internet, connectivity, and mobile systems throughout the world. Disruptions in internet access could materially adversely affect our business and results of operations. While we maintain redundant systems and hosting services, they are not always sufficient to prevent disruption, and we do not carry business interruption insurance sufficient to compensate us for all losses that may occur.

We have computer hardware for operating our services located in hosting facilities around the world. Although we have disaster recovery plans, these systems and operations are vulnerable to damage or interruption and they may not cover us in every region. If such events were to occur, we may not be able to switch to back-up systems immediately and it could result in lengthy interruptions or delays in our services. Any system failure that causes an interruption or delay in service could impair our reputation, damage our brands, increase customer service costs, or result in lost business, any of which could adversely affect our business and results of operations. We seek to increase the reliability and redundancy of our systems. These steps are expensive, may reduce our margins, and may not be successful in reducing the frequency or duration of unscheduled downtime.

We have experienced targeted and organized malware, phishing, and account takeover attacks, and may in the future experience these and other forms of attack such as ransomware, SQL injection (where a third party attempts to insert malicious code into our software through data entry fields in our websites in order to gain control of the system), and attempts to use our websites as a platform to launch a denial-of-service attack on another party. Our existing security measures may not be successful in preventing attacks on our systems. For instance, we have incurred costs related to customer reimbursement and customer service, reputational harm, and lost revenue from fictitious listings and partner account takeovers. Our existing IT business continuity and disaster recovery practices are less effective against certain types of attacks such as ransomware, which could result in interruption of our services, data exposure, and/or an extortion attempt. Reductions in the availability and response time of our online services could cause loss of substantial business volumes and measures we may take to divert suspect traffic could result in the diversion of bona fide customers. These issues are more difficult to manage during any expansion of the number of places where we operate and the variety of services we offer, and as the tools and techniques used in such attacks become more advanced. We use sophisticated technology to identify cybersecurity threats; however, a cyberattack may go undetected for a period of time resulting in harm to our computer systems and the loss of data. This could result in regulatory fines and reputational harm, among other costs. Our insurance policies have coverage limits and may not be adequate to reimburse us for all losses caused by security breaches. Successful attacks could result in significant interruptions in our operations, severe damage to our information technology infrastructure, negative publicity, reputational harm, and/or prevent consumers from using our services during the attack, any of which could cause consumers to use the services of our competitors, which would have a negative effect on the value of our brands, market share, business, and results of operations.

We use both internally-developed and third-party systems to operate our services, including transaction processing, order management, and financial and accounting systems. If the number of consumers using our services increases substantially, or if critical third-party systems stop operating as designed, we may need to repair, expand or upgrade our systems or infrastructure. If we are unable to meet the demand in a timely manner, it could have a negative impact on our business. Many of our processes and systems are highly automated and involve multiple inputs from various IT systems, which can mitigate the risk of human error but which can also make testing, troubleshooting, and auditing more difficult. As a result, it may be difficult to quickly detect and correct errors embedded in these processes or systems.

Our business relies on a global supply chain of third party services providers and we are exposed to risks because we rely on the resilience, security, and legal compliance of their products and services.

We rely on certain third-party computer systems and third-party service providers, including GDSs and computerized central reservation systems of the accommodation, rental car, and airline industries in connection with providing some of our services. Any damage to, breach of, or interruption in these third-party services and systems or deterioration in their performance could prevent us from booking related reservations and have a material adverse effect on our business, brands, and results of operations. Third party business partners, service providers, and consultants may be given access to our computer networks. A cyberattack against one of these third parties that compromises their credentials may result in unauthorized access to our systems and data, resulting in a cyberattack against us. Furthermore, our agreements with some third-party service providers do not provide recourse for service interruptions, and such service interruptions could have a negative impact on our business and results of operations.

Consumers generally are concerned with security and privacy on the internet, and any publicized privacy and security problems could negatively affect consumers' willingness to use our services. Some of our business is conducted with third-party marketing affiliates, which may generate travel reservations through our infrastructure or through other systems. A security breach at any third-party that we conduct business with, such as the security breach experienced by MGM Resorts International in 2023, could be perceived by consumers as a security breach of our systems and could result in negative publicity, subject us to notification requirements, damage our reputation, expose us to risk of loss or litigation, and subject us to regulatory penalties and sanctions, even if we had no direct involvement in the breach. In addition, such third parties may not comply with applicable disclosure requirements or with parameters within which we permit them to process data, which could expose us to liability.

We depend upon various third parties to process payments, including credit cards, or to provide credit card numbers for payment for our merchant transactions. If any such third party were compromised or ceased or suspended operations, our cash flows could be disrupted or we may not be able to generate merchant transactions (and related revenues) for a period of time and this could have a negative effect on our business, reputation, and results of operations and, in certain cases of the insolvency of such a partner could result in additional payments by us and loss of the total transaction value.

Tax Risks

We may have exposure to additional tax liabilities.

As an international business providing services around the world, we are subject to various taxes. Although we believe that our tax filing positions are reasonable and comply with applicable law, we regularly review them and we may change our positions or determine that previous positions should be amended, either of which could result in additional tax liabilities. The final determination of tax audits or disputes may be different from what is reflected in our historical tax provisions and accruals. We have been audited in many taxing jurisdictions. If audits find that additional taxes are due, we may be subject to incremental tax liabilities, possibly including interest and penalties, which could have a material adverse effect on our results of operations, financial condition, and cash flows. An unfavorable outcome or settlement of pending litigation or audit proceedings could encourage the commencement of additional litigation, audit proceedings, or other regulatory inquiries. See Notes 15 and 16 to our Consolidated Financial Statements for more information regarding certain tax matters and tax contingencies.

Governments are increasingly focused on ways to increase tax revenues, which has contributed to an increase in audit activity, more aggressive positions taken by tax authorities, more time and difficulty to resolve any audits or disputes, and an increase in new tax legislation. Any such additional taxes or other assessments may be in excess of our current tax provisions or may require us to modify our business practices in order to reduce our exposure to additional taxes going forward, any of which could have a material adverse effect on our business, results of operations, and financial condition.

The United States's Tax Cuts and Jobs Act (the "Tax Act") introduced a tax on 50% of global intangible low-taxed income ("GILTI"), which is income determined to be in excess of a specified routine rate of return on qualifying business assets. The Tax Act further introduced a base erosion and anti-abuse tax ("BEAT") aimed at preventing the erosion of the U.S. tax base and a new tax deduction with respect to certain foreign-derived intangible income. If we are unable to operate our business so that BEAT does not impact us, our effective tax rate, results of operations and cash flows would be adversely affected. The interpretation and implementation of the Tax Act have had and could have a negative impact on our results of operations and cash flows. In addition, the United States's recently enacted Inflation Reduction Act includes a 15% corporate minimum tax on book income and a 1% excise tax on stock repurchases. The interpretation and implementation of these provisions could have a negative impact on our results of operations and cash flows. Increases in the U.S. corporate income tax

rate, increasing the percentage of GILTI subject to tax in the United States, or other changes to U.S. federal tax laws could have a negative impact on our results of operations and cash flows.

Certain countries have taken steps to unilaterally introduce a digital services tax to address the issue of multinational businesses carrying on business in their jurisdiction without a physical presence and therefore generally not being subject to income tax in those jurisdictions. These digital services taxes are calculated as a percentage of revenue rather than income or profits. The interpretation and implementation of the various digital services taxes (especially if there is inconsistency in the application of these taxes across tax jurisdictions) could adversely impact our results of operations and cash flows. Further, digital services taxes may not apply to our competitors, which could harm our business and competitive position.

Additionally, there have been significant changes made and proposed to international tax laws that increase the complexity, burden, and cost of tax compliance. The Organisation for Economic Co-operation and Development ("OECD") has been working on the "base erosion and profit shifting" ("BEPS") project to ensure international tax standards keep pace with changes in global business practices. This project could change various aspects of the existing rules under which our tax obligations are determined. In 2021, more than 130 countries agreed to a new OECD framework on BEPS that, among other provisions, includes proposed changes to how the right to tax income would be allocated among countries and imposes a 15% global minimum tax. The OECD recently issued additional commentary related to the 15% minimum tax, including the intention that provisions be incorporated into law with an effective date of January 1, 2024. Several member countries outside the U.S. have adopted these rules, effective January 1, 2024. The rules for the calculation of the 15% minimum tax are complex and additional guidance continues to be issued by the OECD and its member countries. The implementation of these rules could have a negative impact on our results of operations or cash flows.

Due to the large scale of our business activities outside of the United States, any changes in U.S. or international taxation of our activities, such as new definitions of permanent establishment, new nexus and profit allocation rules, or the combined effect of tax laws in multiple jurisdictions, may increase our worldwide effective tax rate, increase the complexity and costs associated with tax compliance, and adversely affect our cash flows and results of operations.

We are also subject to other non-income-based taxes, such as value-added, payroll, sales, use, excise, net worth, property, hotel occupancy, and goods and services. We refer generally to taxes on travel transactions (e.g., value-added taxes, sales taxes, excise taxes, hotel occupancy taxes, etc.) as "travel transaction taxes." From time to time, we are under audit or investigation by tax authorities or involved in legal proceedings related to these non-income-based taxes or we may revise our tax positions, which may result in additional non-income-based tax liabilities.

A number of jurisdictions in the United States have initiated lawsuits or other proceedings against OTCs, including us, related to, among other things, the payment of certain travel transaction taxes that could include historical taxes that are claimed to be owed, interest, penalties, punitive damages and/or attorney's fees and costs. Additional jurisdictions may assert that we are subject to travel transaction taxes and could seek to collect such taxes, either retroactively, prospectively or both. We continue to defend against these lawsuits and, where appropriate, intend to continue to assert that we should not be subject to such taxes. Although we believe we do not owe the taxes claimed in these lawsuits, litigation is uncertain, and if there was an adverse outcome in this litigation, or any similar litigation in other jurisdictions, it could result in liabilities for past and/or future bookings, and it could have an adverse effect on our business, profit margins, and results of operations. Jurisdictions could also seek to amend their tax statutes in order to collect travel transaction taxes from us on a prospective basis.

Additionally, jurisdictions have adopted or may adopt laws that require us to collect and remit travel transaction or other taxes on the total travel transaction value or on behalf of travel service providers, which in some instances may negatively impact our revenue, margins, cash flows, and results of operations and may require significant and costly system changes to implement.

We may not be able to maintain our "Innovation Box Tax" benefit.

The Netherlands corporate income tax law provides that income generated from qualifying innovative activities is taxed at the rate of 9% beginning in January 2021 and 7% prior to 2021 ("Innovation Box Tax") rather than the Dutch statutory rate of 25%. Effective January 1, 2022, the Netherlands corporate income tax rate increased from 25% to 25.8%. A portion of Booking.com's earnings historically has qualified for Innovation Box Tax treatment.

In order to be eligible for Innovation Box Tax treatment, Booking.com must, among other things, apply for and obtain a research and development ("R&D") certificate from a Dutch governmental agency every six months confirming that the activities that Booking.com intends to be engaged in over the subsequent six-month period are "innovative." The R&D certificate is current but should Booking.com fail to secure such a certificate in any future period - for example, because the

governmental agency does not view Booking.com's new or anticipated activities as innovative, the Innovation Box Tax benefit may be reduced or eliminated. Booking.com intends to apply for continued Innovation Box Tax treatment for future periods. However, Booking.com's application may not be accepted, or, if accepted, the amount of qualifying earnings may be reduced.

The loss of the Innovation Box Tax benefit (or any material portion thereof) could substantially increase our effective tax rate and adversely impact our results of operations and cash flows in the future.

Legal, Regulatory, Compliance, and Reputational Risks

Our business is subject to various competition/anti-trust, consumer protection, and online commerce laws and regulations around the world, and as the size of our business grows, scrutiny of our business by legislators and regulators in these areas may intensify.

We are subject to competition and consumer protection laws and regulations around the world. These laws and regulations constantly evolve, and their interpretation, application, and enforcement can also change, be unpredictable, or be affected by changing political or social pressures. As we expand our business into new areas, including our evolution towards the Connected Trip vision, we may become subject to additional laws and regulations. We have been the subject of investigations or inquiries by national competition authorities ("NCAs") or other governmental authorities. For example, we are involved in investigations related to whether Booking.com's contractual parity arrangements with accommodation providers are anti-competitive because they require partners to provide Booking.com with rates, conditions, and availability at least as favorable as those offered to other OTCs or by the partner itself. Recently, the Comisión Nacional de los Mercados y la Competencia in Spain issued a draft decision to impose a fine and to restrict certain business practices based on the allegation that certain practices by Booking.com may produce adverse effects for hotels and other OTCs. Additionally, in September 2017 the Swiss Price Surveillance Office opened an investigation into the level of commissions of Booking.com in Switzerland. The Swiss investigation is ongoing and if there is an adverse outcome in the investigation and any appeal, Booking.com could be required to reduce its commissions in Switzerland. To resolve and close certain of the investigations, we have made commitments to the investigating authorities regarding future business practices or activities, such as agreeing to narrow the scope of our parity arrangements. While we believe that we are complying with the commitments we have made, investigating authorities or third parties may determine otherwise and decide to pursue legal action to compel compliance or seek other remedies. We are cooperating with regulators where applicable, but we are unable to predict what, if any, effect any investigations or their resolution, including the effect of any commitments we might make, will have on our business, industry practices, or online commerce more generally. An unfavorable outcome of an investigation could encourage additional regulatory inquiries that could become widespread over time, significantly increasing the potential financial and reputational impact on the Company. Additionally, these types of investigations can result and have resulted in the assessment of fines, private litigation, and negative publicity. See Note 16 to our Consolidated Financial Statements for more information regarding our contingencies.

We have also been involved in investigations or inquiries involving consumer protection matters and we have previously made certain voluntary commitments to consumer authorities to resolve investigations or inquiries that have included showing prices inclusive of all mandatory taxes and charges, providing information about the effect of money earned on search result rankings on or before the search results page, and making certain adjustments to how discounts and statements concerning popularity or availability are shown to consumers. To the extent that these or any other investigations or inquiries result in additional commitments, changes to our business practices, negative publicity, fines, damages from private litigation, or other remedies, it could have a material adverse effect on our business, financial condition, and results of operations.

There is significant legislative and public focus on the technology industry, especially as technology companies become larger. In some instances, countries have passed legislation that goes further to restrict business activities than actions taken by NCAs or other regulatory authorities. Various jurisdictions in Europe have passed legislation prohibiting or restricting the use of parity clauses in contracts. Additionally, the EU's Platform to Business Regulation regulates the relationship between online platforms such as Booking.com and European business users of online platforms. The DMA and Digital Services Act ("DSA") give regulators in the EU more instruments to investigate and regulate digital businesses and impose additional rules and requirements on platforms designated as "gatekeepers" under the DMA and online platforms more generally, with separate rules for "Very Large Online Platforms" ("VLOPs") under the DSA. As a result, we are and will in the future become subject to additional rules and regulations that may not be applicable to our competitors. For example, the DMA restricts parity arrangements and imposes requirements regarding the usage of data across services, which could adversely impact our business. Designated gatekeepers also need to establish an independent compliance function to monitor compliance with the DMA. The Company has met the quantitative notification criteria set forth in the DMA and expects to notify the European Commission of that fact within the required deadline. Certain of the DMA's requirements will become enforceable later in 2024. As a result of the DMA, compliance costs may increase and changes to our products or business practices may be required. The DMA and

DSA will likely be subject to further interpretation and regulatory engagement. Under the DSA, we are required to collect more information from partners, which could disincentivize certain partners from using our services. Further, as a VLOP, Booking.com is subject to additional scrutiny, obligations, and costs, such as payment of an annual supervisory fee, annual risk assessments and independent audits, and establishing an independent compliance function. The DMA and DSA each have significant penalties for non-compliance.

The European Commission designates VLOPs based on a platform's number of EU "monthly active recipients" ("MARs"). The European Commission requires counting users to whom information was displayed, even if a user does not make a transaction on the platform. The assessment of MARs and any other published information by our brands represents an estimate based on the data available to us and limited guidance, and is subject to limitations. The estimate is published solely as a requirement under the DSA, may be inaccurate, and should not be used for any other purpose. For information we consider relevant to the performance of our business, see Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

New state and federal laws and regulations, including the U.S. executive order aimed at restricting anticompetitive practices and those under consideration by the Federal Trade Commission, could impact our services, require us to change our business practices, and impose additional complexity and costs. As market conditions change as a result of investigations, litigation, legislation, changing public perception of the industry, or political or social pressure, we may decide to modify our business practices beyond what is required, the full effects of which may not be known when making the decision, but which could harm our competitive position and adversely affect our business and results of operations.

With additional attention on the size of travel or technology companies generally, our size and market share may negatively affect our ability to obtain regulatory approval of proposed acquisitions or other opportunities, our ability to expand into complementary businesses, or our latitude in dealing with travel service providers (such as by limiting our ability to provide discounts, rebates, or incentives or to exercise contractual rights), any of which could adversely affect our business, results of operations, or ability to grow and compete.

Another area of potential regulatory inquiry involves contractual online search term bidding restrictions where one contracting party agrees not to bid on certain key search terms related to the other party (e.g., such other party's name). In some of our contracts, we or the other party have agreed to bidding restrictions. If bidding restrictions are held to be illegal or otherwise unenforceable or if we remove them from all of our contracts, it could negatively impact our performance marketing efficiency, business, and results of operations.

Regulatory and legal requirements and uncertainties could subject us to business constraints, increased compliance costs and complexities, or otherwise harm our business.

Legal requirements of governments and regulatory authorities, many of which are evolving and subject to revised interpretations, impact our ability to provide our services and can result in private litigation. For example, we currently offer optional rental car-related insurance products to customers protecting them against accidental damage to their rental vehicles, optional room and flight cancellation insurance products, and we intend to offer additional trip-related insurance products in the future, which subjects us to certain insurance distribution regulations and related increased compliance costs and complexities, any of which could negatively impact our business and results of operations. Any increase in the number or complexity of the laws and regulations applicable to us and our businesses could increase our compliance costs and burdens and negatively affect our business and results of operations.

Laws in some countries relating to data localization, registration as a travel agent, and other local requirements could, if applicable to us, adversely affect our ability to conduct business in those countries. For example, in the European Union and the United Kingdom, the Package Travel Directive and other local laws governing the sale of travel services (the "Package Directive") set out broad requirements such as local registration, certain mandatory financial guarantees, disclosure requirements, and other rules regulating the provision of single travel sales, travel packages, and linked travel arrangements, and certain liability for performance of the services. Some parts of our business are already subject to the broad scope of the Package Directive, and as our offerings continue to diversify and expand, we may become subject to additional requirements. Compliance with this directive could be costly and complex or, as a result of these requirements, we could choose to limit offerings that would otherwise be beneficial for the business, any of which could adversely affect our business, results of operations, or ability to grow and compete. Any changes to the Package Directive could be costly or complex to comply with and may also adversely affect our business, results of operations, or ability to grow and compete.

The implementation of unfavorable regulations or unfavorable interpretations of existing regulations by judicial or regulatory bodies could require us to incur significant compliance costs, cause the development of the affected markets to

become impractical and otherwise have a material adverse effect on our business and results of operations. For example, Turkish courts have ruled that Booking.com is subject to certain registration requirements in order to offer domestic accommodations to Turkish residents. If the appeal of this decision is not successful, Booking.com would be subject to Turkish registration requirements in order to resume offering domestic accommodations to Turkish residents, which would continue to negatively impact our business.

Compliance with the legal requirements of multiple jurisdictions increases our cost of doing business. Examples of these laws and regulations, which sometimes conflict, include the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, the DSA and DMA, and local laws which also prohibit corrupt payments to governmental officials or third parties, data privacy requirements, emerging regulations governing the development, marketing, and use of AI, labor relations laws, non-discrimination, human rights or anti-human trafficking laws, tax laws, anti-trust or competition laws, U.S., E.U., or U.N. sanctioned country or sanctioned persons mandates, and consumer protection laws. Violations of these laws and regulations have resulted in the past and could result in the future in fines, penalties, and/or criminal sanctions against us, our officers, or our employees and/or prohibitions on how or where we conduct business. Any such violations could delay or prevent potential acquisitions, and could materially damage our reputation, brands, global expansion efforts, ability to attract and retain employees and business partners, business, and operating results. Even if we comply with these laws and regulations, doing business in certain jurisdictions or violations of these laws and regulations by the parties with whom we conduct business could harm our reputation and brands, which could adversely affect our results of operations or stock price. In addition, if these restrictions are not applicable to competitors, it may provide them a competitive advantage. Our success depends, in part, on our ability to anticipate these risks and manage these difficulties. Additionally, our employees in certain countries in Europe are represented by works councils and/or trade unions. We are required to consult with works councils on certain matters such as restructurings, acquisitions and divestitures, and other matters that could impact our labor force. Consultation may not be completed on terms satisfactory to us and could result in increases in our cost of labor, diversion of management's attention away from operating our business, delays in certain initiatives, and expose us to claims and litigation. We are also subject to a variety of other regulatory, legal, and public policy risks and challenges in managing an organization operating in various countries, including:

- additional complexity to comply with regulations in multiple jurisdictions, as well as overlapping or inconsistent legal regimes, in particular with respect to tax, labor, consumer protection, digital content, advertising, promotions, privacy, and competition laws;
- difficulties in transferring funds from or converting currencies in certain countries; and
- changes in social or political conditions or policies relating to a wide range of sustainability topics.

We have made efforts and expect to make further efforts to integrate access to travel services across our various brands. These changes add complexity to legal and tax compliance and our internal controls, and our size and operating history may increase the likelihood that we will be subject to regulatory scrutiny or audits by tax authorities in various jurisdictions.

There are various risks associated with the facilitation of payments, including risks related to fraud, compliance with evolving rules and regulations, and reliance on third parties.

Our results have been and will likely continue to be negatively impacted by consumer purchases made using fraudulent payment cards, claims the consumer did not authorize the purchase, or consumers who have closed bank accounts or have insufficient funds in their bank accounts to satisfy payments. We may be held liable for accepting fraudulent payment cards on our platforms or in connection with other fraudulent transactions on our platforms, as well as other payment disputes. Accordingly, we calculate and record an allowance for the resulting chargebacks. If we are unable to successfully implement and evolve measures to detect and reduce the risk of fraud on our platforms, our business, profit margins, results of operations, and financial condition could be materially adversely affected.

We are processing more of our transactions on a merchant basis where we facilitate payments from travelers through the use of payment cards and other payment methods. While processing transactions on a merchant basis allows us to increase our ability to offer a variety of payment methods and flexible transaction terms to consumers, we incur additional payment processing costs (which are typically higher for foreign currency transactions) and other costs related to these transactions, such as costs related to fraudulent payments and transactions and fraud detection. As we expand our payments services to consumers and partners, in addition to the revenues from these transactions, we may experience a significant increase in these costs, and our results of operations and profit margins could be materially adversely affected, in particular if we experience a significant increase in non-variable costs related to fraudulent payments and transactions.

As a greater percentage of our transactions involve us processing payments, our global systems and processes must be managed on a larger scale, which adds complexity, administrative burdens and costs, and increases the demands on our systems and controls, which could adversely affect our results of operations. In addition, as our payment processing activities continue to develop, we expect to be subject to additional regulations, including financial services regulations, which we expect to result in increased compliance costs and complexities, including those associated with the implementation of new or advanced internal controls, including, by way of example, those arising from the E.U.'s Payment Services Directive 2 and similar or successor legislation. The implementation of these processes may result in increased compliance costs and administrative burdens.

Regulators (or we) may determine, and in some cases are likely to determine, that certain aspects of our business are subject to laws that govern payments activities, such as money transmission and online payments processing, which could require us to obtain licenses to continue to operate in certain jurisdictions or result in modification of our business plans. Certain of our subsidiaries that may provide payment services in support of our brands are subject to licensing and regulations that impose notice and approval obligations on investors that seek indirect or direct ownership, in the aggregate, of 10% or more of our outstanding shares. Regulations relating to operational resilience, banking (including consumer protection), privacy, and security of our processes also apply to us. Further, our payments systems are susceptible to illegal and improper uses, including money laundering, terrorist financing, fraudulent sales of goods or services, and transactions by or with sanctioned parties. We have invested and will need to continue to invest substantial resources to comply with applicable laws and regulations, and failure to maintain compliance could lead to fines or require us to modify or interrupt our business practices, plans, or operations, any of which could negatively impact our business, results of operations, and profit margins.

We are also subject to payment card association rules and obligations under our contracts with the card schemes and our payment card processors, and indirectly to the rules of payment systems in respect of credit (i.e., account to account) transfers. The rules of the card schemes and payment systems are often updated or interpreted by the schemes in different ways, and we may need to adjust our systems and/or processes to comply with any updated obligations. If we fail to comply with such obligations, we may lose our ability to accept certain credit and debit card payments from our customers, or facilitate other types of online payments, which would negatively impact our business and operating results. Under card association rules, including the Payment Card Industry Data Security Standard (the "Standard"), if information is compromised, we could be liable to payment card issuers for associated expenses and penalties, and in some cases, we could be restricted in our ability to accept payment cards. Under certain circumstances in our agreements with the card schemes and in relation to the Standard, we are also subject to periodic audits, self-assessments, and other assessments of our compliance with the rules and obligations of the payment card associations and the Standard, which could result in additional expenses and administrative burdens. In addition, if we fail to follow payment card industry security standards, even if no consumer information is compromised, we could incur significant fines or experience a significant increase in payment card transaction costs. Additionally, compliance with the Standard may not prevent all security incidents. If we are fined or required to pay additional processing fees or if our ability to accept payment cards is restricted in any way as a result of our failure to comply with these payment card industry rules, or otherwise, it could adversely impact our business, results of operations, and profit margins.

We rely on banks, card schemes, and other payment processors to execute certain components of the payments process. For inbound payments, we pay these third parties interchange fees and other processing and gateway fees to help facilitate payments from consumers to travel service providers. As a result, if we are unable to maintain our relationships with these third parties on favorable terms, if fees are increased for any reason, or if we provide security, our profit margin, business, and results of operations could be harmed. Additionally, if these third parties experience service disruptions or if they cease operations, consumers and travel service providers could have difficulty making or receiving payments, which could adversely impact our reputation, business, and results of operations.

In addition, in the event that one of our major travel service providers voluntarily or involuntarily declares bankruptcy or otherwise ceases or limits operations, we could experience an increase in chargebacks from customers with travel reservations with such travel service provider and we could experience financial loss from certain prepayments made to such travel service provider if we are not able to recover the prepayment.

We face risks relating to our environmental, social, and governance ("ESG") objectives, including climate-related commitments we have made that require us to invest effort, resources, and management time, and failing to meet those objectives may adversely impact our reputation, employee retention, and willingness of customers and partners to do business with us.

Investors, regulatory authorities, proxy advisory services, and other stakeholders are increasingly focused on our ESG practices. We have made climate-related commitments to reduce our scope 1 & 2 emissions by 95% and our scope 3 emissions by 50% by the end of 2030, and to achieve net zero by 2040. Additionally, we committed to making it easier for our customers

to find more sustainable trip options and we continue to work on enhancing related disclosure of goals, progress, and other ESG matters.

Our ability to achieve ESG goals and initiatives is subject to risks including: (1) the availability and cost of limiting or offsetting our use of carbon-based energy sources and technologies, (2) evolving regulatory requirements affecting ESG standards and disclosures, (3) our ability to work with partners and providers that can meet our sustainability and other standards, (4) the availability of vendor or other third-party data, (5) the impact of our organic growth and acquisitions or dispositions of businesses or operations on our ESG goals, and (6) customers' actual demand for ESG-oriented product offerings, which may be more expensive and less available than other options. We may need to invest significant effort and resources to progress our ESG objectives, including our climate commitments, and external factors such as rapidly changing regulations, policies, and related interpretation may arise that may lead us to revise our timelines, commitments, or how we measure and report ESG data. There are several regulatory developments regarding sustainability labeling that could result in changes to, or require the discontinuation of, our Travel Sustainable Program.

If our ESG practices do not meet evolving investor or other stakeholder expectations or regulatory requirements, then our reputation, ability to attract or retain employees, and our attractiveness as an investment or business partner could be negatively impacted. Similarly, our failure or perceived failure to pursue or fulfill our ESG-related objectives or to satisfy increasingly broad reporting obligations could expose us to government enforcement actions, private litigation, and actions by stockholders or stakeholders, and adversely impact our business, brands, or reputation.

We face risks related to our intellectual property.

We regard our intellectual property as important to our success, and we rely on intellectual property such as trademarks, copyrights, patents, and trade secrets to support our business as well as domain names or other intangible rights or property secured through purchase, licensing or other agreements with our employees, travel service providers, partners, and other parties. We have filed applications for protection of certain aspects of our intellectual property in the United States and other jurisdictions, and we currently hold a number of issued patents in several jurisdictions. In the future we may acquire additional intellectual property portfolios, which could require significant cash expenditures. However, we may choose not to register or otherwise protect some of our intellectual property and instead rely on trade secret or other means of protection. We have licensed in the past, and may license in the future, certain of our proprietary rights, such as trademarks or copyrighted material, to third parties, and these licensees may take actions that diminish the value of our proprietary rights or harm our reputation. We also have procured various intellectual property licenses from third parties. There is uncertainty about the validity and enforceability of intellectual property rights that may result from our use of generative AI. Effective intellectual property protection may not be available in every country in which our services are made available, particularly in certain jurisdictions in which we operate in which theft of intellectual property may be more prevalent. We may be required to expend significant time and resources to prevent infringement or to enforce our intellectual property rights.

We endeavor to defend our intellectual property rights diligently, but intellectual property litigation is expensive and time-consuming, and may divert managerial attention and resources from our business objectives. We may not be able to successfully defend our intellectual property rights or our intellectual property rights may not be sufficient to effectively protect our business, which could adversely affect our business, brands, and results of operations.

From time to time, in the ordinary course of our business, we may be subject to legal proceedings and claims relating to the intellectual property rights of others, and we expect that third parties will continue to assert intellectual property claims against us. Successful infringement claims against us could result in a significant monetary liability and/or prevent us from operating our business, or require us to change business practices or develop non-infringing alternatives, which could require significant effort and expense. In addition, resolution of claims may require us to obtain licenses to intellectual property rights belonging to third parties, which may be expensive to procure, or possibly require us to cease using those rights altogether. Any of these events could have an adverse effect on our business, results of operations, and financial condition.

Our use of "open source" software could adversely affect our ability to protect our proprietary software and subject us to possible litigation.

We periodically use open source software in connection with our software development. From time to time, companies that use open source software have faced claims challenging the use of open source software and/or compliance with open source license terms. We could be subject to suits by parties claiming ownership of what we believe to be open source software, or claiming non-compliance with open source licensing terms. While we monitor our use of open source software and try to ensure that none is used in a manner that would require us to disclose our proprietary source code or that would otherwise breach the terms of an open source agreement, such use could inadvertently occur, in part because open source license terms are

often ambiguous. Any requirement to disclose our proprietary source code or pay damages for breach of contract could be harmful to our business, results of operations, or financial condition, and could help our competitors develop services that are similar to or better than ours.

Regulations and policies impacting the way corporations use cookies and other online tracking technologies could negatively impact the way we do business.

There are several privacy-driven initiatives that are changing the gathering and use of consumer data in the digital marketing ecosystem. These include: phasing out the use of third-party cookies (and other tracking technologies) by browsers such as Safari and Google Chrome; restrictions on the use of the identifier for advertisers (such as the Apple "IDFA") by mobile device manufacturers; Apple's iCloud+ Private Relay (which hides a user's IP address from websites that the user accesses in favor of other IP addresses provided by Apple's partners); and the adoption of regulations by many jurisdictions that govern the use of cookies. For example, in the EU, the ePrivacy Directive regulates the use of cookies and similar technologies, including limitations on the use of data and guidelines for enabling users to accept or reject cookies. Authorities may assert, and in some cases are likely to determine, that our collection, use, or management of customer and other data is inconsistent with laws and regulations, including laws that apply to cookies or similar technology, and there may be significant penalties for non-compliance. In the EU, the ePrivacy Directive is implemented in national laws as a result of which different interpretations and requirements apply on a country by country basis. EU regulators continue to issue guidance concerning the ePrivacy Directive's requirements regarding the use of cookies and similar technologies and may impose specific measures which could impact our use of such technologies. In addition, the ePrivacy Directive and national implementation laws impose additional limitations on the use of data across messaging products and include significant penalties for non-compliance. In the U.S., disclosure requirements and limitations may apply to the use of certain cookies and other online tracking technologies deemed to be sales of personal information under the CCPA or other state laws. If these privacy-driven initiatives or regulations impair our ability to serve customers optimally or if we are less effective than our competitors in addressing these issues, our ability to improve performance on our platforms, business, market share, and results of operations could be adversely affected. Further, any failure to comply with evolving privacy regulations, guidance, and interpretations could result in significant fines, government enforcement actions, private litigation, and harm to our business, results of operations, or reputation.

Financial Risks

Our liquidity, credit ratings, and ongoing access to capital could be materially and negatively affected by global financial conditions and events.

Our continued access to sources of liquidity depends on multiple factors, including global economic conditions, the condition of global financial markets, the availability of sufficient amounts of financing, our ability to meet debt covenant requirements, our operating performance, and our credit ratings. Increased volatility in the financial and securities markets in recent years has generally made access to capital less certain. Further, if our credit ratings were to be downgraded or if financing sources were to ascribe higher risk to our rating levels, our industry or us, our access to capital, and the cost of any financing would be negatively impacted. We currently have \$2 billion available under our revolving credit facility, which contains certain financial covenants that we need to comply with in order to access such liquidity. There can be no assurance that we will be able to meet the covenant requirements at any particular time. Further, the lenders have the right to require repayment of any amounts borrowed under the facility if we are not in compliance.

There is no guarantee that additional debt financing will be available in the future on commercially reasonable terms or at all, in which case we may need to seek other sources of funding. In addition, the terms of future debt agreements could include more restrictive covenants, which could restrict our business operations. See Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources for more information on our liquidity and capital resources.

We are exposed to fluctuations in foreign currency exchange rates.

We conduct a substantial majority of our business outside the United States but we report our results in U.S. Dollars. As a result, we face exposure to movements in foreign currency exchange rates as the financial results of our businesses outside of the U.S. are translated from local currency (principally Euros and British Pounds Sterling) into U.S. Dollars. When the U.S. Dollar strengthens against other currencies in which we transact, our foreign-currency-denominated net assets, gross bookings, revenues, operating expenses, and net income are lower as expressed in U.S. Dollars. When the U.S. Dollar weakens against other currencies in which we transact, our foreign-currency-denominated net assets, gross bookings, revenues, operating expenses, and net income are higher as expressed in U.S. Dollars. Foreign currency exchange rate fluctuations on transactions denominated in currencies other than the functional currency result in gains and losses that are reflected in our financial results.

Significant fluctuations in foreign currency exchange rates can affect consumer travel behavior. Consumers traveling from a country whose currency has weakened against other currencies may book lower ADR accommodations, choose to shorten or cancel their international travel plans or choose to travel domestically rather than internationally, any of which could adversely affect our gross bookings, revenues, and results of operations.

Our stock price is highly volatile.

The market price of our common stock is highly volatile and is likely to continue to be subject to wide fluctuations in response to factors such as the following, some of which are beyond our control:

- financial or operating results that vary from the expectations of securities analysts and investors or any publicly-disclosed estimates, changes in expectations as to our future financial or operating performance, or changes in our capital structure;
- worldwide economic conditions in general and in Europe in particular, including the effects of inflation, changes in interest rates, trading volume fluctuations or other market volatility, or fluctuations in foreign currency exchange rates, particularly between the U.S. Dollar and the Euro;
- occurrence of a significant security breach or business interruptions, such as may result from catastrophes or other events;
- impact of our share repurchase and dividend programs;
- changes in market valuations of other internet or online service companies, or announcements of significant business or operational changes by us or our competitors;
- loss of a major travel service provider participant from our services;
- initiation of significant claims, litigation, or regulatory proceedings against us or adverse developments in pending proceedings, or changes in the status of our intellectual property rights;
- lack of success in expanding our business; and
- additions or departures of key personnel.

Sales of a substantial number of shares of our common stock, including through the conversion of our convertible notes, could adversely affect the market price of our common stock by introducing a large number of sellers or short sellers to the market. Such sales could cause the market price of our common stock to decline significantly. In addition, fluctuations in our stock price and our price-to-earnings multiple may have made or may make our stock attractive to momentum, hedge, or day-trading investors who often shift funds into and out of stocks rapidly, exacerbating price fluctuations in either direction.

The trading prices of technology company stocks in general, including ours, have experienced extreme price and volume fluctuations. To the extent that the public's perception of the prospects of technology, e-commerce, or travel companies is negative, our stock price could decline, regardless of our results. Other broad market and industry factors, such as market fluctuations or political and economic conditions, may decrease the market price of our common stock, regardless of our operating performance. Negative market conditions could adversely affect our ability to raise additional capital or the value of our stock for purposes of acquiring other companies or businesses.

In the past, we have been a defendant in securities class action litigation. Securities class action litigation is often brought against a company following periods of volatility in the market price of its securities. To the extent our stock price declines or is volatile, we may in the future be the target of additional litigation. This additional litigation could result in substantial costs and divert management's attention and resources, either of which could adversely affect our business, financial condition, and results of operations.

We face increased risks if the level of our debt increases.

We have a substantial amount of outstanding indebtedness and we may incur substantial additional indebtedness in the future. Our outstanding indebtedness and any additional indebtedness we incur may have significant consequences, which may be amplified if our cash flow and earnings decrease, and could include:

- requiring the dedication of a portion of our cash flow from operations to service our indebtedness, thereby reducing the amount of cash flow available for other purposes;

- increased vulnerability to downturns in our business, competitive pressures, and adverse changes in general economic and industry conditions, and less flexibility when planning for or reacting to changes in our business and industry; and
- decreased or lost ability to obtain additional financing on terms acceptable to us.

Our ability to make payments of principal and interest on our indebtedness depends upon our future performance, which is subject to many factors beyond our control. Further, we may not have access to equity or debt markets or other sources of financing, or such financing may not be available to us on commercially reasonable terms, to repay or refinance our debt as it comes due or, in the case of our convertible notes, upon conversion. Our ability to make share repurchases and the payment of dividends rely on our access to capital, which depends on cash flow generated by our business and the availability of financing.

The value of our investments could decline, which could adversely affect our financial condition and results of operations.

We maintain an investment portfolio, which typically includes marketable debt securities and equity securities of publicly-traded companies, the values of which are subject to market price volatility, and investments in private companies. Credit losses, impairments, and changes in the fair values of our investments could be volatile and they have had, and are likely to continue to have, a significant impact on our quarterly net income (or loss). See Notes 5 and 6 to our Consolidated Financial Statements.

Our investments in private companies are inherently risky in that such companies are typically at an early stage of development, may have no or limited revenues, may not be or ever become profitable, may not be able to secure additional funding, or their technologies, services, or products may not be successfully developed or introduced to the market. Further, our ability to liquidate any such investments is typically dependent on a liquidity event, such as a public offering or acquisition, as no public market exists for such securities. Valuations of privately-held companies are inherently complex and uncertain due to the lack of a liquid market for such securities. If we determine that any of our equity investments in such companies have experienced a decline in value, we are required to recognize the change in the Consolidated Statements of Operations. For investments classified as debt securities, any decline in value attributed to credit losses is also recognized in the Consolidated Statements of Operations. We could lose the full amount of any of our investments, and impairment of our investments have previously and could in the future have a material adverse effect on our financial condition and results of operations.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

We are dedicated to upholding our commitment to our customers, partners, and employees to manage cybersecurity, privacy, and data protection and security risk. Our approach involves various tools, processes, technologies, and controls to identify and manage such risks.

Risk Management and Strategy

Identifying, assessing, and managing cybersecurity risk is generally integrated into our overall risk management systems and processes. The Company's internal audit function, with primary oversight by the Audit Committee, assesses key risks facing the organization across functions and regions. These risks are reviewed and discussed by the Company's management-level risk committee, which is a multi-disciplinary committee including representation from senior management in the finance, internal audit, and legal functions, among others. The risk committee is tasked with ensuring risks, including those related to cybersecurity, are managed and aligning strategic objectives with an appropriate level of risk tolerance.

Our Cyber Risk Management Policy establishes the framework for our cybersecurity risk management and governance. Our security teams operationalize the Policy across the Company and conduct cyber risk identification, assessment, management, monitoring, tracking, and reporting. Our privacy program is built upon the privacy principles of transparency, purpose, control, security, embedded privacy, and accountability. Our privacy teams are responsible for identifying, managing, and reporting on data protection risks. We leverage the National Institute of Standards and Technology (NIST) frameworks for cybersecurity and privacy. The NIST frameworks help us to align our security and privacy functions and provide a risk management approach across the Company. We annually measure our security and privacy program maturity against these frameworks, and engage a third party every other year to assess the current state against these frameworks. The results of these assessments are discussed with the Board and the Cybersecurity Subcommittee of the Audit Committee. In addition, our Global

Privacy Advisory Council, consisting of our privacy leaders, leads the development and implementation of strategies to monitor, manage, and remediate privacy risks.

As part of the Company's risk management strategy, we require that all employees complete regular data security and privacy trainings, and conduct phishing tests and specialized training such as secure coding training for our developers. We also maintain a Security Ambassadors program, where employees act as an extension of the Security and Fraud Department to foster a security-focused culture.

Our security teams engage in threat intelligence, predictive modeling, and penetration testing to understand the Company's threat landscape and reduce the risk and impact of cybersecurity incidents. These teams have established procedures for detecting, managing, and remediating cybersecurity incidents, and processes for personnel to escalate incidents within the organization. A cross-functional working group of security, privacy, and legal personnel review significant incidents to determine if further escalation is appropriate. If an incident could be deemed material, it is escalated, and we consult with outside counsel during this assessment as appropriate.

Our internal audit function collaborates with the security teams to participate in an integrated cybersecurity assurance program. The internal audit function also performs its own cybersecurity audits and reviews certain cybersecurity-related practices, such as access controls, as part of their assessment of our internal control over financial reporting. From time to time we have taken steps to improve our practices and remedy deficiencies that have been identified. Our enterprise-wide information security program is also independently assessed every other year by a third party as part of our enterprise risk management, and our Cybersecurity Subcommittee reviews the assessment findings. We seek to advance our program maturity in line with our review and management of cybersecurity risks.

We rely on certain third-party computer systems and third-party service providers, including global distribution systems ("GDSs") and computerized central travel reservation systems in connection with providing some of our services. We also depend upon various third parties to process payments for our transactions around the world. These third party business partners, service providers, and consultants need to access our customer and other data, and connect to our computer networks. We define expected security and privacy requirements through our contracting processes with third parties and we perform third-party cyber risk assessments to monitor the cyber risk management efforts of third parties as needed.

Although we expend significant resources to protect against security breaches, our existing security measures may not be successful in preventing all attacks on our systems. We have experienced cybersecurity incidents and threats, including malware, phishing, partner and customer account takeover attacks, and denial-of-service attacks on our systems. We do not believe these cybersecurity incidents have had a materially adverse effect on our Company, including our business strategy, results of operations, or financial condition. For further discussion, see Part I, Item 1A, Risk Factors - "*Information Security, Cybersecurity, and Data Privacy Risks.*"

Governance

The Board and Audit Committee maintain responsibility for enterprise risk oversight related to cybersecurity, privacy, and data protection and security. The Audit Committee has delegated the primary responsibility for oversight of compliance and risk management efforts and processes related to these matters to the Cybersecurity Subcommittee, which was established in 2023 and is comprised of independent directors. The Cybersecurity Subcommittee oversees management's efforts and processes to identify, assess, manage, and monitor significant cybersecurity and privacy risks and regulatory developments in this area. Our cybersecurity and privacy leaders meet with the Cybersecurity Subcommittee to discuss the Company's cybersecurity and data protection risk exposures, including the steps management has taken to monitor and manage such exposures and their potential impact on the Company's business, operations, and reputation. The Cybersecurity Subcommittee reports periodically on these matters to the Audit Committee and Board.

The individuals serving in the roles of chief security officer and chief privacy officer have enterprise-wide responsibility for assessing and managing cybersecurity, data protection and security, and privacy risks, respectively. These leaders collectively have over 25 years of relevant work experience in public companies and extensive industry expertise.

Item 2. Properties

We lease office space facilities for our corporate headquarters in Norwalk, Connecticut, United States of America. We lease additional space, including office space and data center facilities in various locations around the world, to support our operations, the largest being the headquarters of our Booking.com business in Amsterdam, Netherlands.

We believe that our existing facilities are adequate to meet our current requirements, and that suitable additional or substitute space will be available as needed to accommodate any further expansion of corporate operations.

Item 3. Legal Proceedings

A description of any material legal proceedings to which we are a party is included in Note 16 to our Consolidated Financial Statements included in this Annual Report on Form 10-K for the year ended December 31, 2023, and is incorporated into this Item 3 by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Common Stock

Our common stock is quoted on the NASDAQ Global Select Market under the symbol "BKNG."

Holders

At February 15, 2024, there were approximately 117 shareholders of record of Booking Holdings Inc.'s common stock.

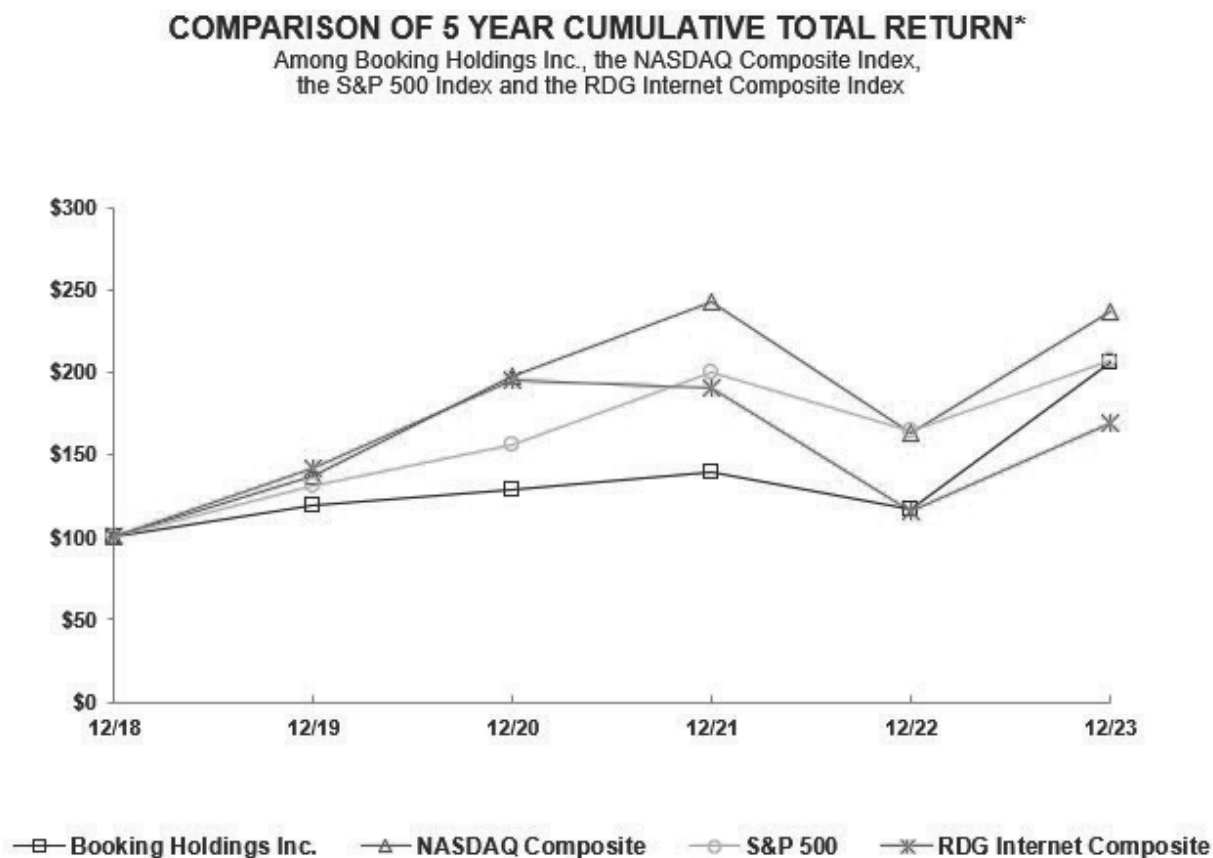
Dividend Policy

On January 25, 2024, our Board of Directors adopted a dividend policy pursuant to which we intend to pay quarterly cash dividends on our common stock. Declaration of dividends pursuant to the policy will be subject to the Board's consideration of, among other things, our financial performance, cash flows, capital needs, and liquidity.

Pursuant to the dividend policy, on February 16, 2024 our Board of Directors declared a quarterly cash dividend of \$8.75 per share of common stock, payable on March 28, 2024 to stockholders of record as of the close of business on March 8, 2024.

Performance Measurement Comparison

The following graph shows the total stockholder return through December 31, 2023 of an investment of \$100 in cash on December 31, 2018 for our common stock and an investment of \$100 in cash on December 31, 2018 for (i) the NASDAQ Composite Index, (ii) the Standard and Poor's 500 Index, and (iii) the Research Data Group ("RDG") Internet Composite Index. The RDG Internet Composite Index is an index of stocks representing the internet industry, including internet software and service companies and e-commerce companies. Historic stock performance is not necessarily indicative of future stock price performance. All values assume reinvestment of the full amount of all dividends and are calculated as of the last day of each month:



*\$100 invested on 12/31/18 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

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Measurement Point December 31	Booking Holdings Inc.	NASDAQ Composite Index	S&P 500 Index	RDG Internet Composite
2018	100.00	100.00	100.00	100.00
2019	119.24	136.69	131.49	141.93
2020	129.31	198.10	155.68	194.91
2021	139.29	242.03	200.37	190.78
2022	117.00	163.28	164.08	115.68
2023	205.94	236.17	207.21	168.80

Issuer Purchases of Equity Securities

The following table sets forth information relating to repurchases of our equity securities during the three months ended December 31, 2023 (in billions, except share and per share data):

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit) ⁽¹⁾	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
October 1, 2023 –	358,082 ⁽²⁾	\$ 2,902	358,082	\$ 15.2 ⁽²⁾
October 31, 2023	67 ⁽³⁾	\$ 3,048	N/A	N/A
November 1, 2023 –	268,592 ⁽²⁾	\$ 3,034	268,592	\$ 14.3 ⁽²⁾
November 30, 2023	2,064 ⁽³⁾	\$ 3,073	N/A	N/A
December 1, 2023 –	176,957 ⁽²⁾	\$ 3,362	176,957	\$ 13.7 ⁽²⁾
December 31, 2023	780 ⁽³⁾	\$ 3,465	N/A	N/A
Total	<u>806,542</u>		<u>803,631</u>	\$ 13.7

- (1) These amounts exclude the 1% excise tax mandated by the Inflation Reduction Act on share repurchases.
- (2) Pursuant to a stock repurchase program announced on February 23, 2023, whereby we were authorized to repurchase up to \$20 billion of our common stock.
- (3) Pursuant to a general authorization, not publicly announced, whereby we are authorized to repurchase shares of our common stock to satisfy employee withholding tax obligations related to stock-based compensation. The table above does not include adjustments during the three months ended December 31, 2023 to previously withheld share amounts (reduction of 17 shares) that reflect changes to the estimates of employee tax withholding obligations.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our Consolidated Financial Statements and accompanying notes.

We evaluate certain operating and financial measures on both an as-reported and constant-currency basis. We calculate constant currency by converting our current year operating and financial results for transactions recorded in currencies other than U.S. Dollars using the corresponding prior year monthly average exchange rates rather than the current year monthly average exchange rates. Foreign exchange rate fluctuations impacted our year-over-year growth in gross bookings, revenues, and operating expenses for the years ended December 31, 2023 and 2022. Since our expenses are generally denominated in foreign currencies on a basis similar to our revenues, our operating margins have not been significantly impacted by currency fluctuations.

Overview

Our mission is to make it easier for everyone to experience the world. We aim to provide consumers with a best-in-class experience offering the travel choices they want, with tailored language, payment, and other options, seamlessly connecting them with our travel service provider partners. We offer these services through five primary consumer-facing brands: Booking.com, Priceline, Agoda, KAYAK, and OpenTable. See Note 1 to our Consolidated Financial Statements for information on our operating segments. See Note 17 to our Consolidated Financial Statements for information related to revenue by geographic area.

We derive substantially all of our revenues from enabling consumers to make travel service reservations. We also earn revenues from advertising services, restaurant reservations and restaurant management services, and other services, such as travel-related insurance services.

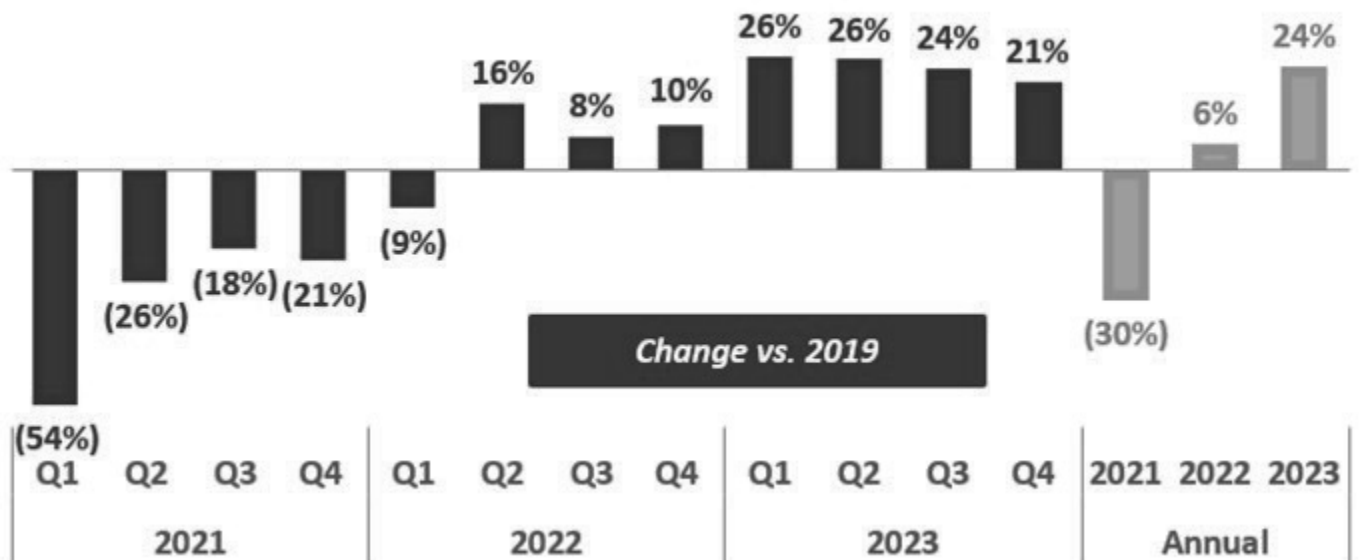
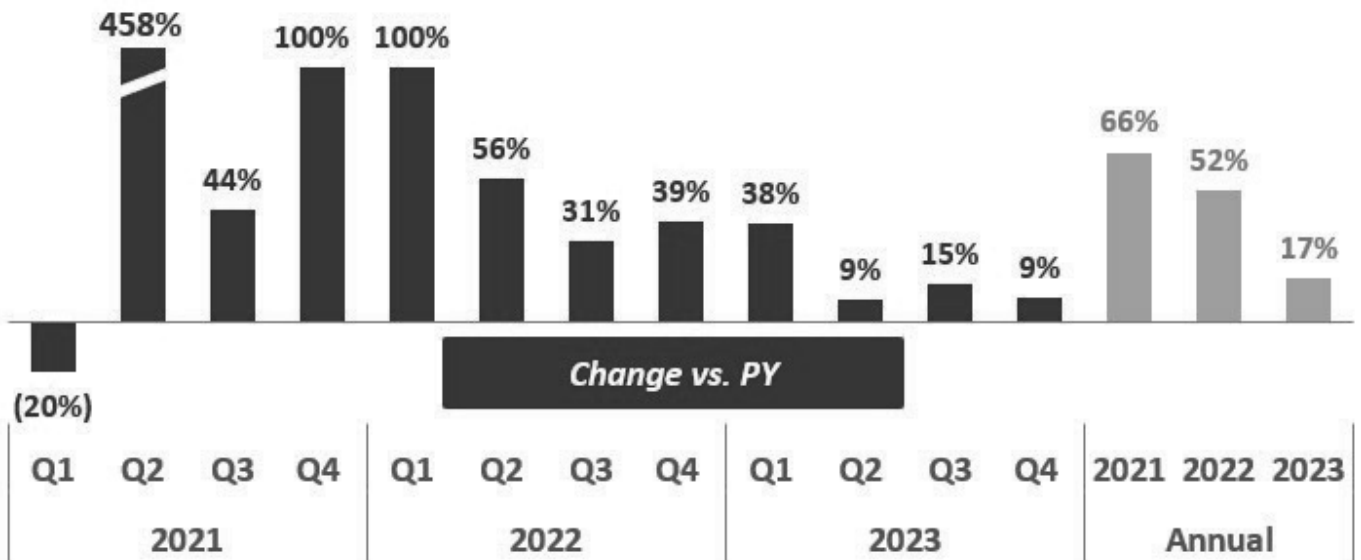
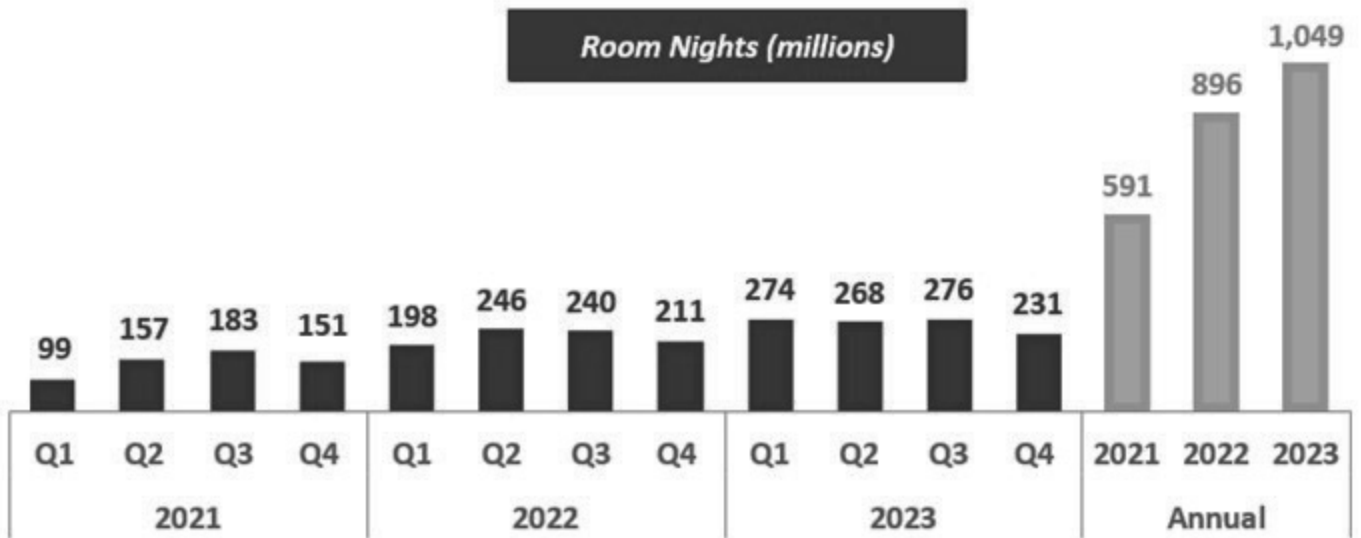
Trends

Since the second quarter of 2020 and through 2023, changes in accommodation room nights versus the comparable period in 2019 have generally improved as government-imposed travel restrictions due to the COVID-19 pandemic have eased and consumer demand for travel has improved. In 2022, global room nights were 52% higher than in 2021 and 6% higher than in 2019. The year-over-year growth in room nights in 2022 was driven primarily by the recovery in Europe, Asia, and Rest of World, as well as by growth in North America. In 2023, global room nights increased 17% year-over-year driven primarily by the continued recovery in Asia and strong travel demand in Europe. Our global room nights in 2023 were up about 24% versus 2019. In 2023, we saw the booking window expand compared to 2022, which benefited year-over-year room night growth in 2023.

In March 2022, following Russia's invasion of Ukraine, we suspended the booking of travel services in Russia and Belarus. This led to the loss of new bookings from bookers in these countries. Excluding room nights from bookers in Russia, Ukraine, and Belarus in each comparable period, our overall room nights in 2023 were up about 17% versus 2022 and up about 29% versus 2019.

We saw a negative impact on room night growth in the fourth quarter of 2023 due to the Israel-Hamas war, particularly in Israel. In the fourth quarter of 2023, global room nights increased 9% year-over-year. Excluding room nights for bookers going to and from Israel, our overall room nights were up 11% year-over-year. There was also some impact on travel trends outside of the country, such as cancellations and a drop in new bookings. If the conflict continues or expands, it may adversely affect demand for our services, particularly in nearby areas.

Quarterly Room Nights and Change versus the prior year and 2019



The cancellation rate in 2023 was in line with the prior year. We have observed a general improvement in cancellation rates in recent years, though we have seen periods of elevated cancellation rates from time to time. Because we recognize revenue from bookings when the traveler checks in, our reported revenue is not at risk of being reversed due to cancellations. Increases in cancellation rates can negatively impact our marketing efficiency as a result of incurring performance marketing expense at the time a booking is made even though that booking could be canceled in the future if it was booked under a flexible cancellation policy. There are many factors in addition to cancellation rates that contribute to marketing efficiency including average daily rates ("ADRs"), costs per click, foreign currency exchange rates, our ability to convert paid traffic to bookings, the timing and effectiveness of our brand marketing campaigns, and the extent to which consumers come directly to our platforms for bookings.

The mix of our room nights booked for international travel in 2023 was approximately 52%, up versus approximately 46% in 2022 due in part to government-imposed limitations on international travel (travelers booking a stay at a property located outside their own country) in some parts of the world in 2022.

The mix of our room nights booked on a mobile device (including room nights booked on a mobile app or via a mobile website) in 2023 increased compared to 2022. The revenue earned on a transaction from a mobile device may be less than a typical desktop transaction as we see different consumer purchasing patterns across devices. For example, accommodation reservations made on a mobile device typically are for shorter lengths of stay and have lower accommodation ADRs. The mix of our room nights booked on a mobile app in 2023 was approximately 49%, up versus approximately 44% in 2022. We continue to see favorable repeat direct booking behavior from consumers in our mobile apps, which allow us more opportunities to engage directly with consumers.

Our global ADRs increased approximately 6% on a constant currency basis in 2023 as compared to 2022, driven primarily by higher ADRs in Europe and Asia. The increase in our global ADRs in 2023 as compared to 2022, was negatively impacted by approximately three percentage points from changes in geographical mix in our business driven primarily by a higher mix of room nights from Asia, which is a lower ADR region, and a lower mix of room nights from North America, which is a higher ADR region. The year-over-year increase in our global ADRs has resulted in our accommodation gross bookings growing faster than our room nights in 2023. It is difficult to predict what the trend in industry ADRs will look like going forward.

We focus on relentless innovation to grow our business by providing a best-in-class user experience with intuitive, easy-to-use online platforms that aim to exceed the expectations of online consumers. We have a long-term strategy to create an ideal traveler experience, offering our customers relevant options and connections at the times and in the language they want them, making trips booked with us seamless, easy, and valuable. We refer to this as the "Connected Trip." The goal of our Connected Trip vision is to offer a differentiated and personalized online travel planning, booking, payment, and in-trip experience for each trip, enhanced by a robust loyalty program that provides value to travelers and partners across all trips. We expect these efforts to benefit our revenue growth over time, however, to the extent our non-accommodation services (e.g., airline ticket reservation services) have lower margins and increase as a percentage of our total business, our operating margins may be negatively affected.

As part of our strategy to provide more payment options to consumers and travel service providers, increase the number and variety of our accommodations, and enable our long-term Connected Trip strategy, Booking.com increasingly processes transactions on a merchant basis, where it facilitates payments from travelers for the services provided. This allows Booking.com to process transactions for travel service providers and to increase its ability to offer secure and flexible transaction terms to consumers, such as the form and timing of payment. We believe that expanding these types of service offerings will benefit consumers and travel service providers, as well as our gross bookings, room night, and earnings growth rates. However, this results in additional expenses for personnel, payment processing, chargebacks (including those related to fraud), and other expenses related to these transactions, which are recorded in "Personnel" expenses and "Sales and other expenses" in our Consolidated Statements of Operations, as well as associated incremental revenues (e.g., payment card rebates), which are recorded in "Merchant revenues." To the extent more of our business is generated on a merchant basis, we incur a greater level of these merchant-related expenses, which negatively impacts our operating margins despite increases in associated incremental revenues. The mix of our gross bookings generated on a merchant basis was 54% in 2023, an increase from 44% in 2022.

We have established widely-used and recognized brands through marketing and promotional campaigns. Our total marketing expenses, which are comprised of performance and brand marketing expenses that are substantially variable in nature, were \$6.8 billion in 2023, up 13% versus 2022 as a result of the improving demand environment and our efforts to invest in marketing, partially offset by a year-over-year improvement in performance marketing returns on investment ("ROIs") and a higher share of room nights booked by consumers coming directly to our platforms. Our performance marketing expense,

which represents a substantial majority of our marketing expenses, is primarily related to the use of online search engines (primarily Google), affiliate marketing, and meta-search services to generate traffic to our platforms. Our brand marketing expense is primarily related to costs associated with producing and airing digital branding and television advertising.

Marketing efficiency, expressed as marketing expense as a percentage of gross bookings, and performance marketing ROIs are impacted by a number of factors that are subject to variability and are in some cases outside of our control, including ADRs, costs per click, cancellation rates, foreign currency exchange rates, our ability to convert paid traffic to booking customers, and the timing and effectiveness of our brand marketing campaigns. In recent years, we observed periods of stable or increasing ROIs. Although it is difficult to predict how performance marketing ROIs will change in the future, ROIs could be negatively impacted by increased levels of competition and other factors. When evaluating our performance marketing spend, we typically consider several factors for each channel, such as the customer experience on the advertising platform, the incremental traffic we receive, and anticipated repeat rates. Marketing efficiency can also be impacted by the extent to which consumers come directly to our platforms for bookings. Marketing expenses as a percentage of total gross bookings in 2023 were lower than in 2022 due to higher performance marketing ROIs and an increase in the share of room nights booked by consumers coming directly to our platforms. Performance marketing ROIs were higher in 2023 versus 2022 due in part to our ongoing efforts to improve the efficiency of our marketing spend. See Part I, Item 1A, Risk Factors - *"We face risks relating to our marketing efforts."* and *"We are dependent on travel service providers, restaurants, search platforms, and other third parties."*

Booking.com had approximately 3.4 million properties on its website at December 31, 2023, consisting of over 475,000 hotels, motels, and resorts and over 2.9 million alternative accommodation properties (including homes, apartments, and other unique places to stay), representing an increase from over 2.7 million properties at December 31, 2022. The year-over-year increase in total properties was driven primarily by an increase in alternative accommodation properties.

The mix of Booking.com's room nights booked for alternative accommodation properties in 2023 was approximately 33%, up versus approximately 30% in 2022. We have observed a longer-term trend of an increasing mix of room nights booked for alternative accommodation properties as consumer demand for these types of properties has grown, and as we have increased the number and variety of them on Booking.com. We may experience lower profit margins due to additional costs, such as increased customer service or certain partner related costs, related to offering alternative accommodations on our platforms. As our alternative accommodation business has grown, these different characteristics have negatively impacted our profit margins and this trend may continue.

Although we believe that providing an extensive collection of properties, excellent customer service, and an intuitive, easy-to-use consumer experience are important factors influencing a consumer's decision to make a reservation, for many consumers, the price of the travel service is the primary factor determining whether a consumer will book. Discounting and couponing (i.e., merchandising) occurs across all of the major regions in which we operate, particularly in Asia. In some cases, our competitors are willing to make little or no profit on a transaction or offer travel services at a loss in order to gain market share. As a result, it is increasingly important to offer travel services, such as accommodation reservations, at a competitive price, whether through discounts, coupons, closed-user group rates or loyalty programs, increased flexibility in cancellation policies, or otherwise. These initiatives have resulted and, in the future, may result in lower ADRs and lower revenue as a percentage of gross bookings. Total revenue as a percentage of gross bookings was negatively impacted by investments in merchandising at Booking.com in 2023 as compared to 2022.

Many taxing authorities are increasingly focused on ways to increase tax revenues and have targeted large multinational technology companies in these efforts. As a result, many countries and some U.S. states have implemented or are considering the adoption of a digital services tax or similar tax that imposes a tax on revenue earned from digital advertisements or the use of online platforms, even when there is no physical presence in the jurisdiction. Currently, rates for these taxes range from 1.5% to 10% of revenue deemed generated in the jurisdiction. The digital services taxes currently in effect, which we record in "Sales and other expenses" in the Consolidated Statements of Operations, have negatively impacted our results of operations. For more information, see Part I, Item 1A, Risk Factors - *"We may have exposure to additional tax liabilities."*

Increased regulatory focus on online businesses, including online travel businesses like ours, could result in increased compliance costs or otherwise adversely affect our business. For example, the Digital Markets Act ("DMA") and Digital Services Act ("DSA") give regulators in the EU more instruments to investigate and regulate digital businesses and impose new rules and requirements on platforms designated as "gatekeepers" under the DMA and online platforms more generally, with separate rules for "Very Large Online Platforms" (VLOP) under the DSA. In early 2023, Booking.com received a VLOP designation notice from the European Commission. The Company has met the quantitative notification criteria set forth in the DMA and expects to notify the European Commission of that fact within the required deadline. Certain of the DMA's requirements will become enforceable later in 2024. As a result of the DMA, compliance costs may increase and changes to our

products or business practices may be required. For information regarding risks related to the DMA and DSA, please see Part I, Item 1A, Risk Factors - *"Our business is subject to various competition/anti-trust, consumer protection, and online commerce laws and regulations around the world, and as the size of our business grows, scrutiny of our business by legislators and regulators in these areas may intensify."* For more information on the impacts of regulations on our business, see Note 16 to our Consolidated Financial Statements.

Our businesses outside of the U.S. (see Note 17 to our Consolidated Financial Statements for information related to revenue by geographic area) represent a substantial majority of our financial results, but because we report our results in U.S. Dollars, we face exposure to movements in foreign currency exchange rates as the financial results and the financial condition of our businesses outside of the U.S. are translated from local currency (principally Euros and British Pounds Sterling) into U.S. Dollars. As a result of the movements in foreign currency exchange rates, both the absolute amounts of and percentage changes in our foreign-currency-denominated net assets, gross bookings, revenues, operating expenses, and net income as expressed in U.S. Dollars are affected. For example, our total gross bookings increased by 24% in 2023 as compared to 2022, but without the impact of changes in foreign currency exchange rates our total gross bookings increased year-over-year on a constant-currency basis by approximately 25%. Since our expenses are generally denominated in foreign currencies on a basis similar to our revenues, our operating margins have not been significantly impacted by currency fluctuations. We generally enter into derivative instruments to minimize the impact of foreign currency exchange rate fluctuations. We enter into foreign currency forward contracts to hedge our exposure to the impact of movements in foreign currency exchange rates on our transactional balances denominated in currencies other than the functional currency. See Note 6 to our Consolidated Financial Statements for additional information related to our derivative contracts. In addition, we designate certain portions of the aggregate principal value of our Euro-denominated debt as a hedge of the foreign currency exposure of the net investment in certain Euro functional currency subsidiaries. Foreign currency transaction gains or losses on the Euro-denominated debt that is not designated as a hedging instrument for accounting purposes are recognized in "Other income (expense), net" in the Consolidated Statements of Operations (see Notes 12 and 19 to our Consolidated Financial Statements). Such foreign currency transaction gains or losses are dependent on the amount of net assets of the Euro functional currency subsidiaries, the amount of the Euro-denominated debt that is designated as a hedge, and fluctuations in foreign currency exchange rates. For more information, see Part I, Item 1A, Risk Factors - *"We are exposed to fluctuations in foreign currency exchange rates."*

Other Factors

Over the long term, we intend to continue to invest in marketing and promotion, technology, and personnel within parameters consistent with attempts to improve long-term operating results, even if those expenditures create pressure on operating margins. In recent years, our investments in initiatives to drive future growth added pressure on operating margins. We also intend to broaden the scope of our business, including exploring strategic alternatives such as acquisitions.

The competition for technology talent in our industry is intense. As a result of the competitive labor market and inflationary pressure on compensation, our personnel expenses to attract and retain key talent have increased, which has adversely affected our results of operations and may adversely affect our results of operations in the future. See Part I, Item 1A, Risk Factors - *"We rely on the performance of highly skilled employees; and, if we are unable to retain or motivate key employees or hire, retain, and motivate well-qualified employees, our business would be harmed."*

Outlook

For the first quarter of 2024, we expect:

- the year-over-year growth in room nights will be between 4% and 6%;
- the year-over-year growth in gross bookings will be between 5% and 7%;
- the year-over-year growth in revenues will be between 11% and 13%; and
- operating profit will be higher than in the first quarter of 2023.

For the full year, we expect:

- the year-over-year growth in gross bookings will be slightly higher than 7%;
- the year-over-year growth in revenues will be similar to gross bookings; and
- operating profit will be higher than in 2023.

Critical Accounting Estimates

Management's Discussion and Analysis of Financial Condition and Results of Operations is based upon our Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Our significant accounting policies and estimates are more fully described in Note 2 to our Consolidated Financial Statements. Certain of our accounting estimates are particularly important to our financial position and results of operations and require us to make difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. We use our judgment to determine the appropriate assumptions to be used in the determination of certain estimates and we evaluate our estimates on an ongoing basis. Estimates are based on historical experience, terms of existing contracts, our observance of trends in the travel industry, and on other assumptions that we believe to be reasonable under the circumstances. Our actual results may differ from these estimates under different assumptions or conditions. Matters that involve significant estimates and judgments of management include the valuation of investments in private companies, the valuation of goodwill and other long-lived assets, income taxes, and contingencies.

Valuation of Investments in Private Companies

See Notes 2, 5, and 6 to our Consolidated Financial Statements for additional information related to the investments in private companies and information on fair value measurements, including the three levels of inputs to the valuation techniques used to measure fair value. When inputs that are observable, either directly or indirectly (observable market data), are available at the measurement date and are not significantly adjusted using unobservable inputs, the observable inputs would be classified as Level 2 inputs. When little or no market data is available, the fair value of these investments are measured using unobservable inputs ("Level 3 inputs").

Our investments measured using Level 3 inputs primarily consist of investments in privately-held companies that were classified as either debt securities or equity securities without readily determinable fair values. Fair values of privately held securities are estimated using a variety of valuation methodologies, including both market and income approaches. We use valuation techniques appropriate for the type of investment and the information available about the investee as of the valuation date to determine fair value. Recent financing transactions in the investee are generally considered the best indication of the enterprise value and therefore used as a basis to estimate fair value. However, based on a number of factors, such as the proximity to the valuation date or the volume or other terms of these financing transactions, we may also use other valuation techniques to supplement this data, including the income approach. When a financing transaction occurs and represents fair value, we also use the calibration process, as appropriate, when estimating fair value on subsequent measurement dates. Calibration is the process of using observed transactions in the investee company's own instruments to ensure that the valuation techniques that will be employed to value the investee company investment on subsequent measurement dates begin with assumptions that are consistent with the original observed transaction as well as any more recent observed transactions in the instruments issued by the investee company.

Our investments in equity securities of private companies at December 31, 2023 and 2022, include \$51 million originally invested in Yanolja Co., Ltd. ("Yanolja"). In July 2021, Yanolja announced a new round of funding which was completed in October 2021 along with certain other transactions. As a result of these observable transactions, we increased the carrying value of our investment in Yanolja to \$306 million as of December 31, 2021. As of June 30, 2023 and 2022, we evaluated our investment in Yanolja for impairment using a combination of the market approach and the income approach in estimating the fair value of our investment as of those dates, and recognized impairment charges of \$24 million and \$184 million during the years ended December 31, 2023 and 2022, respectively (see Note 6 to our Consolidated Financial Statements). The carrying value of our investment in Yanolja was \$98 million and \$122 million as of December 31, 2023 and 2022, respectively.

The market approach estimates value using prices and other relevant information generated by market transactions involving identical or comparable companies. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate based on a company's weighted-average cost of capital adjusted to reflect the risks inherent in its cash flows. The key unobservable inputs and ranges used for the June 2023 impairment evaluation include the weighted average cost of capital of 10.5%-14.5% and a terminal earnings before interest, taxes, depreciation, and amortization ("EBITDA") multiple of 14x-16x. The key unobservable inputs and ranges used for the June 2022 impairment evaluation include, for the market approach, percentage decrease in the calibrated EBITDA multiple (36%) and for the income approach, the weighted average cost of capital of 10%-14% and the terminal EBITDA multiple of 14x-16x. Significant changes in any of these inputs would result in significantly different fair value measurements. A change in the assumption used for EBITDA multiples would result in a

directionally similar change in the fair value and a change in the assumption used for weighted average cost of capital would result in a directionally opposite change in the fair value.

The determination of the fair values of investments, where we are a minority shareholder and have access to limited information from the investee, reflects numerous assumptions that are subject to various risks and uncertainties, including key assumptions regarding the investee's expected growth rates and operating margin, as well as other key assumptions with respect to matters outside of our control, such as discount rates and market comparables. It requires significant judgments and estimates and actual results could be materially different than those judgments and estimates utilized in the fair value estimate. Future events and changing market conditions may lead us to re-evaluate the assumptions reflected in the valuation, which may result in a need to recognize additional impairment charges.

Valuation of Goodwill and other Long-lived Assets

The application of the acquisition method of accounting for business combinations requires the use of significant estimates and assumptions to determine the fair value of the assets acquired and liabilities assumed. Our estimates of the fair value are based upon assumptions that we believe are reasonable. When we deem appropriate, we utilize assistance from third-party valuation firms. The consideration transferred is allocated to the assets acquired and liabilities assumed based on their respective values at the acquisition date. The excess of the consideration transferred over the net of the amounts allocated to the identifiable assets acquired and liabilities assumed is recognized as goodwill. Goodwill is assigned to reporting units that are expected to benefit from the synergies of the business combination.

A substantial portion of our intangible assets and goodwill relates to the acquisitions of OpenTable, KAYAK, and Getaroom. See Note 18 to our Consolidated Financial Statements for additional information related to the acquisition of Getaroom in December 2021.

We review long-lived assets whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The assessment of possible impairment is based upon the ability to recover the carrying value of the assets from the estimated undiscounted future net cash flows, before interest and taxes, of the related asset group.

We test goodwill for impairment on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. We test goodwill at a reporting unit level and our annual goodwill impairment tests are performed as of September 30. As of September 30, 2023, we performed our annual goodwill impairment test and concluded that there was no impairment of goodwill.

The estimation of fair values of our reporting units reflect numerous assumptions that are subject to various risks and uncertainties, including key assumptions regarding each reporting unit's expected growth rates and operating margin and the competitive environment, as well as other key assumptions with respect to matters outside of our control, such as discount rates and market comparables. Generally, changes in the assumptions used for comparable company multiples would result in directionally similar changes in the fair value and changes in the assumptions used for discount rates would result in directionally opposite changes in the fair value. The estimation of fair value requires significant judgments and estimates and actual results could be materially different than the judgments and estimates used. During 2022 and part of 2023, there have been significant adverse changes in the market valuation of companies in the travel and technology industries. Discount rates have also been impacted during those periods due to rising interest rates and adverse changes in the macroeconomic environment. Future events and changing market conditions, including economic uncertainties such as inflation, rising interest rates and risks of a potential recession, may lead us to re-evaluate the assumptions used to estimate the fair values of our reporting units, which may result in a need to recognize additional goodwill impairment charges that could have a material adverse effect on our results of operations.

Income Taxes

We determine our tax expense based on our income and statutory tax rates applicable in the jurisdictions in which we operate. Due to the complex and dynamic nature of tax legislation, significant judgment is required in computing our tax expense and determining our tax positions. The U.S. Tax Cuts and Jobs Act (the "Tax Act") enacted in December 2017 made significant changes to U.S. federal tax law, including a one-time deemed repatriation tax imposed on accumulated unremitted international earnings, to be paid over eight years. We do not intend to indefinitely reinvest our international earnings that were subject to U.S. taxation pursuant to the mandatory deemed repatriation or subject to U.S. taxation as global intangible low-taxed income ("GILTI").

We regularly review our deferred tax assets for recoverability considering historical profitability, projected future taxable income, the expected timing of the reversals of temporary differences, and tax planning strategies and record valuation allowances as required.

We are subject to ongoing tax examinations and assessments in various jurisdictions. We face challenges regarding the amount of taxes due from time to time. These challenges include questions regarding the timing and amount of deductions on our tax returns. Although we believe that our tax filing positions are reasonable and comply with applicable law, we regularly review our tax filing positions, especially in light of tax law or business practice changes, and we may change our positions or determine that previous positions should be amended, either of which could result in changes to our tax liabilities. The final determination of tax audits or tax disputes may be different from what is reflected in our historical income tax provisions and accruals.

The evaluation of tax positions and recognition of income tax benefits require significant judgment and we consult with external tax and legal counsel as appropriate. We consider the technical merits of our tax positions along with the applicable tax statutes, related interpretations and precedents, and our expectation of the outcome of proceedings (or negotiations) with tax authorities. We recognize liabilities when we believe that uncertain positions may not be fully sustained upon audit by the tax authorities, including any related appeals or litigation processes. Liabilities recognized for uncertain tax positions are based on a two-step approach for recognition and measurement. First, we evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position will be sustained based on its technical merits. Second, we measure the tax benefit as the largest amount that is more than 50% likely of being realized upon ultimate settlement. Interest and penalties attributable to uncertain tax positions, if any, are recognized as a component of income tax expense. The tax benefits ultimately realized by us may be different than what is recorded in the financial statements due to future events such as our settling the matter with the tax authorities and our success in sustaining our tax positions.

See Notes 15 and 16 to our Consolidated Financial Statements for additional information.

Contingencies

Loss contingencies (other than income tax-related contingencies disclosed above) arise from actual or possible claims and assessments and pending or threatened litigation that may be brought against us. Based on our assessment of loss contingencies at each balance sheet date, a loss is recorded in the financial statements if it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. If the amount of the loss cannot be reasonably estimated, we disclose information about the contingency in the financial statements. We also disclose information in our financial statements about reasonably possible loss contingencies.

The determination of whether a loss is probable and whether the amount of the loss can be reasonably estimated requires significant judgment and evaluation of all the underlying facts and circumstances including judgments about the potential actions of third-party claimants, regulatory authorities, and courts. Claims, assessments, and litigations involve significant uncertainties such as the complexity of the facts, the legal theories involved, the nature of the claims, the judgment of the courts, the applicable methodology for determining potential damages, and, in the case of class actions, whether a class action can be certified and the extent to which members of a class would or would not file a claim.

On a quarterly basis, we update our analysis and estimates considering all available information, including the impact of negotiations, settlements, rulings, and advice of legal counsel. Changes in our assessment of whether a loss is probable, our estimate of the loss, or our determination of whether the amount of loss can be reasonably estimated could have a material impact on our results of operations and financial position. Changes in our assumptions regarding a particular matter or the effectiveness of our strategies related to legal and other proceedings could also have a material impact on our results of operations and financial position. For all loss contingencies, until a matter is finally resolved, there may be an exposure to loss in excess of the liability accrued for the matter and such amounts could be material.

See Note 16 to our Consolidated Financial Statements for additional information, including the accrual of a loss of \$530 million related to a draft decision by the Spanish competition authority and a loss of \$276 million related to the Netherlands pension fund matter, which are recorded in the Consolidated Statement of Operations for the year ended December 31, 2023.

Recent Accounting Pronouncements

See Note 2 to our Consolidated Financial Statements for details, which is incorporated into this Item 7 by reference thereto.

Results of Operations

Operating and Statistical Metrics

Our financial results are driven by certain operating metrics that encompass the booking and other business activity generated by our travel and travel-related services. Specifically, reservations of room nights, rental car days, and airline tickets capture the volume of units booked through our online travel companies' ("OTC") brands by our travel reservation services customers. Gross bookings is an operating and statistical metric that captures the total dollar value, generally inclusive of taxes and fees, of all travel services booked through our OTC brands by our customers, net of cancellations. Our non-OTC brands (KAYAK and OpenTable) have different business metrics from those of our OTC brands, so search queries through KAYAK and restaurant reservations through OpenTable do not contribute to our gross bookings.

Revenues

Online travel reservation services

Substantially all of our revenues are generated by providing online travel reservation services, which facilitate online travel purchases between travel service providers and travelers.

Revenues from online travel reservation services are classified into two categories:

- *Merchant.* Merchant revenues are derived from travel-related transactions where we facilitate payments from travelers for the services provided, generally at the time of booking. Merchant revenues are derived from transactions where travelers book accommodation, rental car, airline reservations, and other travel related services. The majority of our merchant revenues is from Booking.com's accommodation reservations. Merchant revenues include:
 - travel reservation commissions and transaction net revenues (i.e., the amount charged to travelers, including the impact of merchandising, less the amount owed to travel service providers) in connection with our merchant reservation services;
 - revenues from facilitating payments, such as credit card processing rebates and customer processing fees; and
 - ancillary fees, including travel-related insurance revenues.
- *Agency.* Agency revenues are derived from travel-related transactions where we do not facilitate payments from travelers for the services provided. Agency revenues consist almost entirely of travel reservation commissions from our accommodation, rental car, and airline reservation services. Substantially all of our agency revenues is from Booking.com's accommodation reservations.

Advertising and other revenues

Advertising and other revenues are derived primarily from:

- revenues earned by KAYAK for (a) sending referrals to OTCs and travel service providers and (b) advertising placements on its platforms; and
- revenues earned by OpenTable for (a) restaurant reservation services (fees paid by restaurants for diners seated through OpenTable's online reservation service) and (b) subscription fees for restaurant management services.

Year Ended December 31, 2023 compared to Year Ended December 31, 2022

Operating and Statistical Metrics

Room nights, rental car days, and airline tickets reserved through our services for the years ended December 31, 2023 and 2022 were as follows:

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
<i>Room nights</i>	1,049	896	17.1 %
<i>Rental car days</i>	74	62	19.7 %
<i>Airline tickets</i>	36	23	57.6 %

Room nights reserved through our services increased in 2023 compared to 2022, driven primarily by the continued recovery in Asia and Europe. Rental car days reserved through our services increased in 2023 compared to 2022, driven primarily by year-over-year growth in rental car demand, which benefited from lower average daily car rental prices. Airline tickets reserved through our services increased in 2023 compared to 2022, driven primarily by the expansion of Booking.com's flight offering.

Gross bookings resulting from reservations of room nights, rental car days, and airline tickets made through our merchant and agency categories for the years ended December 31, 2023 and 2022 were as follows (numbers may not total due to rounding):

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
<i>Merchant gross bookings</i>	\$ 81,721	\$ 53,873	51.7 %
<i>Agency gross bookings</i>	68,906	67,379	2.3 %
<i>Total gross bookings</i>	<u>\$ 150,627</u>	<u>\$ 121,253</u>	24.2 %

Merchant and agency gross bookings increased in 2023 compared to 2022, due to the continued improvement in travel demand. Merchant gross bookings increased more than agency gross bookings due to the ongoing shift from agency bookings to merchant bookings at Booking.com.

The year-over-year increase in total gross bookings in 2023 was due primarily to the increase in room nights, the increase in constant-currency accommodation ADRs of approximately 6%, the positive impact from year-over-year growth in gross bookings from reservations for airline tickets, partially offset by the negative impact of foreign exchange rate fluctuations.

Gross bookings resulting from reservations of airline tickets increased 64% year-over-year in 2023 due to higher airline ticket growth and higher average airline ticket prices. Gross bookings resulting from reservations of rental car days decreased 2% year-over-year in 2023 due primarily to lower average daily car rental prices, partially offset by higher rental car days growth.

Revenues

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
<i>Merchant revenues</i>	\$ 10,936	\$ 7,193	52.0 %
<i>Agency revenues</i>	9,414	9,003	4.6 %
<i>Advertising and other revenues</i>	1,015	894	13.4 %
<i>Total revenues</i>	<u>\$ 21,365</u>	<u>\$ 17,090</u>	25.0 %
<i>% of Total gross bookings</i>	14.2 %	14.1 %	

Merchant, agency, and advertising and other revenues increased in 2023 compared to 2022 due primarily to the continued improvement in travel demand. Merchant revenues in 2023 increased more than agency revenues due to the ongoing shift from agency revenues to merchant revenues at Booking.com.

Total revenues as a percentage of gross bookings was 14.2% in 2023 up from 14.1% in 2022 due primarily to a more positive impact from differences in the timing of booking versus travel in 2023 compared to 2022 and an increase in revenue from facilitating payments, mostly offset by an increase in the mix of airline ticket gross bookings, changes in geographical mix, and an increase in investments in merchandising.

Operating Expenses

Marketing Expenses

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
<i>Marketing expenses</i>	\$ 6,773	\$ 5,993	13.0 %
<i>% of Total gross bookings</i>	4.5 %	4.9 %	
<i>% of Total revenues</i>	31.7 %	35.1 %	

Marketing expenses consist primarily of the costs of:

- search engine keyword purchases;
- affiliate programs;
- referrals from meta-search websites;
- online and offline brand marketing; and
- other performance-based marketing.

We adjust our marketing spend based on our growth and profitability objectives, as well as the travel demand and expected ROIs in our marketing channels. We rely on our marketing channels to generate a significant amount of traffic to our websites. Our marketing expenses, which are substantially variable in nature, increased year-over-year in 2023 to help drive additional gross bookings and revenues. Marketing expenses as a percentage of total gross bookings decreased year-over-year in 2023 due to year-over-year increases in performance marketing ROIs and in the mix of direct traffic. Performance marketing ROIs were higher in 2023 versus 2022, due in part to our ongoing efforts to improve the efficiency of our marketing spend.

Sales and Other Expenses

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
<i>Sales and other expenses</i>	\$ 2,744	\$ 1,986	38.2 %
<i>% of Total gross bookings</i>	1.8 %	1.6 %	
<i>% of Total revenues</i>	12.8 %	11.6 %	

Sales and other expenses consist primarily of:

- credit card and other payment processing fees associated with merchant transactions;
- fees paid to third parties that provide call center and other customer services;
- digital services taxes and other similar taxes;
- chargeback provisions and fraud prevention expenses associated with merchant transactions;
- provisions for expected credit losses, primarily related to accommodation commission receivables and prepayments to certain customers; and
- customer relations costs.

Sales and other expenses, which are substantially variable in nature, increased year-over-year in 2023 due primarily to an increase in merchant transaction costs of \$461 million and an increase in third-party call center costs of \$155 million. Merchant transactions increased year-over-year in 2023 due to the continued improvement in travel demand trends, as well as the ongoing shift from agency transactions to merchant transactions at Booking.com. The year-over-year increase in third-party call center costs in 2023 was due in part to the transfer of certain customer service operations of Booking.com to Majorel in June 2022, which shifted costs from personnel expenses to sales and other expenses.

Personnel

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
<i>Personnel</i>	\$ 3,294	\$ 2,465	33.6 %
<i>% of Total revenues</i>	15.4 %	14.4 %	

Personnel expenses consist primarily of:

- salaries, bonuses, and stock-based compensation;
- payroll taxes; and
- employee health and other benefits.

Personnel expenses, excluding stock-based compensation, increased 34% year-over-year in 2023 due to an increase in salary expenses of \$309 million, an accrual of \$276 million related to the Netherlands pension fund matter (see Note 16 to our Consolidated Financial Statements for additional information), and an increase in bonus expense accruals of \$75 million. Employee headcount of approximately 23,600 as of December 31, 2023 increased by 9% as compared to December 31, 2022. Personnel expenses in 2023 and employee headcount as of December 31, 2023 were reduced due to the transfer of certain customer service operations of Booking.com to Majorel in June 2022, which shifted costs from personnel expenses to sales and other expenses. Stock-based compensation expense in 2023 was \$530 million compared to \$404 million in 2022.

General and Administrative

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
<i>General and administrative</i>	\$ 1,555	\$ 766	102.7 %
<i>% of Total revenues</i>	7.3 %	4.5 %	

General and administrative expenses consist primarily of:

- fees for certain outside professionals;
- occupancy and office expenses;
- certain travel transaction taxes; and
- personnel-related expenses such as travel, relocation, recruiting, and training expenses.

General and administrative expenses increased year-over-year in 2023 due to the accrual of a loss of \$530 million related to a draft decision by the Spanish competition authority (see Note 16 to our Consolidated Financial Statements for additional information), a \$90 million termination fee related to the acquisition agreement for the Etraveli Group (see Note 20 to our Consolidated Financial Statements for additional information), and year-over-year increases in certain travel transaction taxes and occupancy and office expenses.

Information Technology

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
<i>Information technology</i>	\$ 655	\$ 526	24.5 %
<i>% of Total revenues</i>	3.1 %	3.1 %	

Information technology expenses consist primarily of:

- software license and system maintenance fees;
- cloud computing costs and outsourced data center costs;
- payments to contractors; and
- data communications and other expenses associated with operating our services.

Information technology expenses increased in 2023 compared to 2022 due to increased cloud computing costs and outsourced data center costs, as well as increased software license and system maintenance fees.

Depreciation and Amortization

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
Depreciation and amortization	\$ 504	\$ 451	11.8 %
% of Total revenues	2.4 %	2.6 %	

Depreciation and amortization expenses consist of:

- amortization of intangible assets with determinable lives;
- amortization of internally-developed and purchased software;
- depreciation of computer equipment; and
- depreciation of leasehold improvements, furniture and fixtures, and office equipment.

Depreciation and amortization expenses increased in 2023 compared to 2022 due primarily to increased amortization expense related to internally-developed and purchased software, as well as depreciation of computer equipment.

Other Operating Expenses

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
Other operating expenses	\$ 5	\$ (199)	*
% of Total revenues	— %	(1.2)%	

* Not meaningful

Other operating expenses in 2022 includes the gain of \$240 million on the sale and leaseback transaction related to Booking.com's headquarters building, partially offset by a loss of \$41 million related to the transfer of certain customer service operations of Booking.com to Majorel. See Notes 10 and 20 to our Consolidated Financial Statements.

Interest Expense and Other Income (Expense), Net

Interest Expense

(in millions)	Year Ended December 31,	
	2023	2022
Interest expense	\$ 897	\$ 391

Other Income (Expense), Net

The following table sets forth the composition of "Other income (expense), net" for the years ended December 31, 2023 and 2022:

(in millions)	Year Ended December 31,	
	2023	2022
Interest and dividend income	\$ 1,020	\$ 219
Net losses on equity securities	(131)	(963)
Foreign currency transaction (losses) gains	(348)	(43)
Other	2	(1)
Other income (expense), net	\$ 543	\$ (788)

The following table presents the changes in interest and dividend income and interest expense for the years ended December 31, 2023 and 2022:

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
Interest and dividend income	\$ 1,020	\$ 219	366.6 %
Interest expense	(897)	(391)	129.6 %

Interest and dividend income increased for the year ended December 31, 2023, compared to the year ended December 31, 2022, primarily due to the impact of higher interest rates on cash management activities (with related expenses recorded in interest expense) and investment activities. Interest expense increased for the year ended December 31, 2023, compared to the year ended December 31, 2022, primarily due to higher interest rates related to our cash management activities (with related income recorded in interest income) and the issuance of senior notes in November 2022 and May 2023, partially offset by the maturities of senior notes during 2022 and 2023.

See Note 19 to our Consolidated Financial Statements for additional information on "Other income (expense), net." See Notes 5 and 6 to our Consolidated Financial Statements for additional information related to net losses on equity securities and the impairments of an investment in equity securities.

Foreign currency transaction (losses) gains for the year ended December 31, 2023 includes losses of \$163 million related to our Euro-denominated debt and accrued interest that were not designated as net investment hedges and losses of \$106 million on derivative contracts. Foreign currency transaction (losses) gains for the year ended December 31, 2022 includes gains of \$46 million related to our Euro-denominated debt and accrued interest that were not designated as net investment hedges and losses of \$52 million on derivative contracts.

Income Taxes

(in millions)	Year Ended December 31,		Increase (Decrease)
	2023	2022	
Income tax expense	\$ 1,192	\$ 865	37.8 %
% of Income before income taxes	21.8 %	22.1 %	

Our 2023 effective tax rate differs from the U.S. federal statutory tax rate of 21%, primarily due to higher international tax rates, non-deductible fines, certain other non-deductible expenses, and U.S. federal tax associated with the Company's international earnings, partially offset by the benefit of the Netherlands Innovation Box Tax (discussed below). Our 2022 effective tax rate differs from the U.S. federal statutory tax rate of 21%, primarily due to higher international tax rates, a valuation allowance recorded against deferred tax assets related to certain unrealized losses on equity securities, certain non-deductible expenses, and an increase in unrecognized tax benefits, partially offset by the benefit of the Netherlands Innovation Box Tax.

Our effective tax rate was lower for the year ended December 31, 2023, compared to the year ended December 31, 2022, primarily due to a lower valuation allowance recorded against deferred tax assets related to certain unrealized losses on equity securities, lower unrecognized tax benefits, and lower international tax rates, partially offset by an increase in non-deductible fines, and a decrease in the benefit of the Netherlands Innovation Box Tax.

Under Dutch corporate income tax law, income generated from qualifying innovative activities is taxed at a rate of 9% ("Innovation Box Tax") rather than the Dutch statutory rate of 25.8%. A portion of Booking.com's earnings during the years ended December 31, 2023 and 2022 qualified for Innovation Box Tax treatment, which had a significant beneficial impact on our effective tax rates for these periods. For more information regarding the Innovation Box Tax, see Part I, Item 1A, Risk Factors - "We may not be able to maintain our 'Innovation Box Tax' benefit."

Results of Operations

Year Ended December 31, 2022 compared to Year Ended December 31, 2021

In the Consolidated Statements of Operations for the years ended December 31, 2022 and 2021, we have reclassified certain indirect taxes, primarily digital services taxes, between "General and administrative" expenses and "Sales and other expenses" to conform to the presentation in the Consolidated Statement of Operations for the year ended December 31, 2023. See Note 2 to the Consolidated Financial Statements.

Operating and Statistical Metrics

Room nights, rental car days, and airline tickets reserved through our services for the years ended December 31, 2022 and 2021 were as follows:

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
Room nights	896	591	51.6 %
Rental car days	62	47	30.7 %
Airline tickets	23	15	49.9 %

Room nights, rental car days, and airline tickets reserved through our services increased significantly in 2022 compared to 2021, due primarily to the continued improvement in travel demand trends as the impact of the COVID-19 pandemic lessened in 2022 versus 2021.

Gross bookings resulting from reservations of room nights, rental car days, and airline tickets made through our agency and merchant categories for the years ended December 31, 2022 and 2021 were as follows (numbers may not total due to rounding):

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
Agency gross bookings	\$ 67,379	\$ 50,741	32.8 %
Merchant gross bookings	53,873	25,845	108.4 %
Total gross bookings	<u>\$ 121,253</u>	<u>\$ 76,586</u>	58.3 %

Agency gross bookings are derived from travel-related transactions where we do not facilitate payments from travelers for the services provided, while merchant gross bookings are derived from services where we facilitate payments. Agency and merchant gross bookings increased in 2022 compared to 2021 due primarily to the continued improvement in travel demand trends. Merchant gross bookings increased more than agency gross bookings due to the expansion of merchant accommodation reservation services at Booking.com.

The year-over-year increase in gross bookings in 2022 was due primarily to the increase in room nights and the increase in accommodation ADRs of approximately 15% on a constant-currency basis, partially offset by the negative impact of foreign exchange rate fluctuations. Gross bookings resulting from reservations of airline tickets increased 86% year-over-year in 2022 due to higher unit growth and ticket price increases. Gross bookings resulting from reservations of rental car days increased 26% year-over-year in 2022 due primarily to higher unit growth.

Revenues

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
Agency revenues	\$ 9,003	\$ 6,663	35.1 %
Merchant revenues	7,193	3,696	94.6 %
Advertising and other revenues	894	599	49.4 %
Total revenues	<u>\$ 17,090</u>	<u>\$ 10,958</u>	56.0 %
% of Total gross bookings	14.1 %	14.3 %	

Agency, merchant, and advertising and other revenues increased in 2022 compared to 2021 due primarily to the continued improvement in gross bookings as the impact of the COVID-19 pandemic lessened in 2022 versus 2021, partially offset by the negative impact of foreign exchange rate fluctuations. Merchant revenues in 2022 increased more than agency revenues due to the expansion of merchant accommodation reservation services at Booking.com.

Total revenues as a percentage of gross bookings was 14.1% in 2022, down from 14.3% in 2021 due to investments in merchandising and an increase in the mix of airline ticket gross bookings, partially offset by increased revenues from facilitating payments.

Operating Expenses

Marketing Expenses

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
<i>Marketing expenses</i>	\$ 5,993	\$ 3,801	57.6 %
<i>% of Total gross bookings</i>	4.9 %	5.0 %	
<i>% of Total revenues</i>	35.1 %	34.7 %	

Marketing expenses consist primarily of the costs of:

- search engine keyword purchases;
- referrals from meta-search and travel research websites;
- affiliate programs;
- offline and online brand marketing; and
- other performance-based marketing and incentives.

We adjust our marketing spend based on our growth and profitability objectives, as well as the travel demand and expected ROIs in our marketing channels. We rely on our marketing channels to generate a significant amount of traffic to our websites. Our marketing expenses, which are substantially variable in nature, increased significantly in 2022 compared to 2021, due primarily to the continued improvement in travel demand as the impact of the COVID-19 pandemic lessened in 2022 versus 2021. Marketing expenses as a percentage of total gross bookings decreased slightly in 2022 compared to 2021 due to year-over-year increases in the mix of direct traffic, partially offset by year-over-year decreases in performance marketing ROIs. Performance marketing ROIs were lower in 2022 versus 2021 due to our efforts to invest in marketing during the recovery in the travel industry in 2022.

Sales and Other Expenses

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
<i>Sales and other expenses</i>	\$ 1,986	\$ 979	102.7 %
<i>% of Total gross bookings</i>	1.6 %	1.3 %	
<i>% of Total revenues</i>	11.6 %	8.9 %	

Sales and other expenses consist primarily of:

- credit card and other payment processing fees associated with merchant transactions;
- fees paid to third parties that provide call center, website content translations, and other services;
- digital services taxes and other similar taxes;
- chargeback provisions and fraud prevention expenses associated with merchant transactions;
- provisions for expected credit losses, primarily related to accommodation commission receivables and prepayments to certain customers; and
- customer relations costs.

Sales and other expenses, which are substantially variable in nature, increased significantly in 2022 compared to 2021, due primarily to an increase in merchant transaction costs of \$573 million and an increase in third-party call center costs of \$235 million. Merchant transactions increased year-over-year in 2022 due to the continued improvement in travel demand trends as the impact of the COVID-19 pandemic lessened in 2022 versus 2021, as well as the expansion of merchant accommodation reservation services at Booking.com. The year-over-year increase in third-party call center costs in 2022 was due in part to the transfer of certain customer service operations of Booking.com to Majorel, which shifted costs from personnel expenses to sales and other expenses.

Personnel

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
<i>Personnel</i>	\$ 2,465	\$ 2,314	6.5 %
<i>% of Total revenues</i>	14.4 %	21.1 %	

Personnel expenses consist primarily of:

- salaries, bonuses, and stock-based compensation;
- payroll taxes; and
- employee health and other benefits.

Personnel expenses, excluding stock-based compensation, increased 6% in 2022 compared to 2021, due to an increase in salary expense of \$139 million and an increase in bonus expense accruals of \$66 million, partially offset by the \$136 million expense, recorded in 2021, associated with the return of government assistance received through various government aid programs. Employee headcount of approximately 21,600 as of December 31, 2022 increased by 6% as compared to December 31, 2021. Personnel expenses in 2022 and employee headcount as of December 31, 2022 were reduced due to the transfer of certain customer service operations of Booking.com to Majorel which shifted costs from personnel expenses to sales and other expenses. Stock-based compensation expense was \$404 million in 2022 compared to \$370 million in 2021.

General and Administrative

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
<i>General and administrative</i>	\$ 766	\$ 522	47.1 %
<i>% of Total revenues</i>	4.5 %	4.8 %	

General and administrative expenses consist primarily of:

- fees for outside professionals;
- occupancy and office expenses;
- personnel-related expenses such as travel, relocation, recruiting, and training expenses; and
- certain travel transaction taxes.

General and administrative expenses increased in 2022 compared to 2021 due to an increase of \$97 million in certain travel transaction taxes, including the \$46 million accrual related to the settlement of an Italian indirect tax matter. See Note 16 to our Consolidated Financial Statements. The year-over-year increase in general and administrative expenses was also driven by an increase of \$75 million in personnel-related expenses and an increase of \$53 million in fees for professional services.

Information Technology

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
Information technology	\$ 526	\$ 412	27.6 %
% of Total revenues	3.1 %	3.8 %	

Information technology expenses consist primarily of:

- software license and system maintenance fees;
- cloud computing costs and outsourced data center costs;
- payments to contractors; and
- data communications and other expenses associated with operating our services.

Information technology expenses increased in 2022 compared to 2021 due to increased cloud computing costs, payments to contractors, and software license fees.

Depreciation and Amortization

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
Depreciation and amortization	\$ 451	\$ 421	6.9 %
% of Total revenues	2.6 %	3.8 %	

Depreciation and amortization expenses consist of:

- amortization of intangible assets with determinable lives;
- amortization of internally-developed and purchased software;
- depreciation of computer equipment; and
- depreciation of leasehold improvements, furniture and fixtures, and office equipment.

Depreciation and amortization expenses increased in 2022 compared to 2021 due to increased amortization expense related to the acquisition of Getaroom, partially offset by decreased depreciation of computer equipment and leasehold improvements.

Other Operating Expenses

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
Other operating expenses	\$ (199)	\$ 13	*
% of Total revenues	(1.2)%	0.1 %	

* Not meaningful

Other operating expenses in 2022 includes the gain of \$240 million on the sale and leaseback transaction related to Booking.com's headquarters building, partially offset by a loss of \$41 million related to the transfer of certain customer service operations of Booking.com to Majorel (see Notes 10 and 20 to our Consolidated Financial Statements). Other operating expenses for the year ended December 31, 2021 principally relate to the restructuring charges as a result of restructuring actions taken in 2020 and are primarily related to employee severance and other termination benefits at Booking.com.

Interest Expense and Other Income (Expense), Net

Interest Expense

(in millions)	Year Ended December 31,	
	2022	2021
Interest expense	\$ 391	\$ 334

Other Income (Expense), Net

The following table sets forth the composition of "Other income (expense), net" for the years ended December 31, 2022 and 2021:

(in millions)	Year Ended December 31,	
	2022	2021
Interest and dividend income	\$ 219	\$ 16
Net losses on equity securities	(963)	(569)
Foreign currency transaction (losses) gains	(43)	111
Loss on early extinguishment of debt	—	(242)
Other	(1)	(13)
Other income (expense), net	\$ (788)	\$ (697)

The following table presents the changes in interest and dividend income and interest expense for the years ended December 31, 2022 and 2021:

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
Interest and dividend income	\$ 219	\$ 16	1,233.4 %
Interest expense	(391)	(334)	16.9 %

Interest and dividend income increased for the year ended December 31, 2022, compared to the year ended December 31, 2021, primarily due to the impact of higher interest rates on cash management activities (with related expenses recorded in interest expense) and investment activities. Interest expense increased for the year ended December 31, 2022, compared to the year ended December 31, 2021, primarily due to higher interest rates relating to our cash management activities (with related income recorded in interest income) and the issuance of senior notes in November 2022. This was offset in part by the impact of the adoption on January 1, 2022 of the new accounting standards update for convertible instruments, the redemption of senior notes with higher interest rates in April 2021, and the maturity in September 2021 of convertible senior notes. The amortization of debt discount on convertible debt was recorded in Interest expense. With the adoption of the new accounting standards update, such amortization is not recorded in the financial statements for periods after January 1, 2022 (see Note 2 to our Consolidated Financial Statements).

See Note 19 to our Consolidated Financial Statements for additional information on "Other income (expense), net." See Notes 5 and 6 to our Consolidated Financial Statements for additional information related to net losses on equity securities and the impairments of an investment in equity securities.

Foreign currency transaction (losses) gains for the year ended December 31, 2022 includes gains of \$46 million related to our Euro-denominated debt and accrued interest that were not designated as net investment hedges and losses of \$52 million on derivative contracts. Foreign currency transaction gains for the year ended December 31, 2021 includes gains of \$135 million related to our Euro-denominated debt and accrued interest that were not designated as net investment hedges and losses of \$30 million on derivative contracts.

Loss on early extinguishment of debt is related to our Senior Notes due April 2025 and our Senior Notes due April 2027 that were redeemed in April 2021 (see Note 12 to our Consolidated Financial Statements).

Income Taxes

(in millions)	Year Ended December 31,		Increase (Decrease)
	2022	2021	
Income tax expense	\$ 865	\$ 300	188.6 %
% of Income before income taxes	22.1 %	20.5 %	

Our 2022 effective tax rate differs from the U.S. federal statutory tax rate of 21%, primarily due to higher international tax rates, a valuation allowance recorded against deferred tax assets related to certain unrealized losses on equity securities, certain non-deductible expenses, and an increase in unrecognized tax benefits, partially offset by the benefit of the Netherlands Innovation Box Tax (discussed below). Our 2021 effective tax rate differs from the U.S. federal statutory tax rate of 21%, primarily due to the benefit of the Netherlands Innovation Box Tax, partially offset by higher international tax rates and an increase in unrecognized tax benefits.

Our effective tax rate was higher for the year ended December 31, 2022, compared to the year ended December 31, 2021, primarily due to lower benefit resulting from the Netherlands Innovation Box Tax and higher valuation allowance recorded against deferred tax assets related to certain unrealized losses on equity securities, partially offset by lower international tax rates.

Under Dutch corporate income tax law, income generated from qualifying innovative activities is taxed at a rate of 9% ("Innovation Box Tax") for periods beginning on or after January 1, 2021 rather than the Dutch statutory rate of 25%. Previously, the Innovation Box Tax rate was 7%. Effective January 1, 2022, the Netherlands corporate income tax rate increased from 25% to 25.8%. A portion of Booking.com's earnings during the years ended December 31, 2022 and 2021 qualified for Innovation Box Tax treatment, which had a significant beneficial impact on our effective tax rates for these periods. For more information regarding the Innovation Box Tax, see Part I, Item 1A, Risk Factors - "We may not be able to maintain our 'Innovation Box Tax' benefit."

Liquidity and Capital Resources

Our financial results and prospects are almost entirely dependent on facilitating the sale of travel-related services. Marketing expenses and personnel expenses are the most significant operating expenses for our business. We rely on marketing channels to generate traffic to our websites. See our Consolidated Statements of Operations and "Trends" and "Results of Operations" above for additional information on marketing expenses and personnel expenses, including stock-based compensation expenses. Our continued access to sources of liquidity depends on multiple factors. See Part I, Item 1A, Risk Factors - *"Our liquidity, credit ratings, and ongoing access to capital could be materially and negatively affected by global financial conditions and events."*

At December 31, 2023, we had \$13.1 billion in cash, cash equivalents, and investments, of which approximately \$8.8 billion is held by our international subsidiaries. Cash, cash equivalents, and long-term investments held by our international subsidiaries are denominated primarily in Euros, U.S. Dollars, and Japanese Yen. See Notes 5 and 6 to our Consolidated Financial Statements for additional information about our cash equivalents and investments. Our investment policy seeks to preserve capital and maintain sufficient liquidity to meet operational and other needs of the business. In February 2023, we completed the sale of our investment in equity securities of Meituan and received gross proceeds of \$1.7 billion.

Deferred merchant bookings of \$3.3 billion at December 31, 2023 represents cash payments received from travelers in advance of us completing our performance obligations and are comprised principally of amounts estimated to be payable to travel service providers as well as our estimated future revenue for our commission or margin and fees. The amounts are mostly subject to refunds for cancellations.

At December 31, 2023, we had a remaining transition tax liability of \$690 million as a result of the U.S. Tax Cuts and Jobs Act ("Tax Act"), which included \$515 million reported as "Long-term U.S. transition tax liability" and \$175 million included in "Accrued expenses and other current liabilities" in the Consolidated Balance Sheet. This liability will be paid over the next three years. In accordance with the Tax Act, generally, future repatriation of our international cash will not be subject to a U.S. federal income tax liability as a dividend, but will be subject to U.S. state income taxes and international withholding taxes, which have been accrued by us.

In May 2023, we entered into a five-year unsecured revolving credit facility with a group of lenders. The revolving credit facility extends a revolving line of credit up to \$2 billion to us and provides for the issuance of up to \$80 million of letters of credit, as well as up to \$100 million of borrowings on same-day notice. The revolving credit facility contains a maximum leverage ratio covenant, compliance with which is a condition to our ability to borrow. Upon entering into this new revolving credit facility, we terminated the \$2 billion five-year revolving credit facility entered into in August 2019. At December 31, 2023 there were no borrowings outstanding and \$18 million of letters of credit issued under the new revolving credit facility.

See Note 12 to our Consolidated Financial Statements for additional information related to our debt arrangements, including principal amounts, interest rates, and maturity dates. Our convertible senior notes due in May 2025 are currently convertible at the option of the holder and have been classified as "Short-term debt" in the Consolidated Balance Sheet at December 31, 2023. If the note holders exercise their option to convert, we deliver cash to repay the principal amount of the notes and deliver shares of common stock or cash, at our option, to satisfy the conversion value in excess of the principal amount. At December 31, 2023, we had outstanding senior notes with varying maturities for an aggregate principal amount of \$14.2 billion, with \$2 billion payable within the next twelve months. The outstanding senior notes at December 31, 2023 had cumulative interest to maturity of \$2.7 billion, with \$440 million payable within the next twelve months. In May 2023, we issued senior notes with an aggregate principal amount of 1.75 billion Euros. The proceeds from the issuance of these senior notes are available for general corporate purposes, including to repurchase shares of our common stock. In March 2023, we repaid \$500 million in aggregate principal amount on the maturity of the Senior Notes due March 2023.

During the year ended December 31, 2023, we repurchased shares of our common stock for an aggregate cost of \$10.4 billion. At December 31, 2022, we had a total remaining authorization of \$3.9 billion related to a program authorized by our Board of Directors ("the Board") in 2019 to repurchase up to \$15 billion of our common stock. In the first quarter of 2023, the Board authorized a program to repurchase up to \$20 billion of our common stock and at December 31, 2023, we had a total remaining authorization of \$13.7 billion. We still expect to complete the share repurchases under the remaining authorization by the end of 2026, assuming no major downturn in the travel market. Effective January 1, 2023, the Inflation Reduction Act of 2022 has mandated a 1% excise tax on share repurchases. Excise tax obligations that result from our share repurchases are accounted for as a cost of the treasury stock transaction. See Note 13 to our Consolidated Financial Statements for additional information related to our stock repurchases.

On January 25, 2024, the Board adopted a dividend policy pursuant to which we intend to pay quarterly cash dividends on our common stock. Declaration of dividends pursuant to the policy will be subject to the Board's consideration of, among other things, our financial performance, cash flows, capital needs, and liquidity. Pursuant to the dividend policy, on February 16, 2024 the Board declared a quarterly cash dividend of \$8.75 per share of common stock, payable on March 28, 2024 to stockholders of record as of the close of business on March 8, 2024.

At December 31, 2023, we had lease obligations of \$961 million. See Note 10 to our Consolidated Financial Statements for more information on our obligations related to operating and financing leases. Additionally, at December 31, 2023, we had, in the aggregate, \$361 million of non-cancellable purchase obligations individually greater than \$10 million, of which \$188 million is payable within the next twelve months. Such purchase obligations relate to agreements to purchase goods and services that are enforceable and legally binding, that specify all significant terms, including the quantities to be purchased, price provisions, and the approximate timing of the transaction.

At December 31, 2023 there were \$533 million of standby letters of credit and bank guarantees issued on our behalf. These are obtained primarily for regulatory purposes.

See Note 16 to our Consolidated Financial Statements for additional information related to our commitments and contingencies, including the accrual of a loss of \$530 million related to a draft decision by the Spanish competition authority and a loss of \$276 million related to the Netherlands pension fund matter, which are recorded in the Consolidated Statement of Operations for the year ended December 31, 2023.

We believe that our existing cash balances and liquid resources will be sufficient to fund our operating activities, capital expenditures, and other obligations through at least the next twelve months. However, if we are not successful in generating sufficient cash flow from operations or in raising additional capital when required in sufficient amounts and on terms acceptable to us, we may be required to reduce our planned capital expenditures and scale back the scope of our business plans, either of which could have a material adverse effect on our business, our ability to compete or our future growth prospects, financial condition, and results of operations. If additional funds were raised through the issuance of equity securities, the percentage ownership of our then current stockholders would be diluted. We may not generate sufficient cash flow from operations in the future, revenue growth or sustained profitability may not be realized, and future borrowings or equity sales may not be available in amounts sufficient to make anticipated capital expenditures, finance our strategies, or repay our indebtedness.

Cash Flow Analysis

Year Ended December 31, 2023 compared to Year Ended December 31, 2022

Net cash provided by operating activities for the year ended December 31, 2023 was \$7.3 billion, resulting from net income of \$4.3 billion, a favorable net impact of \$1.3 billion from adjustments for non-cash and other items and a favorable net change in working capital and long-term assets and liabilities of \$1.7 billion. Non-cash items were principally associated with stock-based compensation expense and other stock-based payments, depreciation and amortization, deferred income tax benefit, provision for expected credit losses and chargebacks, unrealized foreign currency transaction losses (gains) related to Euro-denominated debt, and operating lease amortization. For the year ended December 31, 2023, deferred merchant bookings and other current liabilities increased by \$2.7 billion, and accounts receivable increased by \$1.3 billion, primarily due to increases in business volumes. During the year ended December 31, 2023, the Company accrued a loss of \$530 million related to a draft decision by the Spanish competition authority and a loss of \$276 million related to the Netherlands pension fund matter. The related liabilities are included in "Accrued expenses and other current liabilities" in the Consolidated Balance Sheet as of December 31, 2023. See Note 16 to our Consolidated Financial Statements for additional information.

Net cash provided by operating activities for the year ended December 31, 2022 was \$6.6 billion, resulting from net income of \$3.1 billion, a favorable impact of \$1.7 billion from adjustments for non-cash and other items, and a favorable net change in working capital and long-term assets and liabilities of \$1.8 billion. Non-cash items were principally associated with net losses on equity securities, depreciation and amortization, stock-based compensation expense and other stock-based payments, deferred income tax benefit, provision for expected credit losses and chargebacks, and operating lease amortization. For the year ended December 31, 2022, deferred merchant bookings and other current liabilities increased by \$3.7 billion, and accounts receivable increased by \$1.2 billion, primarily due to increases in business volumes.

Net cash provided by investing activities for the year ended December 31, 2023 was \$1.5 billion, principally resulting from proceeds from the sale and maturity of investments of \$1.8 billion, partially offset by purchases of property and equipment of \$345 million. Net cash used in investing activities for the year ended December 31, 2022 was \$518 million, principally

resulting from purchases of investments of \$768 million, primarily in various corporate and government debt securities, as well as from purchases of property and equipment of \$368 million. This was partially offset by proceeds from the Booking.com headquarters sale and leaseback transaction of \$601 million and proceeds from the sales and maturities of investments of \$32 million. See Notes 5 and 10 to our Consolidated Financial Statements for additional information.

Net cash used in financing activities for the year ended December 31, 2023 was \$8.9 billion, principally resulting from payments for the repurchase of common stock of \$10.4 billion and payments on the maturity of debt of \$500 million, partially offset by the proceeds from the issuance of long-term debt of \$1.9 billion. Net cash used in financing activities for the year ended December 31, 2022 was \$4.9 billion, principally resulting from payments for the repurchase of common stock of \$6.6 billion and payments on the maturity of debt of \$1.9 billion. This was partially offset by the proceeds from the issuance of long-term debt of \$3.6 billion.

Year Ended December 31, 2022 compared to Year Ended December 31, 2021

For a comparison of our cash flow activities for the fiscal years ended December 31, 2022 and 2021, see Cash Flow Analysis in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on February 23, 2022.

Contingencies

For information related to certain tax assessments and other tax matters, see Note 16 to our Consolidated Financial Statements and Part I, Item 1A, Risk Factors - *"We may have exposure to additional tax liabilities."*

For information related to certain regulatory matters, and our other contingent liabilities, see Note 16 to our Consolidated Financial Statements and Part I, Item 1A, Risk Factors - *"Our business is subject to various competition/anti-trust, consumer protection, and online commerce laws and regulations around the world, and as the size of our business grows, scrutiny of our business by legislators and regulators in these areas may intensify."*

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We have exposure to several types of market risk: changes in interest rates, foreign currency exchange rates, and equity prices.

We manage our exposure to interest rate risk and foreign currency risk through internally established policies and procedures and, when deemed appropriate, through the use of derivative financial instruments. We use foreign currency exchange derivative contracts to manage short-term foreign currency risk.

The objective of our policies is to mitigate potential income statement, cash flow, and fair value exposures resulting from possible future adverse fluctuations in rates. We evaluate our exposure to market risk by assessing the anticipated near-term and long-term fluctuations in interest rates and foreign currency exchange rates. This evaluation includes the review of leading market indicators, discussions with financial analysts and investment bankers regarding current and future economic conditions, and the review of market projections as to expected future rates. We utilize this information to determine our own investment strategies as well as to determine if the use of derivative financial instruments is appropriate to mitigate any potential future market exposure that we may face. Our policy does not allow speculation in derivative instruments for profit or, except in certain limited situations, execution of derivative instrument contracts for which there are no underlying exposures. We do not use financial instruments for trading purposes and are not a party to any leveraged derivatives. To the extent that changes in interest rates and foreign currency exchange rates affect general economic conditions, we would also be affected by such changes.

See Note 12 to our Consolidated Financial Statements for information about our convertible senior notes and other debt. Excluding the effect on the fair value of our convertible senior notes, a hypothetical 100 basis point (1.0%) decrease in interest rates would have resulted in an increase in the estimated fair value of our other debt of approximately \$612 million and \$522 million at December 31, 2023 and 2022, respectively. Our convertible senior notes are more sensitive to the equity market price volatility of our shares than changes in interest rates. The fair value of the convertible senior notes will likely increase as the market price of our shares increases and will likely decrease as the market price of our shares falls. Our convertible senior notes due in May 2025 are currently convertible at the option of the holder. If the note holders exercise their option to convert, we deliver cash to repay the principal amount of the notes and deliver shares of common stock or cash, at our option, to satisfy the conversion value in excess of the principal amount.

We face exposure to movements in foreign currency exchange rates as the financial results and the financial condition of our businesses outside of the U.S., which represent a substantial majority of our financial results, are translated from local currencies (principally Euros and British Pounds Sterling) into U.S. Dollars. For example, our total gross bookings increased by 24% in 2023 as compared to 2022, but without the impact of changes in foreign currency exchange rates our total gross bookings increased year-over-year on a constant-currency basis by approximately 25%. Our total revenues increased by 56% for the year ended December 31, 2022 as compared to the year ended December 31, 2021, but without the impact of changes in foreign currency exchange rates, our total revenues increased year-over-year on a constant-currency basis by approximately 71%. See Notes 6, 12, and 19 to our Consolidated Financial Statements and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations for additional information about foreign currency transaction gains and losses, changes in foreign currency exchange rates, the impact of such changes on the increase in our revenues and operating margins, our use of foreign currency exchange derivatives, and our designation of certain portions of our Euro-denominated debt as a hedge of the foreign currency exposure of the net investment in certain Euro functional currency subsidiaries. We generally enter into foreign currency exchange derivatives to hedge our exposure to the impact of movements in foreign currency exchange rates on our transactional balances denominated in currencies other than the functional currency. We will continue to evaluate the use of derivative instruments in the future. We also designate certain portions of the aggregate principal value of our Euro-denominated debt as a hedge of the foreign currency exposure of the net investment in certain Euro functional currency subsidiaries. Foreign currency transaction gains or losses are dependent on the amount of net assets of the Euro functional currency subsidiaries, the amount of the Euro-denominated debt that is designated as a hedge, and fluctuations in foreign currency exchange rates.

See Notes 5 and 6 to our Consolidated Financial Statements for information about our investments in equity securities of publicly-traded companies and private companies. We are exposed to equity price risk as it relates to changes in fair values of these investments. Our investments in private companies are measured at cost less impairment, if any. Such investments are also required to be measured at fair value as of the date of certain observable transactions for the identical or a similar investment of the same issuer. A hypothetical 10% decrease in the fair values at December 31, 2023 and 2022 of our investments in equity securities of publicly-traded companies and private companies would have resulted in a loss, before tax, of approximately \$45 million and \$220 million, respectively, being recognized in net income.

Item 8. Financial Statements and Supplementary Data

The following Consolidated Financial Statements of the Company and the report of our independent registered public accounting firm are filed as part of this Annual Report on Form 10-K (See Part IV, Item 15, Exhibits and Financial Statement Schedules): Consolidated Balance Sheets at December 31, 2023 and 2022; Consolidated Statements of Operations, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Stockholders' (Deficit) Equity, and Consolidated Statements of Cash Flows for the years ended December 31, 2023, 2022, and 2021; Notes to our Consolidated Financial Statements; and Report of Independent Registered Public Accounting Firm.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures. Under the supervision and with the participation of our management, including our principal executive officer and our principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as defined under Exchange Act Rule 13a-15(e). Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Annual Report on Form 10-K.

Management's Report on Internal Control Over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in the *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on our evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2023. Our independent registered public accounting firm also attested to and reported on the effectiveness of internal control over financial reporting.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Controls. In 2022, we began a multi-year implementation to integrate and upgrade certain financial systems and processes, including SAP S4 HANA ("SAP").

As a result of these improvements, there were changes to our internal control over financial reporting processes and procedures. However, there were no changes in our internal control over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f)) that occurred during the three months ended December 31, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Further, as the phased implementation of SAP continues, there will be additional changes to our processes and procedures that are likely to impact our internal control over financial reporting. We believe we are taking the necessary steps to monitor and maintain appropriate internal control over financial reporting during this period of change.

While we expect this implementation to strengthen our internal financial controls by automating certain manual processes and standardizing business processes and reporting across our organization, management will continue to evaluate and monitor our internal controls as the implementation continues.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Booking Holdings Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Booking Holdings Inc. and subsidiaries (the "Company") as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2023, of the Company and our report dated February 22, 2024, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying "Management's Report on Internal Control Over Financial Reporting". Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

Stamford, Connecticut
February 22, 2024

Item 9B. Other Information

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Information required by Part III, Item 10 will be included in our Proxy Statement relating to our 2024 annual meeting of stockholders to be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year ended December 31, 2023, and is incorporated herein by reference.

Item 11. Executive Compensation

Information required by Part III, Item 11 will be included in our Proxy Statement relating to our 2024 annual meeting of stockholders to be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year ended December 31, 2023, and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by Part III, Item 12 will be included in our Proxy Statement relating to our 2024 annual meeting of stockholders to be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year ended December 31, 2023, and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information required by Part III, Item 13 will be included in our Proxy Statement relating to our 2024 annual meeting of stockholders to be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year ended December 31, 2023, and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

Information required by Part III, Item 14 will be included in our Proxy Statement relating to our 2024 annual meeting of stockholders to be filed with the Securities and Exchange Commission within 120 days after the end of our fiscal year ended December 31, 2023, and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

- (a) List of Documents Filed as a Part of this Annual Report on Form 10-K:

The following Consolidated Financial Statements of the Company and the report of our independent registered public accounting firm are filed as part of this Annual Report on Form 10-K: Consolidated Balance Sheets at December 31, 2023 and 2022; Consolidated Statements of Operations, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Stockholders' (Deficit) Equity, and Consolidated Statements of Cash Flows for the years ended December 31, 2023, 2022, and 2021; Notes to our Consolidated Financial Statements; Report of Independent Registered Public Accounting Firm; and Schedule I - Condensed Financial Information of Parent (Booking Holdings Inc.).

Other financial statement schedules have been omitted because they are not applicable, not material or the required information is shown in the Consolidated Financial Statements or the notes thereto.

(b) Exhibits

In reviewing the agreements included as exhibits to this Annual Report on Form 10-K, please remember they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about the Company or the other parties to the agreements. Some agreements contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- should not be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- may have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Additional information about the Company may be found elsewhere in this Annual Report on Form 10-K and the Company's other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

Exhibit Number	Description
3.1(a)	Restated Certificate of Incorporation of the Company.
3.2(b)	Certificate of Amendment of the Restated Certificate of Incorporation, dated as of June 4, 2021.
3.3(b)	Amended and Restated By-Laws of Booking Holdings Inc., dated as of June 4, 2021.
4.1	Reference is hereby made to Exhibits 3.1, 3.2, and 3.3.
4.2(c)	Specimen Certificate for the Company's Common Stock.
4.3(d)	Indenture, dated as of September 23, 2014, between the Company and Deutsche Bank Trust Company Americas, as Trustee.
4.4(e)	Indenture, dated as of August 8, 2017, between the Company and U.S. Bank National Association, as trustee.
4.5(f)	Form of 2.375% Senior Note due 2024.
4.6(g)	Officers' Certificate, dated September 23, 2014, for the 2.375% Senior Notes due 2024.
4.7(h)	Form of 1.800% Senior Note due 2027.
4.8(i)	Officers' Certificate, dated March 3, 2015, for the 1.800% Senior Notes due 2027.
4.9(j)	Form of 3.650% Senior Note due 2025.
4.10(k)	Officers' Certificate, dated March 13, 2015, for the 3.650% Senior Notes due 2025.
4.11(l)	Form of 3.600% Senior Note due 2026.
4.12(l)	Officers' Certificate, dated May 23, 2016, for the 3.600% Senior Notes due 2026.
4.13(m)	Form of 3.550% Senior Note due 2028.
4.14(m)	Officers' Certificate, dated August 15, 2017, with respect to the 3.550% Senior Notes due 2028.
4.15(bb)	Description of the Company's Common Stock Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.16(bb)	Description of the Company's 2.375% Senior Notes due 2024 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.17(bb)	Description of the Company's 1.800% Senior Notes due 2027 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.18(gg)	Description of the Company's 0.100% Senior Notes due 2025 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.19(gg)	Description of the Company's 0.500% Senior Notes due 2028 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.20(z)	Form of 4.625% Senior Note due 2030.
4.21(z)	Officers' Certificate, dated April 13, 2020, with respect to the 4.625% Senior Notes due 2030.
4.22(z)	Form of 0.750% Convertible Senior Note due 2025.

Exhibit Number	Description
4.23(z)	Indenture, dated as of April 14, 2020, between Booking Holdings Inc. and U.S. Bank National Association, as trustee.
4.24(n)	Form of 0.100% Senior Note due 2025.
4.25(n)	Officers' Certificate, dated March 8, 2021, with respect to the 0.100% Senior Notes due 2025.
4.26(n)	Form of 0.500% Senior Note due 2028.
4.27(n)	Officers' Certificate, dated March 8, 2021, with respect to the 0.500% Senior Notes due 2028.
4.28(hh)	Form of 4.000% Senior Note due 2026.
4.29(hh)	Officers' Certificate, dated November 15, 2022, with respect to the 4.000% Senior Notes due 2026.
4.30(hh)	Form of 4.250% Senior Note due 2029.
4.31(hh)	Officers' Certificate, dated November 15, 2022, with respect to the 4.250% Senior Notes due 2029.
4.32(hh)	Form of 4.500% Senior Note due 2031.
4.33(hh)	Officers' Certificate, dated November 15, 2022, with respect to the 4.500% Senior Notes due 2031.
4.34(hh)	Form of 4.750% Senior Note due 2034.
4.35(hh)	Officers' Certificate, dated November 15, 2022, with respect to the 4.750% Senior Notes due 2034.
4.36(kk)	Description of the Company's 4.000% Senior Notes due 2026 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.37(kk)	Description of the Company's 4.250% Senior Notes due 2029 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.38(kk)	Description of the Company's 4.500% Senior Notes due 2031 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.39(kk)	Description of the Company's 4.750% Senior Notes due 2034 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.40(ll)	Form of 3.625% Senior Note due 2028.
4.41(ll)	Officers' Certificate, dated May 12, 2023, with respect to the 3.625% Senior Notes due 2028.
4.42(ll)	Form of 4.125% Senior Note due 2033.
4.43(ll)	Officers' Certificate, dated May 12, 2023, with respect to the 4.125% Senior Notes due 2033.
4.44(ll)	Agency Agreement, dated as of May 12, 2023, by and between Booking Holdings Inc., as issuer, Elavon Financial Services DAC, UK Branch, as paying agent, and U.S. Bank Trust Company, National Association, as transfer agent, registrar, and trustee.
4.45	Description of the Company's 3.625% Senior Notes due 2028 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.46	Description of the Company's 4.125% Senior Notes due 2033 Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
10.1(b)+	Booking Holdings Inc. 1999 Omnibus Plan (as amended and restated effective June 3, 2021).
10.2(o)+	Form of Restricted Stock Unit Agreement for awards under the 1999 Omnibus Plan to non-employee directors.
10.3(cc)+	Form of Restricted Stock Unit Agreement for awards under the 1999 Omnibus Plan.
10.4(dd)+	Form of Performance Share Unit Agreement under the Company's 1999 Omnibus Plan.
10.5(p)+	Amended and Restated KAYAK Software Corporation 2012 Equity Incentive Plan.
10.6(p)+	OpenTable, Inc. Amended and Restated 2009 Equity Incentive Award Plan.
10.7(q)+	Buuteeq, Inc. Amended and Restated 2010 Stock Plan.
10.8(r)+	Amended and Restated Rocket Travel, Inc. 2012 Stock Incentive Plan.
10.9(r)+	Amended and Restated Annual Bonus Plan.
10.10(s)+	Form of Non-Competition and Non-Solicitation Agreement.
10.11(t)+	Second Amended and Restated Employment Agreement, dated April 21, 2015, by and between the Company and Peter J. Millones.
10.12(u)+	Employment Agreement, dated December 15, 2016, by and between the Company and Glenn D. Fogel.
10.13(u)+	Non-Competition and Non-Solicitation Agreement, dated December 15, 2016, by and between the Company and Glenn D. Fogel.
10.14(u)+	Employee Confidentiality and Assignment Agreement, dated December 15, 2016, by and between the Company and Glenn D. Fogel.
10.15(v)+	Employment Agreement, dated January 19, 2018, between the Company and David I. Goulden.

Exhibit Number	Description
10.16(v)+	Non-Competition and Non-Solicitation Agreement, dated March 1, 2018, between the Company and David I. Goulden.
10.17(v)+	Employee Confidentiality and Assignment Agreement, dated January 19, 2018, between the Company and David I. Goulden.
10.18(w)	Credit Agreement, dated as of August 14, 2019, among the Company, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.
10.19(ii)+	Letter Agreement, dated October 24, 2019, by and between the Company and Glenn D. Fogel.
10.20(x)+	Form of Employee Confidentiality and Assignment Agreement.
10.21(y)	Amendment No. 1, dated as of April 7, 2020, to the Credit Agreement, dated as of August 14, 2019, by and among the Company, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent.
10.22(aa)	Amendment No. 2, dated as of October 28, 2020, to the Credit Agreement, dated as of August 14, 2019, by and among the Company, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent.
10.23(ee)+	Letter Amendment to 2018 PSU Award and 2019 PSU Award Agreements with Glenn D. Fogel dated January 28, 2021.
10.24(ee)+	Letter Amendment to 2018 PSU Award and 2019 PSU Award Agreements with David I. Goulden dated January 28, 2021.
10.25(ee)+	Letter Amendment to 2018 PSU Award and 2019 PSU Award Agreements with Peter J. Millones dated January 28, 2021.
10.26(ff)+	Letter Agreement, dated July 31, 2021, by and between the Company and Paulo Pisano.
10.27(gg)	Amendment No. 3, dated as of December 22, 2021, to the Credit Agreement, dated as of August 14, 2019, by and among the Company, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent.
10.28(jj)	Agreement for the Sale and Purchase of the Booking Campus in Amsterdam, the Netherlands, dated as of December 14, 2022, by and among Booking.com Real Estate Amsterdam B.V., as the Seller, D-IE WIIS Oosterdok Coöperatief U.A., as the Purchaser, and Booking.com Holding B.V., as the Guarantor.
10.29(mm)	Amendment No. 4, dated as of January 6, 2023, to the Credit Agreement, dated as of August 14, 2019, by and among the Company, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent.
10.30(nn)+	Form of Performance Share Unit Agreement under the Company's 1999 Omnibus Plan.
10.31(nn)+	Form of Restricted Stock Unit Agreement under the Company's 1999 Omnibus Plan.
10.32(nn)+	Letter Agreement, dated February 23, 2023, by and between the Company and David I. Goulden.
10.33(oo)*	Credit Agreement, dated as of May 17, 2023, among the Company, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A. as Administrative Agent.
10.34(pp)+	Employment Agreement, dated December 4, 2019, by and between Booking.com International BV and Paulo Pisano.
10.35(qq)+	Description of Termination Pay Policy, effective as of April 5, 2023.
10.36(rr)+	Employment Agreement, dated December 1, 2023, by and between the Company and Ewout Steenbergen.
10.37(rr)+	Form of Restricted Stock Unit Agreement under the Company's 1999 Omnibus Plan.
10.38(rr)+	Non-Competition and Non-Solicitation Agreement, dated December 1, 2023, by and between the Company and Ewout L. Steenbergen.
10.39(rr)+	Employee Confidentiality and Assignment Agreement, dated December 4, 2023, by and between the Company and Ewout L. Steenbergen.
21	List of Subsidiaries.
23.1	Consent of Deloitte & Touche LLP.
24.1	Power of Attorney (included in the Signature Page).
31.1	Certification of Glenn D. Fogel, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of David I. Goulden, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1(ss)*	Certification of Glenn D. Fogel, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code).
32.2(ss)*	Certification of David I. Goulden, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code).
97.1	Booking Holdings Inc. Financial Restatement Recovery Policy.

Exhibit Number	Description
101.INS	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.
104	Cover Page Interactive Data File - the cover page from this Annual Report on Form 10-K for the year ended December 31, 2023, formatted in Inline XBRL (included in Exhibit 101).

+ Indicates a management contract or compensatory plan or arrangement.

* Schedules or similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish copies of any of the omitted schedules or similar attachments upon request by the Securities and Exchange Commission.

- (a) Previously filed as an exhibit to the Current Report on Form 8-K filed on February 21, 2018 (File No. 1-36691).
- (b) Previously filed as an exhibit to the Current Report on Form 8-K filed on June 4, 2021 (File No. 1-36691).
- (c) Previously filed as an exhibit to Amendment No. 2 to Registration Statement on Form S-1 filed on March 18, 1999 (File No. 333-69657).
- (d) Previously filed as an exhibit to the Current Report on Form 8-K filed on November 25, 2015 (File No. 1-36691).
- (e) Previously filed as an exhibit to the Registration Statement on Form S-3 filed on August 8, 2017 (File No. 333-219800).
- (f) Previously filed as an exhibit to the Current Report on Form 8-K filed on September 22, 2014 (File No. 0-25581).
- (g) Previously filed as an exhibit to the Current Report on Form 8-K filed on September 26, 2014 (File No. 0-25581).
- (h) Previously filed as an exhibit to the Current Report on Form 8-K filed on March 2, 2015 (File No. 1-36691).
- (i) Previously filed as an exhibit to the Current Report on Form 8-K filed on March 4, 2015 (File No. 1-36691).
- (j) Previously filed as an exhibit to the Current Report on Form 8-K filed on March 12, 2015 (File No. 1-36691).
- (k) Previously filed as an exhibit to the Current Report on Form 8-K filed on March 13, 2015 (File No. 1-36691).
- (l) Previously filed as an exhibit to the Current Report on Form 8-K filed on May 23, 2016 (File No. 1-36691).
- (m) Previously filed as an exhibit to our Current Report on Form 8-K filed on August 15, 2017 (File No. 1-36691).
- (n) Previously filed as an exhibit to our Current Report on Form 8-K filed on March 8, 2021 (File No. 1-36691).
- (o) Previously filed as an exhibit to the Current Report on Form 8-K filed on March 9, 2011 (File No. 0-25581).
- (p) Previously filed as an exhibit to the Current Report on Form 8-K filed on March 3, 2017 (File No. 1-36691).
- (q) Previously filed as an exhibit to the Registration Statement on Form S-8 filed on June 13, 2014 (File No. 333-196756).
- (r) Previously filed as an exhibit to the Annual Report on Form 10-K filed for the year ended December 31, 2015 (File No. 1-36691).
- (s) Previously filed as an exhibit to the Current Report on Form 8-K filed on March 4, 2013 (File No. 0-25581).
- (t) Previously filed as an exhibit to our Current Report on Form 8-K filed on April 24, 2015 (File No. 1-36691).
- (u) Previously filed as an exhibit to the Current Report on Form 8-K filed on December 16, 2016 (File No. 1-36691).
- (v) Previously filed as an exhibit to the Current Report on Form 8-K filed on January 22, 2018 (File No. 1-36691).
- (w) Previously filed as an exhibit to the Current Report on Form 8-K filed on August 14, 2019 (File No. 1-36691).
- (x) Previously filed as an exhibit to the Quarterly Report on Form 10-Q filed on May 9, 2019 (File No. 1-36691).
- (y) Previously filed as an exhibit to the Current Report on Form 8-K filed on April 8, 2020 (File No. 1-36691).
- (z) Previously filed as an exhibit to the Current Report on Form 8-K filed on April 14, 2020 (File No. 1-36691).
- (aa) Previously filed as an exhibit to the Current Report on Form 8-K filed on October 30, 2020 (File No. 1-36691).
- (bb) Previously filed as an exhibit to the Annual Report on Form 10-K filed on February 26, 2020 (File No. 1-36691).
- (cc) Previously filed as an exhibit to the Quarterly Report on Form 10-Q filed on May 7, 2020 (File No. 1-36691).

- (dd) Previously filed as an exhibit to the Current Report on Form 8-K filed on July 17, 2020 (File No. 1-36691)
- (ee) Previously filed as an exhibit to the Current Report on Form 8-K filed on January 29, 2021 (File No. 1-36691)
- (ff) Previously filed as an exhibit to the Quarterly Report on Form 10-Q filed on November 3, 2021 (File No. 1-36691)
- (gg) Previously filed as an exhibit to the Annual Report on Form 10-K filed on February 23, 2021 (File No. 1-36691).
- (hh) Previously filed as an exhibit to the Current Report on Form 8-K filed on November 15, 2022 (File No. 1-36691).
- (ii) Previously filed as an exhibit to the Current Report on Form 8-K filed on October 25, 2019 (File No. 1-36691).
- (jj) Previously filed as an exhibit to the Current Report on Form 8-K filed on December 19, 2022 (File No. 1-36691).
- (kk) Previously filed as an exhibit to the Annual Report on Form 10-K filed on February 23, 2023 (File No. 1-36691).
- (ll) Previously filed as an exhibit to the Current Report on Form 8-K filed on May 12, 2023 (File No. 1-36691).
- (mm) Previously filed as an exhibit to the Quarterly Report on Form 10-Q filed on May 4, 2023 (File No. 1-36691).
- (nn) Previously filed as an exhibit to the Current Report on Form 8-K filed on February 23, 2023 (File No. 1-36691).
- (oo) Previously filed as an exhibit to the Current Report on Form 8-K filed on May 19, 2023 (File No. 1-36691).
- (pp) Previously filed as an exhibit to the Quarterly Report on Form 10-Q filed on August 3, 2023 (File No. 1-36691).
- (qq) Previously filed as an exhibit to the Current Report on Form 8-K filed on April 11, 2023 (File No. 1-36691).
- (rr) Previously filed as an exhibit to the Current Report on Form 8-K filed on December 13, 2023 (File No. 1-36691).
- (ss) This document is being furnished in accordance with SEC Release Nos. 33-8212 and 34-47551.

Item 16. Form 10-K Summary.

None.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BOOKING HOLDINGS INC.

By: /s/ Glenn D. Fogel

Name: Glenn D. Fogel

Title: Chief Executive Officer and President

Date: February 22, 2024

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Glenn D. Fogel, David I. Goulden, and Peter J. Millones, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, to do any and all things and execute any and all instruments that such attorney may deem necessary or advisable under the Securities Exchange Act of 1934 and any rules, regulations and requirements of the Securities and Exchange Commission in connection with this Annual Report on Form 10-K and any and all amendments hereto, as fully and for all intents and purposes as he or she might do or could do in person, and hereby ratifies and confirms all said attorneys-in-fact and agents, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Robert J. Mylod Jr.</u> Robert J. Mylod Jr.	Director, Chair of the Board	February 22, 2024
<u>/s/ Glenn D. Fogel</u> Glenn D. Fogel	Director, Chief Executive Officer and President	February 22, 2024
<u>/s/ David I. Goulden</u> David I. Goulden	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 22, 2024
<u>/s/ Susana D'Emic</u> Susana D'Emic	Chief Accounting Officer and Controller (Principal Accounting Officer)	February 22, 2024
<u>/s/ Mirian Graddick-Weir</u> Mirian Graddick-Weir	Director	February 22, 2024
<u>/s/ Kelly Grier</u> Kelly Grier	Director	February 22, 2024
<u>/s/ Wei Hopeman</u> Wei Hopeman	Director	February 22, 2024
<u>/s/ Charles H. Noski</u> Charles H. Noski	Director	February 22, 2024
<u>/s/ Larry Quinlan</u> Larry Quinlan	Director	February 22, 2024
<u>/s/ Nicholas J. Read</u> Nicholas J. Read	Director	February 22, 2024
<u>/s/ Thomas E. Rothman</u> Thomas E. Rothman	Director	February 22, 2024
<u>/s/ Sumit Singh</u> Sumit Singh	Director	February 22, 2024
<u>/s/ Lynn Vojvodich Radakovich</u> Lynn Vojvodich Radakovich	Director	February 22, 2024
<u>/s/ Vanessa A. Wittman</u> Vanessa A. Wittman	Director	February 22, 2024

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Booking Holdings Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Booking Holdings Inc. and subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income, changes in stockholders' (deficit) equity, and cash flows for each of the three years in the period ended December 31, 2023, including the related notes and the schedule listed in the Index at Item 15 (collectively, the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows, for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 22, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue - Refer to Notes 2 and 3 to the financial statements

Critical Audit Matter Description

Substantially all of the Company's revenue is generated by providing online travel reservation services, which principally allow travelers to book travel reservations with travel service providers through the Company's platforms. Revenue consists of a significant volume of low-dollar transactions utilizing multiple custom systems.

We identified revenue as a critical audit matter as the majority of the processes to calculate and record revenue are highly automated, rely on a number of custom systems, and involve interfacing significant volumes of data across multiple systems. Given the complex information technology (IT) environment, this required the involvement of professionals with expertise in IT to identify, test, and evaluate the revenue data flows, the revenue systems and the automated controls.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company's revenue transactions included the following, among others:

- With the assistance of our IT specialists, we:
 - Identified the systems used to calculate and record revenue transactions.

- Tested the general IT controls over each of these systems, including testing of user access controls, change management controls, and IT operations controls.
- Performed testing of system interface controls and automated controls within the relevant revenue streams.
- We tested business process controls to reconcile the various systems to the Company's general ledgers.
- We performed detail transaction testing by agreeing the amounts recognized to source documents and testing the mathematical accuracy of the recorded revenue.

Goodwill - Refer to Notes 2 and 11 to the financial statements

Critical Audit Matter Description

The Company's evaluation of goodwill impairment involves the comparison of the fair value of each of the Company's reporting units to its carrying value. As it related to the annual impairment test, the Company estimated the fair values using a combination of standard valuation techniques, including an income approach (discounted cash flows) and market approaches (earnings before interest, taxes, depreciation, and amortization ("EBITDA") multiples of comparable publicly traded companies). With respect to the income approach, management makes significant estimates and assumptions related to forecasts of future performance, including revenues, operating margins, and discount rates.

Given the significant judgments made by management to estimate the fair value of the OpenTable and KAYAK reporting unit, performing audit procedures to evaluate the reasonableness of management's estimates and assumptions related to selection of the discount rates and forecasts of future revenues and operating margins required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecasts of future revenues and operating margins and the selection of the discount rates for the OpenTable and KAYAK reporting unit included the following, among others:

- We tested the effectiveness of controls over goodwill impairment evaluation, including those over the forecasts and the selection of the discount rates.
- We evaluated management's ability to accurately forecast by comparing actual results in previous years to management's historical forecasts.
- We evaluated the reasonableness of management's forecasts of future revenues and operating margins by comparing management's forecasts with:
 - Historical revenues and operating margins.
 - Internal communications to management and the Board of Directors.
 - Forecasted information within analyst, economist and industry reports of the Company and selected companies in its peer group.
- We considered the impact of industry and market conditions on management's forecasts.
- With the assistance of our fair value specialists, we evaluated the discount rates, including testing the underlying source information and the mathematical accuracy of the calculations and developing a range of independent estimates and comparing those to the discount rates selected by management.
- We evaluated the reasonableness of management's forecasts of future cash flows and discount rates utilized in the income approach fair value calculation by comparing the income approach fair value to the market approach fair values.

Commitments and Contingencies - Competition and Consumer Protection Reviews and Other Matters - Refer to Note 16 to the financial statements

Critical Audit Matter Description

The Company has been the subject of an open investigation with Comisión Nacional de los Mercados y la Competencia in Spain (the "CNMC") as to whether certain practices by Booking.com may produce adverse effects for hotels and other online travel companies. The Company recorded a loss contingency of 486 million Euros (\$530 million) in the consolidated statement of operations for the year ended December 31, 2023. The related liability is included in "Accrued expenses and other current liabilities" in the consolidated balance sheet as of December 31, 2023.

Given the significant judgment made by management to determine both the likelihood and the estimated amount of a loss related to such matters, performing audit procedures to evaluate management's accounting for and disclosure of the loss contingency related to the CNMC matter involved challenging and subjective auditor judgment, including the need to involve professionals in our firm with expertise in Spanish competition law.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the loss contingency related to the CNMC matter included the following, among others:

- We tested the effectiveness of internal controls related to management's review of the loss contingency and approval of the accounting treatment and related disclosures.
- With the involvement of a professional in our firm with expertise in Spanish competition law, we:
 - Inquired of the Company's internal legal counsel to understand the legal merits and the basis for the Company's conclusion specific to the likelihood of loss and the estimate of potential loss or range of loss.
 - Requested and received written responses from internal and external legal counsel.
 - Obtained and evaluated management's evaluation of the loss contingency, including making inquiries of management to evaluate and corroborate our understanding of information obtained from internal and external legal counsel.
 - Read the draft decision from the CNMC and the related response from the Company.
 - Evaluated whether the Company's disclosures were consistent with our testing.

/s/ DELOITTE & TOUCHE LLP

Stamford, Connecticut
February 22, 2024

We have served as the Company's auditor since 1997.

Booking Holdings Inc.
CONSOLIDATED BALANCE SHEETS
(In millions, except share and per share data)

	December 31,	
	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 12,107	\$ 12,221
Short-term investments (Available-for-sale debt securities: Amortized cost of \$580 and \$176, respectively)	576	175
Accounts receivable, net (Allowance for expected credit losses of \$137 and \$117, respectively)	3,253	2,229
Prepaid expenses, net	644	477
Other current assets	454	696
Total current assets	17,034	15,798
Property and equipment, net	784	669
Operating lease assets	705	645
Intangible assets, net	1,613	1,829
Goodwill	2,826	2,807
Long-term investments (Includes available-for-sale debt securities: Amortized cost of \$576 at December 31, 2022)	440	2,789
Other assets, net	940	824
Total assets	<u>\$ 24,342</u>	<u>\$ 25,361</u>
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
Current liabilities:		
Accounts payable	\$ 3,480	\$ 2,507
Accrued expenses and other current liabilities	4,635	3,244
Deferred merchant bookings	3,254	2,223
Short-term debt	1,961	500
Total current liabilities	13,330	8,474
Deferred income taxes	258	685
Operating lease liabilities	599	552
Long-term U.S. transition tax liability	515	711
Other long-term liabilities	161	172
Long-term debt	12,223	11,985
Total liabilities	27,086	22,579
Commitments and contingencies (see Note 16)		
Stockholders' (deficit) equity:		
Common stock, \$0.008 par value, Authorized shares: 1,000,000,000 Issued shares: 64,048,000 and 63,780,528, respectively	—	—
Treasury stock: 29,650,351 and 25,917,558 shares, respectively	(41,426)	(30,983)
Additional paid-in capital	7,175	6,491
Retained earnings	31,830	27,541
Accumulated other comprehensive loss	(323)	(267)
Total stockholders' (deficit) equity	(2,744)	2,782
Total liabilities and stockholders' (deficit) equity	<u>\$ 24,342</u>	<u>\$ 25,361</u>

See Notes to Consolidated Financial Statements.

Booking Holdings Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except share and per share data)

	Year Ended December 31,		
	2023	2022	2021
Merchant revenues	\$ 10,936	\$ 7,193	\$ 3,696
Agency revenues	9,414	9,003	6,663
Advertising and other revenues	1,015	894	599
Total revenues	21,365	17,090	10,958
Operating expenses:			
Marketing expenses	6,773	5,993	3,801
Sales and other expenses	2,744	1,986	979
Personnel, including stock-based compensation of \$530, \$404, and \$370, respectively	3,294	2,465	2,314
General and administrative	1,555	766	522
Information technology	655	526	412
Depreciation and amortization	504	451	421
Other operating expenses	5	(199)	13
Total operating expenses	15,530	11,988	8,462
Operating income	5,835	5,102	2,496
Interest expense	(897)	(391)	(334)
Other income (expense), net	543	(788)	(697)
Income before income taxes	5,481	3,923	1,465
Income tax expense	1,192	865	300
Net income	\$ 4,289	\$ 3,058	\$ 1,165
Net income applicable to common stockholders per basic common share	\$ 118.67	\$ 76.70	\$ 28.39
Weighted-average number of basic common shares outstanding (in 000's)	36,140	39,872	41,042
Net income applicable to common stockholders per diluted common share	\$ 117.40	\$ 76.35	\$ 28.17
Weighted-average number of diluted common shares outstanding (in 000's)	36,530	40,052	41,362

See Notes to Consolidated Financial Statements.

Booking Holdings Inc.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

	Year Ended December 31,		
	2023	2022	2021
Net income	\$ 4,289	\$ 3,058	\$ 1,165
Other comprehensive loss, net of tax			
Foreign currency translation adjustments	(63)	(111)	(57)
Net unrealized gains (losses) on available-for-sale securities	7	(12)	31
Total other comprehensive loss, net of tax	(56)	(123)	(26)
Comprehensive income	<u>\$ 4,233</u>	<u>\$ 2,935</u>	<u>\$ 1,139</u>

See Notes to Consolidated Financial Statements.

Booking Holdings Inc.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' (DEFICIT) EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022, and 2021
(In millions, except share data)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss		Total
	Shares (in 000's)	Amount	Shares (in 000's)	Amount					
Balance, December 31, 2020	63,406	\$ —	(22,447)	\$ (24,128)	\$ 5,851	\$ 23,288	\$ (118)	\$ 4,893	
Net income	—	—	—	—	—	1,165	—	1,165	
Foreign currency translation adjustments, net of tax	—	—	—	—	—	—	(57)	(57)	
Net unrealized gains on available-for-sale securities, net of tax	—	—	—	—	—	—	31	31	
Conversion of debt	—	—	—	—	(86)	—	—	(86)	
Exercise of stock options and vesting of restricted stock units and performance share units	178	—	—	—	5	—	—	5	
Repurchase of common stock	—	—	(71)	(162)	—	—	—	(162)	
Stock-based compensation and other stock-based payments	—	—	—	—	389	—	—	389	
Balance, December 31, 2021	63,584	\$ —	(22,518)	\$ (24,290)	\$ 6,159	\$ 24,453	\$ (144)	\$ 6,178	
Cumulative effect of adoption of accounting standards update	—	—	—	—	(96)	30	—	(66)	
Net income	—	—	—	—	—	3,058	—	3,058	
Foreign currency translation adjustments, net of tax	—	—	—	—	—	—	(111)	(111)	
Net unrealized losses on available-for-sale securities, net of tax	—	—	—	—	—	—	(12)	(12)	
Exercise of stock options and vesting of restricted stock units and performance share units	197	—	—	—	7	—	—	7	
Repurchase of common stock	—	—	(3,400)	(6,693)	—	—	—	(6,693)	
Stock-based compensation and other stock-based payments	—	—	—	—	421	—	—	421	
Balance, December 31, 2022	63,781	\$ —	(25,918)	\$ (30,983)	\$ 6,491	\$ 27,541	\$ (267)	\$ 2,782	
Net income	—	—	—	—	—	4,289	—	4,289	
Foreign currency translation adjustments, net of tax	—	—	—	—	—	—	(63)	(63)	
Net unrealized gains on available-for-sale securities, net of tax	—	—	—	—	—	—	7	7	
Exercise of stock options and vesting of restricted stock units and performance share units	267	—	—	—	134	—	—	134	
Repurchase of common stock	—	—	(3,732)	(10,443)	—	—	—	(10,443)	
Stock-based compensation and other stock-based payments	—	—	—	—	550	—	—	550	
Balance, December 31, 2023	64,048	\$ —	(29,650)	\$ (41,426)	\$ 7,175	\$ 31,830	\$ (323)	\$ (2,744)	

See Notes to Consolidated Financial Statements.

Booking Holdings Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31,		
	2023	2022	2021
OPERATING ACTIVITIES:			
Net income	\$ 4,289	\$ 3,058	\$ 1,165
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	504	451	421
Provision for expected credit losses and chargebacks	330	232	109
Deferred income tax benefit	(478)	(257)	(445)
Net losses on equity securities	131	963	569
Stock-based compensation expense and other stock-based payments	530	404	376
Operating lease amortization	161	156	178
Unrealized foreign currency transaction losses (gains) related to Euro-denominated debt	163	(46)	(135)
Loss on early extinguishment of debt	—	—	242
Gain on sale and leaseback transaction	—	(240)	—
Other	5	38	71
Changes in assets and liabilities, net of effects of acquisitions:			
Accounts receivable	(1,330)	(1,228)	(1,002)
Prepaid expenses and other current assets	155	(217)	6
Deferred merchant bookings and other current liabilities	2,742	3,718	1,539
Long-term assets and liabilities	142	(478)	(274)
Net cash provided by operating activities	7,344	6,554	2,820
INVESTING ACTIVITIES:			
Purchase of investments	(12)	(768)	(17)
Proceeds from sale and maturity of investments	1,840	32	508
Additions to property and equipment	(345)	(368)	(304)
Acquisitions, net of cash acquired	—	—	(1,185)
Proceeds from sale and leaseback transaction	—	601	—
Other investing activities	3	(15)	—
Net cash provided by (used in) investing activities	1,486	(518)	(998)
FINANCING ACTIVITIES:			
Proceeds from the issuance of long-term debt	1,893	3,621	2,015
Payments on maturity and redemption of debt	(500)	(1,880)	(3,068)
Payments for repurchase of common stock	(10,377)	(6,621)	(163)
Proceeds from exercise of stock options	134	7	5
Other financing activities	(59)	(24)	(28)
Net cash used in financing activities	(8,909)	(4,897)	(1,239)
Effect of exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	(37)	(40)	(13)
Net (decrease) increase in cash and cash equivalents and restricted cash and cash equivalents	(116)	1,099	570
Total cash and cash equivalents and restricted cash and cash equivalents, beginning of period	12,251	11,152	10,582
Total cash and cash equivalents and restricted cash and cash equivalents, end of period	\$ 12,135	\$ 12,251	\$ 11,152
SUPPLEMENTAL CASH FLOW INFORMATION:			
Cash paid during the period for income taxes	\$ 1,789	\$ 600	\$ 735
Cash paid during the period for interest	\$ 842	\$ 380	\$ 318

See Notes to Consolidated Financial Statements.

Booking Holdings Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS DESCRIPTION

Booking Holdings Inc. ("Booking Holdings" or the "Company") seeks to make it easier for everyone to experience the world by providing consumers, travel service providers, and restaurants with leading travel and restaurant online reservation and related services. The Company offers its services through five primary consumer-facing brands: Booking.com, Priceline, Agoda, KAYAK, and OpenTable, which allow consumers to: book a broad array of accommodations (including hotels, motels, resorts, homes, apartments, bed and breakfasts, hostels, and other alternative and traditional accommodations properties) and a flight to their destinations; make a car rental reservation or arrange for an airport taxi; make a dinner reservation; or book a vacation package, tour, activity, or cruise. Consumers can also use the Company's meta-search services to easily compare travel reservation information, such as flight, hotel, and rental car reservations from hundreds of online travel platforms at once. In addition, the Company offers other services to consumers, travel service providers and restaurants, such as travel-related insurance products and restaurant management services. The Company's portfolio of brands are organized into four operating segments which are aggregated into one reportable segment based on the similarity in economic characteristics, other qualitative factors, and the objectives and principles of Accounting Standards Codification ("ASC") 280, *Segment Reporting*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company's Consolidated Financial Statements include the accounts of the Company and its wholly-owned subsidiaries, including acquired businesses from the dates of acquisition. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and footnotes thereto. Actual results may differ significantly from those estimates. The estimates underlying the Company's Consolidated Financial Statements relate to, among other things, the valuation of goodwill and other long-lived tangible and intangible assets, the valuation of investments in private companies, income taxes, contingencies, stock-based compensation, the allowance for expected credit losses (also referred to as provision for bad debts or provision for uncollectible accounts), chargeback provisions, and the accrual of obligations for incentive programs.

Impact of COVID-19

The Company's financial results and prospects are almost entirely dependent on facilitating the sale of travel-related services. The COVID-19 pandemic, since its outset in 2020, and the resulting implementation of travel restrictions by governments around the world resulted in a significant decline in travel activities and consumer demand for travel related services, in 2020 in particular. Even though there have been improvements in the economic and operating conditions for the Company's business since the outset of the pandemic, the Company cannot predict the long-term effects of the pandemic on its business or the travel and restaurant industries as a whole.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

There are three levels of inputs to valuation techniques used to measure fair value:

- Level 1: Quoted prices in active markets that are accessible by the Company at the measurement date for identical assets and liabilities.
- Level 2: Inputs that are observable, either directly or indirectly. Such prices may be based upon quoted prices for identical or comparable securities in active markets or inputs not quoted on active markets, but corroborated by market data.
- Level 3: Unobservable inputs are used when little or no market data is available.

Cash and Cash Equivalents

Cash and cash equivalents consists primarily of cash and highly liquid investment grade securities with an original maturity of three months or less. Cash equivalents are recognized based on settlement date. See Note 20 for information related to restricted cash and cash equivalents.

Investments

Debt Securities

The Company has classified its investments in debt securities as available-for-sale securities. Preferred stock that is either mandatorily redeemable or redeemable at the option of the investor is considered a debt security for accounting purposes and is reported at estimated fair value with the aggregate unrealized gains and losses, net of tax, reflected in "Accumulated other comprehensive loss" in the Consolidated Balance Sheets. The fair value of these investments is based on the specific quoted market price of the securities or comparable securities at the balance sheet dates. Unobservable inputs are also used when little or no market data is available. See Note 6 for information related to fair value measurements.

If the amortized cost basis of an available-for-sale security exceeds its fair value and if the Company has the intention to sell the security or it is more likely than not that the Company will be required to sell the security before recovery of the amortized cost basis, an impairment is recognized in the Consolidated Statements of Operations. If the Company does not have the intention to sell the security and it is not more likely than not that the Company will be required to sell the security before recovery of the amortized cost basis and the Company determines that the decline in fair value below the amortized cost basis of an available-for-sale security is entirely or partially due to credit-related factors, the credit loss is measured and recognized as an allowance for expected credit losses along with the related expense in the Consolidated Statements of Operations. The allowance is measured as the amount by which the debt security's amortized cost basis exceeds the Company's best estimate of the present value of cash flows expected to be collected.

The Company's investments in marketable debt securities are recognized based on the trade date. The cost of marketable debt securities sold is determined using a first-in and first-out method. The Company's investments in debt securities are assessed for classification in the Consolidated Balance Sheets as short-term or long-term at the individual security level. Classification as short-term or long-term is based on the maturities of the securities, as applicable, and the Company's expectations regarding the timing of sales and redemptions. Investments of a strategic nature that have been made for the purpose of affiliation or potential business advantage or in connection with a commercial relationship are included in "Long-term investments" in the Consolidated Balance Sheets, except in situations where the Company expects the investment to be realized in cash, redeemed, or sold within one year.

Equity Securities

Equity securities are reported as "Long-term investments" in the Consolidated Balance Sheets and include equity investments with readily determinable fair values and equity investments without readily determinable fair values. Equity investments with readily determinable fair values are reported at estimated fair value with changes in fair value recognized in "Other income (expense), net" in the Consolidated Statements of Operations. The Company holds investments in equity securities of private companies, over which the Company does not have the ability to exercise significant influence or control. These investments, which do not have readily determinable fair values, are measured at cost less impairment, if any. Such investments are also required to be measured at fair value as of the date of certain observable transactions for the identical or a similar investment of the same issuer.

Accounts Receivable from Customers and Allowance for Expected Credit Losses

Accounts receivable is reported net of expected credit losses. The Company estimates lifetime expected credit losses upon recognition of the financial assets. The Company identifies the relevant risk characteristics of its customers and the related receivables and prepayments, which include the following: size, type (alternative accommodations vs. hotels) or geographic location of the customer, or a combination of these characteristics. Receivables with similar risk characteristics have been grouped into pools. For each pool, the Company considers the historical credit loss experience, current economic conditions, supportable forecasts of future economic conditions, and any recoveries in assessing the lifetime expected credit losses. Other key factors that influence the expected credit loss analysis include customer demographics, payment terms offered in the normal course of business to customers, the nature of competition, and industry-specific factors that could impact the Company's receivables. Additionally, external data and macroeconomic conditions are considered. This is assessed at each balance sheet date based on the Company's specific facts and circumstances.

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets or, when applicable, the lease term related to leasehold improvements, whichever is shorter.

Website Costs and Internal-use Software

Acquisition costs and certain direct development costs associated with website and internal-use software are capitalized and include external direct costs of services and payroll costs for employees devoting time to the software projects principally related to platform development, including support systems, software coding, designing system interfaces, and installation and testing of the software. These costs are recorded as property and equipment and are generally amortized beginning when the asset is substantially ready for use. Costs incurred for enhancements that are expected to result in additional features or functionalities are capitalized and amortized over the estimated useful life of the enhancements. Costs incurred during the preliminary project stage, as well as maintenance and training costs, are expensed as incurred.

Cloud Computing Arrangements

The Company utilizes various third-party computer systems and third-party service providers, including global distribution systems ("GDSs") and computerized central reservation systems of the accommodation, rental car, and airline industries in connection with providing some of its services. The Company uses both internally-developed systems and third-party systems to operate its services, including transaction processing, order management, and financial and accounting systems. Implementation costs incurred in a hosting arrangement that is a service contract are capitalized and amortized over the term of the hosting arrangement. The capitalized implementation costs are reported as "Prepaid expenses, net" or "Other assets, net" in the Company's Consolidated Balance Sheets, as appropriate. The related amortization expenses are reported in "Information technology" expenses in the Company's Consolidated Statements of Operations.

Leases

The Company determines if an arrangement is a lease, or contains a lease, when a contract is signed. The Company determines if a lease is an operating or finance lease and records a lease asset and a lease liability upon lease commencement, which is the date when the underlying asset is made available for use by the lessor. The Company has operating leases for office space, and data centers. For office space and data centers, the Company has elected to combine the fixed payments to lease the asset and any fixed non-lease payments (such as maintenance or utility charges) when determining its lease payments. The Company's finance leases are mainly for computer equipment.

The Company uses its incremental borrowing rate as its discount rate to determine the present value of its remaining lease payments to calculate its lease assets and lease liabilities because the rate implicit in the lease is not readily determinable. The incremental borrowing rate approximates the rate the Company would pay to borrow in the currency of the lease payments on a collateralized basis for the weighted-average life of the lease. Operating lease assets also include any prepaid lease payments and lease incentives received prior to lease commencement.

The Company recognizes operating lease costs and the amortization of finance lease assets on a straight-line basis over the lease term. The interest component of a finance lease is recognized using the effective interest method over the lease term. Certain of the Company's lease agreements include rent payments which are adjusted periodically based on an index or rate. Any change in payments due to such adjustments are recognized as variable lease expense as they are incurred. Variable lease expense also includes costs for property taxes, insurance, and services provided by the lessor which are charged based on usage or performance (such as maintenance or utility charges).

Most leases have one or more options to renew beyond their initial term. The exercise of renewal options, mainly for office space and data centers, is at the Company's discretion and are included in the determination of the lease term for accounting purposes if they are reasonably certain to be exercised.

Business Combinations, Goodwill, and Intangible Assets

The Company accounts for acquired businesses using the acquisition method of accounting. The consideration transferred is allocated to the assets acquired and liabilities assumed based on their respective values at the acquisition date. The excess of the consideration transferred over the net of the amounts allocated to the identifiable assets acquired and liabilities assumed is recognized as goodwill. The Company generally recognizes and measures contract assets and contract liabilities in a business combination at amounts consistent with those recorded by the acquired business.

Goodwill is assigned to reporting units that are expected to benefit from the synergies of the business combination. Goodwill is not subject to amortization and is tested for impairment on an annual basis and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The Company tests goodwill at a reporting unit level. The fair value of the reporting unit is compared to its carrying value, including goodwill. Fair values are determined using a combination of standard valuation techniques, including an income approach (discounted cash flows) and market approaches (e.g., earnings before interest, taxes, depreciation, and amortization ("EBITDA") multiples of comparable publicly traded companies) and based on market participant assumptions. A goodwill impairment loss is measured at the amount by which a reporting unit's carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill. See Note 11 for additional information.

Intangible assets are carried at cost and amortized on a straight-line basis over their estimated useful lives.

Impairment of Long-lived Assets

The Company reviews long-lived assets, including intangible assets and operating lease assets, whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. The assessment of possible impairment is based upon the Company's ability to recover the carrying value of the assets from the estimated undiscounted future net cash flows, before interest and taxes, of the related asset group. The amount of impairment loss, if any, is measured as the excess of the carrying value of the asset over the present value of estimated future cash flows, using a discount rate commensurate with the risks involved and based on assumptions representative of market participants.

Foreign Currency Translation

The functional currency of the Company's subsidiaries is generally the respective local currency. For operations outside of the U.S., assets and liabilities are translated into U.S. Dollars at the rate of exchange existing at the balance sheet date. Income statement amounts are translated at monthly average exchange rates applicable for the period. Translation gains and losses are included as a component of "Accumulated other comprehensive loss" in the Company's Consolidated Balance Sheets. Foreign currency transaction gains and losses are included in "Other income (expense), net" in the Company's Consolidated Statements of Operations.

Derivatives

Derivatives not Designated as Hedges

As a result of the Company's operations outside of the U.S., it is exposed to various market risks that may affect its consolidated results of operations, cash flows, and financial position. These market risks include, but are not limited to, fluctuations in foreign currency exchange rates. For the Company's operations outside of the U.S., the primary foreign currency exposures are in Euros and British Pounds Sterling, the currencies in which the Company conducts a significant portion of its business activities. As a result, the Company faces exposure to adverse movements in foreign currency exchange rates as the financial results of its operations outside of the U.S. are translated from local currencies into U.S. Dollars upon consolidation. Additionally, foreign currency exchange rate fluctuations on transactions denominated in currencies other than the functional currency of an entity result in gains and losses that are reflected in net income.

The Company may enter into derivative instruments to hedge certain net exposures of nonfunctional currency denominated assets and liabilities and the volatility associated with translating earnings for its operations outside of the U.S. into U.S. Dollars, even though it does not elect to apply hedge accounting or hedge accounting does not apply. These contracts are generally short-term in duration. Certain of the Company's derivative instruments have master netting arrangements, which reduce credit risk by permitting net settlement of transactions with the same counterparty. The Company is exposed to the risk that counterparties to derivative instruments may fail to meet their contractual obligations. The Company regularly reviews its credit exposure and assesses the creditworthiness of its counterparties. The Company reports the fair value of its derivative assets and liabilities on a gross basis in the Consolidated Balance Sheets in "Other current assets" and "Accrued expenses and other current liabilities," respectively. Unless designated as hedges for accounting purposes, gains and losses resulting from changes in the fair value of derivative instruments are recognized in "Other income (expense), net" in the Consolidated Statements of Operations in the period that the changes occur and are classified within "Net cash provided by operating activities" or "Net cash used in financing activities," as appropriate, in the Consolidated Statements of Cash Flows. See Note 6 for additional information related to these derivative instruments.

Derivatives Designated as Cash Flow Hedges

See Note 6 for information related to derivatives designated as cash flow hedges.

Non-derivative Instrument Designated as Net Investment Hedge

The foreign currency transaction gains or losses on the Company's Euro-denominated debt are measured based upon changes in spot rates. The foreign currency transaction gains or losses on the Euro-denominated debt that is designated as a hedging instrument for accounting purposes are recorded in "Accumulated other comprehensive loss" in the Consolidated Balance Sheets. The foreign currency transaction gains or losses on the Euro-denominated debt that is not designated as a hedging instrument are recognized in "Other income (expense), net" in the Consolidated Statements of Operations. See Notes 12 and 14 for additional information related to the net investment hedge.

Revenue Recognition

Online travel reservation services

Substantially all of the Company's revenues are generated by providing online travel reservation services, which principally allows travelers to book travel reservations with travel service providers through the Company's platforms. While the Company generally refers to a consumer that books travel reservation services on the Company's platforms as its customer, for accounting purposes, the Company's customers are the travel service providers and, in certain merchant transactions, the travelers. The Company's contracts with travel service providers give them the ability to market their reservation availability without transferring to the Company the responsibility to deliver the travel services. Therefore, the Company's revenues are presented on a net basis in the Consolidated Statements of Operations. These contracts include payment terms and establish the consideration to which the Company is entitled, which includes either a commission or a margin on the travel transaction. Revenue is measured based on the expected consideration specified in the contract with the travel service provider, considering the effects of factors such as discounts and other sales incentives. Estimates for sales incentives are based on historical experience, current trends, and forecasts, as applicable. Coupons are recorded as a reduction of the transaction price, generally at the time they are redeemed. The local occupancy taxes, general excise taxes, value-added taxes, sales taxes, and other similar taxes ("travel transaction taxes"), if any, collected from travelers are reported on a net basis in revenues in the Consolidated Statements of Operations.

Revenues for online travel reservation services are recognized at a point in time when the Company has completed its post-booking services and the travelers begin using the arranged travel services. These revenues are classified into two categories:

- Merchant revenues are derived from travel-related transactions where the Company facilitates payments from travelers for the services provided, generally at the time of booking. Merchant revenues are derived from transactions where travelers book accommodation, rental car, airline reservations, and other travel related services. Merchant revenues include travel reservation commissions and transaction net revenues (i.e., the amount charged to travelers less the amount owed to travel service providers) in connection with the Company's merchant reservations services; credit card processing rebates and customer processing fees; and ancillary fees, including travel-related insurance revenues.
- Agency revenues are derived from the Company's commissions on travel-related transactions where the Company does not facilitate payments from travelers for the services provided.

Advertising and Other Revenues

Advertising and other revenues are primarily recognized by KAYAK and OpenTable. KAYAK recognizes advertising revenue primarily by sending referrals to online travel companies ("OTCs") and travel service providers and from advertising placements on its platforms. Revenue related to referrals is recognized when a consumer clicks on a referral placement or upon completion of the travel. Revenue for advertising placements is recognized based upon when a consumer clicks on an advertisement or when KAYAK displays an advertisement. OpenTable recognizes revenues for reservation fees when diners are seated through its online restaurant reservation service and subscription fees for restaurant management services on a straight-line basis over the contractual period in accordance with how the service is provided.

Incentive Programs

The Company provides various incentive programs such as referral bonuses, rebates, credits, and discounts. In addition, the Company offers loyalty programs where participating consumers may be awarded loyalty points on current transactions that can be redeemed in the future. The estimated value of the incentives granted and the loyalty points expected to be redeemed is generally recognized as a reduction of revenue at the time they are granted.

Deferred Merchant Bookings

Cash payments received from travelers in advance of the Company completing its performance obligations are included in "Deferred merchant bookings" in the Company's Consolidated Balance Sheets and are comprised principally of amounts estimated to be payable to travel service providers as well as the Company's estimated future revenue for its commission or margin and fees. The amounts are mostly subject to refunds for cancellations. The Company expects to complete its performance obligations generally within one year from the reservation date. The increase in the Deferred Merchant Booking balance during the year ended December 31, 2023 was principally due to the increase in business volumes.

Marketing Expenses

The Company's advertising expenses are reported in "Marketing expenses" in the Consolidated Statements of Operations. Marketing expenses consist of performance marketing expenses and brand marketing expenses. These expenses consist primarily of the costs of: (1) search engine keyword purchases; (2) affiliate programs; (3) referrals from meta-search websites; and (4) online and offline brand marketing. Performance marketing expenses are expenses generally measured by return on investment or an increase in bookings over a specified time period and are recognized as incurred. Brand marketing expenses are expenses incurred to build brand awareness over a specified time period. These expenses consist primarily of television advertising and online video and display advertising (including the airing of the Company's television advertising online), as well as other marketing expenses such as public relations and sponsorships. Brand marketing expenses are generally recognized as incurred with the exception of advertising production costs, which are deferred and expensed the first time the advertisement is displayed or broadcast.

Sales and Other Expenses

Sales and other expenses are generally variable in nature and consist primarily of: (1) credit card and other payment processing fees associated with merchant transactions; (2) fees paid to third parties that provide call center and other customer services; (3) digital services taxes and other similar taxes (4) chargeback provisions and fraud prevention expenses associated with merchant transactions; (5) provisions for expected credit losses, primarily related to accommodation commission receivables and prepayments to certain customers; and (6) customer relations costs.

Personnel Expenses

Personnel expenses consist of compensation to the Company's personnel, including salaries, bonuses, and stock-based compensation, payroll taxes, and employee health and other benefits.

Stock-Based Compensation

Stock-based compensation expense related to performance share units, restricted stock units and stock options is recognized based on fair value on a straight-line basis over the respective requisite service periods and forfeitures are accounted for when they occur. The fair value on the grant date of performance share units and restricted stock units is determined based on the number of units granted and the quoted price of the Company's common stock. For performance share units with market conditions, the effect of the market condition is also considered in the determination of fair value on the grant date using Monte Carlo simulations. The fair value of employee stock options is determined using the Black-Scholes model.

The Company records stock-based compensation expense for performance-based awards using its estimate of the probable outcome at the end of the performance period (i.e., the estimated performance against the performance targets or performance goals, as applicable). The Company periodically adjusts the cumulative stock-based compensation expense recorded when the probable outcome for these performance-based awards is updated based upon changes in actual and forecasted operating results or expected achievement of performance goals, as applicable.

The benefits of tax deductions in excess of recognized compensation costs are recognized in the Consolidated Statements of Operations as a discrete item when an option exercise or a vesting and release of shares occurs. Excess tax benefits are presented as operating cash flows and cash payments for employee statutory tax withholding related to vested stock awards are presented as financing cash flows in the Consolidated Statements of Cash Flows.

General and Administrative Expenses

General and administrative expenses consist primarily of fees for certain outside professionals, occupancy and office expenses, certain travel transaction taxes, and personnel-related expenses such as travel, relocation, recruiting, and training expenses.

Information Technology Expenses

Information technology expenses consist primarily of: (1) software license and system maintenance fees; (2) cloud computing costs and outsourced data center costs; (3) payments to contractors; and (4) data communications and other expenses associated with operating the Company's services.

Income Taxes

The Company accounts for income taxes under the asset and liability method. The Company records the estimated future tax effects of temporary differences between the tax bases of assets and liabilities and amounts reported in the Consolidated Balance Sheets, as well as operating loss and tax credit carryforwards. Deferred taxes are classified as non-current in the Consolidated Balance Sheets.

The Company records deferred tax assets to the extent it believes these assets will more likely than not be realized. The Company regularly reviews its deferred tax assets for recoverability considering historical profitability, projected future taxable income, the expected timing of the reversals of existing temporary differences, the carryforward periods available for tax reporting purposes, and tax planning strategies. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the period in which related temporary differences become deductible. In determining the future tax consequences of events that have been recognized in the financial statements or tax returns, significant judgments, estimates, and interpretation of statutes are required.

Deferred taxes are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date of such change.

The Company recognizes liabilities when it believes that uncertain positions may not be fully sustained upon audit by the tax authorities. Liabilities recognized for uncertain tax positions are based on a two-step approach for recognition and measurement. First, the Company evaluates the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position will be sustained on audit based on its technical merits. Second, the Company measures the tax benefit as the largest amount that is more than 50% likely of being realized upon ultimate settlement. Interest and penalties attributable to uncertain tax positions, if any, are recognized as a component of income tax expense.

The Company accounts for taxes on global intangible low-taxed income ("GILTI") introduced by the U.S. Tax Cuts and Jobs Act (the "Tax Act") as period costs. See Note 15 for further details related to income taxes.

Government Grants and Other Assistance

The Company recognizes government grants in the financial statements when it is probable that the grant will be received and the Company will comply with the conditions of the grant. Government grants are recorded as a reduction in the related operating expense or the cost of the asset that they are intended to defray. The government grants received by the Company during the COVID-19 pandemic have principally been granted to defray personnel costs and were subsequently returned to the respective governments. See Note 20 for information related to government grants and other assistance.

Contingencies

Loss contingencies (other than income tax-related contingencies) arise from actual or possible claims and assessments and pending or threatened litigation that may be brought against the Company by individuals, governments or other entities. Based on the Company's assessment of loss contingencies at each balance sheet date, a loss is recorded in the financial statements if it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated.

Reclassification

In the Consolidated Statements of Operations for the years ended December 31, 2022 and 2021, the Company has reclassified certain indirect taxes, primarily digital services taxes, between "General and administrative" expenses and "Sales and other expenses" to conform to the presentation in the Consolidated Statement of Operations for the year ended December 31, 2023. The current presentation of "Sales and other expenses" reflects the aggregation of costs that are generally more likely to vary based on changes in revenues. These reclassifications did not affect previously reported Revenue, Operating income, Income before income taxes, or Net income in the Consolidated Statements of Operations for the years ended December 31, 2022 and 2021. See Note 21 for additional information on the impact of the reclassification by quarter.

The following table presents the impact of the reclassifications on the Company's Consolidated Statements of Operations (in millions):

	Year Ended December 31,	
	2022	2021
Sales and other expenses (Prior presentation)	\$ 1,818	\$ 881
Reclassifications	168	98
Sales and other expenses (New presentation)	<u>\$ 1,986</u>	<u>\$ 979</u>
General and administrative (Prior presentation)	\$ 934	\$ 620
Reclassifications	(168)	(98)
General and administrative (New presentation)	<u>\$ 766</u>	<u>\$ 522</u>

Recent Accounting Pronouncements Adopted

Accounting for Convertible Instruments and Contracts in an Entity's Own Equity

On January 1, 2022, the Company adopted the new accounting standards update relating to convertible instruments and contracts in an entity's own equity. Compared to legacy U.S. GAAP, the accounting standards update reduces the number of accounting models for convertible debt instruments, requires fewer embedded conversion features to be separately recognized from the host contract, and amends certain guidance to reduce form-over-substance-based accounting conclusions. Under the updated guidance, upon the initial recognition of convertible debt, the Company presents the entire amount attributable to the debt as a liability. The initial carrying amount of the convertible debt liability is reduced by any direct and incremental issuance costs paid to third parties that are associated with the convertible debt issuance. No amount attributable to the debt is initially recognized within equity unless the instrument is issued at a substantial premium. In calculating diluted earnings per share, the accounting standards update also requires the use of the if-converted method for the Company's convertible debt.

The Company adopted the accounting standards update on a modified retrospective basis applied to the 0.75% convertible senior notes due May 2025 (see Note 12) resulting in an increase of \$30 million to "Retained earnings" as of January 1, 2022. The significant corresponding balance sheet changes as of that date were an increase of \$86 million to "Long-term debt" and decreases of \$96 million to "Additional paid-in capital" and \$21 million to "Deferred income taxes." For the Company's convertible debt, interest expense for the periods beginning on January 1, 2022 is reflected in the financial statements using interest rates that are closer to the coupon interest rate of the debt rather than the higher imputed interest expense that resulted from the separation of conversion features required by legacy U.S. GAAP. See Note 8 for additional information on net income per share calculations.

Other Recent Accounting Pronouncements

Improvements to Income Tax Disclosures

In December 2023, the Financial Accounting Standards Board ("FASB") issued an accounting standards update related to income taxes that requires companies to provide additional information on the rate reconciliation and additional disclosures about taxes paid. The update requires disclosure of additional categories of information in the tax rate reconciliation table about federal, state and foreign income taxes and more details about certain items that meet a quantitative threshold. Income taxes paid (net of refunds received) are required to be disclosed disaggregated by federal (national), state and foreign taxes and also by jurisdiction based on a quantitative threshold. The update is effective for annual financial statements beginning with the fiscal year 2025. The Company is currently evaluating the impact of the accounting standards update on its Consolidated

Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued an accounting standards update that requires companies to provide disclosures of significant segment expenses and other segment items. Disclosures about a reportable segment's profit or loss and assets that are currently required annually will have to be provided in interim periods also. In addition, companies with a single reportable segment have to provide all the disclosures required by ASC 280, *Segment Reporting*, including the significant segment expense disclosures. The update is effective for annual financial statements beginning with the fiscal year 2024 and for interim financial statements beginning with the quarter ending March 31, 2025. The Company is currently evaluating the impact of the accounting standards update on its Consolidated Financial Statements.

3. REVENUE

Disaggregation of Revenue

Revenue by Type of Service

Approximately 89%, 89%, and 87% of the Company's revenues for the years ended December 31, 2023, 2022, and 2021, respectively, relate to online accommodation reservation services. Revenues from all other sources of online travel reservation services and advertising and other revenues each individually represent less than 10% of the Company's total revenues for each year. The majority of the Company's merchant revenues and substantially all of its agency revenues are from Booking.com's accommodation reservations.

Revenue by Geographic Area

See Note 17 for the information related to revenue by geographic area.

Incentive Programs

At December 31, 2023 and 2022, liabilities of \$149 million and \$143 million, respectively, were included in "Accrued expenses and other current liabilities" in the Consolidated Balance Sheets for incentives granted to consumers, including referral bonuses, rebates, credits, discounts, and loyalty programs.

4. STOCK-BASED COMPENSATION

The Company's 1999 Omnibus Plan, as amended and restated effective June 3, 2021, (the "1999 Plan") is the primary stock compensation plan from which broad-based employee, non-employee director, and consultant equity awards may be made. At December 31, 2023, there were approximately one million shares of common stock available for future grants under the 1999 Plan.

Stock-based compensation issued under the plans generally consists of restricted stock units, performance share units, and stock options. Performance share units and restricted stock units are payable in shares of the Company's common stock upon vesting. The Company issues shares of its common stock upon the exercise of stock options. The tax benefit related to stock-based compensation was \$52 million, \$40 million, and \$37 million for the years ended December 31, 2023, 2022, and 2021, respectively.

In 2021, the Company modified the performance-based awards granted in 2018 and 2019 to its executive officers to adjust the number of shares to be issued, subject to other vesting conditions. The modification, in aggregate, resulted in additional stock-based compensation expense of \$40 million, which was recognized over the remaining requisite service periods for the performance-based awards.

Restricted Stock Units and Performance Share Units

The Company makes broad-based grants of restricted stock units that generally vest during a period of one- to three-years, subject to certain exceptions for terminations other than for "cause," for "good reason," or on account of death or disability. The Company grants performance share units to executives and certain other employees, which generally vest at the end of a three-year period (with the exception of certain shorter-term performance share units), subject to certain exceptions for terminations other than for "cause," for "good reason," or on account of death or disability. The number of shares that ultimately vest depends on achieving certain performance metrics, performance goals, stock price increase and/or relative total shareholder return, as applicable, by the end of the performance period, assuming there is no accelerated vesting for, among other things, a termination of employment under certain circumstances.

Restricted stock units and performance share units granted by the Company during the years ended December 31, 2023, 2022, and 2021 had an aggregate grant-date fair value of \$586 million, \$490 million, and \$421 million, respectively. Restricted stock units and performance share units that vested during the years ended December 31, 2023, 2022, and 2021 had an aggregate fair value at vesting of \$459 million, \$400 million, and \$395 million, respectively. At December 31, 2023, there was \$698 million of estimated total future stock-based compensation expense related to unvested restricted stock units and performance share units to be recognized over a weighted-average period of 1.8 years.

The following table summarizes the activity in restricted stock units and performance share units for employees and non-employee directors during the year ended December 31, 2023:

	Restricted Stock Units		Performance Share Units	
	Shares	Weighted-average Grant-date Fair Value	Shares	Weighted-average Grant-date Fair Value
Unvested at December 31, 2022 ⁽¹⁾	280,460	\$2,070	143,702	\$2,294
Granted ⁽²⁾	169,409	\$2,640	51,941	\$2,679
Vested	(141,115)	\$2,032	(30,151)	\$2,327
Performance shares adjustment ⁽³⁾			74,776	\$2,577
Forfeited	(17,350)	\$2,330	(7,242)	\$2,267
Unvested at December 31, 2023	291,404	\$2,404	233,026	\$2,467

- (1) Excludes 14,087 performance share units awarded during the years ended December 31, 2022 and 2021 for which the grant date under ASC 718, Compensation - Stock Compensation, was not established as of December 31, 2022. Among other conditions, for the grant date to be established, a mutual understanding is required to be reached between the Company and the employee of the key terms and conditions of the award, including the performance targets. The performance targets for each of the annual performance periods under the award are set at the beginning of the respective year.
- (2) Includes 9,688 performance share units awarded during the year ended December 31, 2022 and 2021 for which the grant date under ASC 718 was established during the year ended December 31, 2023.
- (3) Probable outcome for performance-based awards is updated based upon changes in actual and forecasted operating results or expected achievement of performance goals, as applicable, and the impact of modifications.

Stock Options

The following table summarizes the activity for stock options during the year ended December 31, 2023:

Employee Stock Options	Number of Shares	Weighted-average Exercise Price	Aggregate Intrinsic Value (in millions)	Weighted-average Remaining Contractual Term (in years)
Balance, December 31, 2022	120,813	\$ 1,408	\$ 73	7.3
Exercised ⁽¹⁾	(95,228)	\$ 1,408	\$ 124	
Forfeited	(62)	\$ 1,411		
Balance, December 31, 2023	25,523	\$ 1,411	\$ 55	6.4
Exercisable at December 31, 2023	25,523	\$ 1,411	\$ 55	6.4

- (1) The stock options exercised during the year ended December 31, 2023 primarily consist of stock options granted to certain employees in May 2020 that vested in March 2023. No stock options were granted to the executive officers of the Company.

5. INVESTMENTS

The following table summarizes the Company's investments by major security type at December 31, 2023 (in millions):

	Cost	Gross Unrealized Gains / Upward Adjustments	Gross Unrealized Losses / Downward Adjustments	Carrying Value
Short-term investments:				
Debt securities:				
International government securities	\$ 63	\$ —	\$ —	\$ 63
U.S. government securities ⁽¹⁾	152	—	(1)	151
Corporate debt securities	365	—	(3)	362
Total short-term investments	\$ 580	\$ —	\$ (4)	\$ 576
Long-term investments:				
Equity securities:				
Equity securities with readily determinable fair values	\$ 715	\$ —	\$ (404)	\$ 311
Equity securities of private companies	78	259	(208)	129
Total equity securities	793	259	(612)	440
Total long-term investments	\$ 793	\$ 259	\$ (612)	\$ 440

- (1) Includes investments in U.S. municipal bonds.

The following table summarizes the Company's investments by major security type at December 31, 2022 (in millions):

	Cost	Gross Unrealized Gains / Upward Adjustments	Gross Unrealized Losses / Downward Adjustments	Carrying Value
Short-term investments:				
Debt securities:				
International government securities	\$ 13	\$ —	\$ —	\$ 13
U.S. government securities ⁽¹⁾	131	—	(1)	130
Corporate debt securities	32	—	—	32
Total short-term investments	\$ 176	\$ —	\$ (1)	\$ 175
Long-term investments:				
Debt securities:				
International government securities	\$ 63	\$ —	\$ (1)	\$ 62
U.S. government securities ⁽¹⁾	147	—	(3)	144
Corporate debt securities	366	—	(7)	359
Total debt securities	576	—	(11)	565
Equity securities:				
Equity securities with readily determinable fair values	1,165	1,352	(446)	2,071
Equity securities of private companies	78	259	(184)	153
Total equity securities	1,243	1,611	(630)	2,224
Total long-term investments	\$ 1,819	\$ 1,611	\$ (641)	\$ 2,789

(1) Includes investments in U.S. municipal bonds.

The Company's investment policy seeks to preserve capital and maintain sufficient liquidity to meet operational and other needs of the business. The Company's investments in available-for-sale debt securities at December 31, 2023 and 2022, had investment grade credit quality ratings. At December 31, 2023 and 2022, investments in international government securities principally included debt securities issued by the governments of Germany, France, Norway, Canada, and Sweden. At December 31, 2022, the Company's long-term investments in available-for-sale debt securities had maturity dates between 1 and 2 years.

Equity securities with readily determinable fair values at December 31, 2023 include the Company's investments in DiDi Global Inc. ("DiDi") and Grab Holdings Limited ("Grab"), with fair values of \$155 million and \$143 million, respectively. At December 31, 2022, equity securities with readily determinable fair values included the Company's investments in Grab, DiDi, and Meituan, with fair values of \$136 million, \$125 million, and \$1.8 billion, respectively. During the year ended December 31, 2023, the Company sold its entire investment in Meituan for \$1.7 billion, resulting in a loss of \$149 million included in "Other income (expense), net" in the Consolidated Statement of Operations for the year ended December 31, 2023. The cost basis of the Company's investment in Meituan was \$450 million. Equity securities with readily determinable fair values are included in "Long-term investments" in the Consolidated Balance Sheets. Net unrealized gains (losses) related to these investments included in "Other income (expense), net" in the Consolidated Statements of Operations for the years ended December 31, 2023, 2022, and 2021 were as follows (in millions):

	Year Ended December 31,		
	2023	2022	2021
DiDi	\$ 30	\$ (70)	\$ (205)
Grab	7	(165)	101
Meituan	—	(526)	(731)

The Company invested \$200 million in preferred shares of Grab Holdings Inc. Prior to the business combination transaction involving Grab Holdings Inc., Grab and Altimeter Growth Corp. (the "Grab Transaction"), the Company's investment in Grab was classified as a debt security for accounting purposes with the aggregate unrealized gains and losses, net of tax reflected in "Accumulated other comprehensive loss" in the Consolidated Balance Sheets. In December 2021, the Company's investment in preferred shares were converted to Class A ordinary shares of Grab and such ordinary shares began publicly trading on the NASDAQ Stock Market. As a result, the Company's investment was classified as equity securities with readily determinable fair values and the aggregate unrealized gains of \$265 million was reclassified from "Accumulated other comprehensive loss" in the Consolidated Balance Sheet to "Other income (expense), net" in the Consolidated Statement of Operations for the year ended December 31, 2021 (see Note 14).

The Company invested \$500 million in preferred shares of DiDi. As a result of DiDi's initial public offering in 2021, the Company's investment was converted to Class A ordinary shares and classified as equity securities with readily determinable fair values. In June 2022, DiDi delisted its American Depository Shares ("ADSs") from the New York Stock Exchange. The shares are currently trading in the over-the-counter market with trade prices publicly reported by OTC Markets Group Inc.

The Company's investments in equity securities of private companies at December 31, 2023 and 2022, includes \$51 million originally invested in Yanolja Co., Ltd. ("Yanolja"). A new round of funding and certain other transactions in the equity securities of Yanolja were completed in October 2021. As a result of these observable transactions, the Company recorded an unrealized gain of \$255 million in "Other income (expense), net" in the Consolidated Statement of Operations for the year ended December 31, 2021 that resulted in an adjusted carrying value of \$306 million as of December 31, 2021. The Company evaluated its investment in Yanolja for impairment as of June 30, 2023 and 2022 and recognized impairment charges of \$24 million and \$184 million during the years ended December 31, 2023 and 2022, respectively (see Note 6). The carrying value of the Company's investment in Yanolja was \$98 million and \$122 million as of December 31, 2023 and 2022, respectively.

6. FAIR VALUE MEASUREMENTS

Financial assets and liabilities measured at fair value on a recurring basis at December 31, 2023 and nonrecurring fair value measurements are categorized below based on the level of inputs to the valuation techniques used to measure fair value (see Note 2) (in millions):

	Level 1	Level 2	Level 3	Total
<u>Recurring fair value measurements</u>				
ASSETS:				
Cash equivalents and restricted cash equivalents:				
Money market fund investments	\$ 10,871	\$ —	\$ —	\$ 10,871
Certificates of deposit	97	—	—	97
Short-term investments:				
International government securities	—	63	—	63
U.S. government securities	—	151	—	151
Corporate debt securities	—	362	—	362
Long-term investments:				
Equity securities	311	—	—	311
Derivatives:				
Foreign currency exchange derivatives	—	62	—	62
Total assets at fair value	<u>\$ 11,279</u>	<u>\$ 638</u>	<u>\$ —</u>	<u>\$ 11,917</u>
LIABILITIES:				
Foreign currency exchange derivatives	\$ —	\$ 36	\$ —	\$ 36
<u>Nonrecurring fair value measurements</u>				
Investment in equity securities of a private company ⁽¹⁾	\$ —	\$ —	\$ 98	\$ 98

- (1) During the year ended December 31, 2023, the Company's investment in Yanolja was written down to its estimated fair value (see Note 5).

Financial assets and liabilities measured at fair value on a recurring basis at December 31, 2022 and nonrecurring fair value measurements are categorized below based on the level of inputs to the valuation techniques used to measure fair value (see Note 2) (in millions):

	Level 1	Level 2	Level 3	Total
<u>Recurring fair value measurements</u>				
ASSETS:				
Cash equivalents and restricted cash equivalents:				
Money market fund investments	\$ 11,483	\$ —	\$ —	\$ 11,483
Certificates of deposit	60	—	—	60
Short-term investments:				
International government securities	—	13	—	13
U.S. government securities	—	130	—	130
Corporate debt securities	—	32	—	32
Long-term investments:				
International government securities	—	62	—	62
U.S. government securities	—	144	—	144
Corporate debt securities	—	359	—	359
Equity securities	2,071	—	—	2,071
Derivatives:				
Foreign currency exchange derivatives	—	65	—	65
Total assets at fair value	<u>\$ 13,614</u>	<u>\$ 805</u>	<u>\$ —</u>	<u>\$ 14,419</u>
LIABILITIES:				
Foreign currency exchange derivatives	\$ —	\$ 26	\$ —	\$ 26
<u>Nonrecurring fair value measurements</u>				
Investment in equity securities of a private company ⁽¹⁾	\$ —	\$ —	\$ 122	\$ 122

(1) During the year ended December 31, 2022, the Company's investment in Yanolja was written down to its estimated fair value (see Note 5).

Investments

See Note 5 for additional information related to the Company's investments.

The valuation of the Company's investments in debt securities is considered a "Level 2" valuation because the Company has access to quoted prices for identical or comparable securities, but does not have visibility into the volume and frequency of trading for this investment. A market approach is used for recurring fair value measurements and the valuation techniques use inputs that are observable, or can be corroborated by observable data, in an active marketplace.

Investments in private companies measured using Level 3 inputs

The Company's investments measured using Level 3 inputs primarily consist of investments in privately-held companies. Fair values of privately-held securities are estimated using a variety of valuation methodologies, including both market and income approaches. The Company uses valuation techniques appropriate for the type of investment and the information available about the investee as of the valuation date to determine fair value. Recent financing transactions in the investee are generally considered the best indication of the enterprise value and therefore used as a basis to estimate fair value. However, based on a number of factors, such as the proximity in timing to the valuation date or the volume or other terms of these financing transactions, the Company may also use other valuation techniques to supplement this data, including the income approach. When a financing transaction occurs and represents fair value, the Company also uses the calibration process, as appropriate, when estimating fair value on subsequent measurement dates. Calibration is the process of using observed transactions in the investee company's own instruments to ensure that the valuation techniques that will be employed to value the investee company investment on subsequent measurement dates begin with assumptions that are consistent with the original observed transaction as well as any more recent observed transactions in the instruments issued by the investee company.

As of June 30, 2023 and 2022, the Company evaluated its investment in Yanolja for impairment using a combination of the market approach and the income approach in estimating the fair value of the investment as of those dates, and recognized impairment charges. The market approach estimates value using prices and other relevant information generated by market transactions involving comparable companies. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate based on a company's weighted-average cost of capital adjusted to reflect the risks inherent in its cash flows. The key unobservable inputs and ranges used for the June 2023 impairment evaluation, primarily using the income approach, include the weighted average cost of capital (10.5%-14.5%) and the terminal EBITDA multiple (14x-16x). The key unobservable inputs and ranges used for the June 2022 impairment evaluation include, for the market approach, percentage decrease in the calibrated EBITDA multiple (36%) and for the income approach, the weighted average cost of capital (10%-14%) and the terminal EBITDA multiple (14x-16x). Significant changes in any of these inputs in isolation would result in significantly different fair value measurements. A change in the assumption used for EBITDA multiples would result in a directionally similar change in the fair value, and a change in the assumption used for weighted average cost of capital would result in a directionally opposite change in the fair value.

The determination of the fair values of investments, where the Company is a minority shareholder and has access to limited information from the investee, reflects numerous assumptions that are subject to various risks and uncertainties, including key assumptions regarding the investee's expected growth rates and operating margin, as well as other key assumptions with respect to matters outside of the Company's control, such as discount rates and market comparables. It requires significant judgments and estimates and actual results could be materially different than those judgments and estimates utilized in the fair value estimate. Future events and changing market conditions may lead the Company to re-evaluate the assumptions reflected in the valuation which may result in a need to recognize additional impairment charges.

Derivatives

In the normal course of business, the Company is exposed to the impact of foreign currency fluctuations. The Company mitigates these risks by following established risk management policies and procedures, including the use of derivatives. The Company enters into foreign currency forward contracts to hedge its exposure to the impact of movements in foreign currency exchange rates on its transactional balances denominated in currencies other than the functional currency. The Company does not use derivatives for trading or speculative purposes.

The Company's derivative instruments are valued using pricing models. Pricing models take into account the contract terms as well as multiple inputs where applicable, such as interest rate yield curves, option volatility, and foreign currency exchange rates. The valuation of derivatives is considered "Level 2" fair value measurement. The Company's derivative instruments are typically short-term in nature. The Company reports the fair values of its derivative assets and liabilities on a gross basis in the Consolidated Balance Sheets in "Other current assets" and "Accrued expenses and other current liabilities," respectively.

As of December 31, 2023 and 2022, the Company did not designate any derivatives as hedges for accounting purposes. Gains and losses resulting from changes in the fair values of derivative instruments are recognized in "Other income (expense), net" in the Consolidated Statements of Operations in the period that the changes occur and cash flow impacts, if any, are classified within "Net cash provided by operating activities" or "Net cash used in financing activities," as appropriate, in the Consolidated Statements of Cash Flows.

The table below provides estimated fair values and notional amounts of foreign currency exchange derivatives outstanding at December 31, 2023 and 2022 (in millions). The notional amount of a foreign currency forward contract is the contracted amount of foreign currency to be exchanged and is not recorded in the balance sheet.

	December 31,	
	2023	2022
Estimated fair value of derivative assets	\$ 62	\$ 65
Estimated fair value of derivative liabilities	36	26
Notional amount:		
Foreign currency purchases	\$ 4,907	\$ 2,870
Foreign currency sales	4,200	2,682

The effect of foreign currency exchange derivatives recorded in "Other income (expense), net" in the Consolidated Statements of Operations for the years ended December 31, 2023, 2022, and 2021 is as follows (in millions):

	Year Ended December 31,		
	2023	2022	2021
Losses on foreign currency exchange derivatives	\$ 106	\$ 52	\$ 30

Derivatives designated as cash flow hedges

In March 2021, the Company entered into reverse treasury lock agreements with certain financial institutions, with an aggregate notional amount of \$1.8 billion and expiration date of March 31, 2021, to hedge the risk of changes in the cash flows related to the planned redemption, in April 2021, of the Senior Notes due April 2025 (the "April 2025 Notes") and the Senior Notes due April 2027 (the "April 2027 Notes") attributable to changes in the underlying U.S. treasury notes' interest rates. The Company designated the reverse treasury lock agreements as cash flow hedges. As of March 31, 2021, the Company recognized unrealized losses of \$15 million in "Accumulated other comprehensive loss" in the Consolidated Balance Sheet. In April 2021, the Company settled the reverse treasury lock agreements for an aggregate amount of \$15 million and also redeemed the April 2025 Notes and the April 2027 Notes. The cash flows related to the reverse treasury lock agreements are classified within "Net cash used in financing activities" in the Consolidated Statement of Cash Flows. During the three months ended June 30, 2021, the Company reclassified the losses on the cash flow hedges from "Accumulated other comprehensive loss" in the Consolidated Balance Sheet to "Other income (expense), net" in the Consolidated Statement of Operations, concurrently with the recognition of the losses upon early extinguishment of the April 2025 Notes and the April 2027 Notes (see Note 12).

Other Financial Assets and Liabilities

At December 31, 2023 and 2022, the Company's cash consisted of bank deposits. Cash equivalents principally include money market fund investments and certificates of deposit and their carrying value generally approximates the fair value as they are readily convertible to known amounts of cash. Other financial assets and liabilities, including restricted cash, accounts payable, accrued expenses, and deferred merchant bookings, are carried at cost which approximates their fair values because of the short-term nature of these items. Accounts receivable and other financial assets measured at amortized cost are carried at cost less an allowance for expected credit losses to present the net amount expected to be collected (see Note 7). See Note 12 for the estimated fair value of the Company's outstanding senior notes, including the estimated fair value of the Company's convertible senior notes.

7. ACCOUNTS RECEIVABLE AND OTHER FINANCIAL ASSETS

Accounts receivable in the Consolidated Balance Sheets at December 31, 2023 and 2022 includes receivables from customers of \$1.9 billion and \$1.5 billion, respectively, and receivables from payment processors and networks of \$1.3 billion and \$730 million, respectively. The remaining balance principally relates to receivables from marketing affiliates. The Company's receivables are short-term in nature. In addition, the Company had prepayments to certain customers of \$10 million and \$29 million, included in "Prepaid expenses, net," and \$16 million and \$5 million, included in "Other assets, net" in the Consolidated Balance Sheets at December 31, 2023 and 2022, respectively. The amounts mentioned above are stated on a gross basis, before deducting the allowance for expected credit losses.

Significant judgments and assumptions are required to estimate the allowance for expected credit losses and such assumptions may change in future periods, particularly the assumptions related to the business prospects and financial condition of customers and marketing affiliates, including the impact of the COVID-19 pandemic, macroeconomic conditions, inflationary pressures, potential recession, and the Company's ability to collect the receivable or recover the prepayment.

The following table summarizes the activity of the allowance for expected credit losses on receivables (in millions):

	Year Ended December 31,		
	2023	2022	2021
Balance, beginning of year	\$ 117	\$ 101	\$ 166
Provision charged to earnings	169	130	48
Write-offs and adjustments	(152)	(110)	(107)
Foreign currency translation adjustments	3	(4)	(6)
Balance, end of year	<u>\$ 137</u>	<u>\$ 117</u>	<u>\$ 101</u>

In addition to the allowance for expected credit losses on receivables, the Company recorded an allowance for expected credit losses on prepayments to certain customers, which are included in "Prepaid expenses, net" and "Other assets, net" in the Consolidated Balance Sheets, of \$17 million and \$23 million at December 31, 2023 and 2022, respectively.

8. NET INCOME PER SHARE

The Company computes basic net income per share by dividing net income applicable to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted net income per share is based upon the weighted-average number of common and common equivalent shares outstanding during the period. Only dilutive common equivalent shares that decrease the net income per share are included in the computation of diluted net income per share.

Common equivalent shares related to stock options, restricted stock units, and performance share units are calculated using the treasury stock method. Performance share units are included in the weighted-average common equivalent shares based on the number of shares that would be issued if the end of the reporting period were the end of the performance period, if the result would be dilutive.

The Company's convertible senior notes have net share settlement features requiring the Company, upon conversion, to settle the principal amount of the debt for cash and the conversion premium for cash or shares of the Company's common stock, at the Company's option. If the conversion prices for the convertible senior notes exceed the Company's average stock price for the period, the convertible senior notes generally have no impact on diluted net income per share. For periods prior to January 1, 2022, the treasury stock method was used for convertible senior notes in the calculation of diluted net income per share. Following the adoption of the accounting standards update on January 1, 2022 (see Note 2), the if-converted method is used for all periods after that date.

A reconciliation of the weighted-average number of shares outstanding used in calculating diluted net income per share is as follows (in thousands):

	Year Ended December 31,		
	2023	2022	2021
Weighted-average number of basic common shares outstanding	36,140	39,872	41,042
Weighted-average dilutive stock options, restricted stock units and performance share units	228	151	209
Assumed conversion of convertible senior notes	162	29	111
Weighted-average number of diluted common and common equivalent shares outstanding	<u>36,530</u>	<u>40,052</u>	<u>41,362</u>

9. PROPERTY AND EQUIPMENT, NET

Property and equipment, net at December 31, 2023 and 2022 consist of the following (in millions):

	December 31,		Estimated Useful Lives (years)
	2023	2022	
Capitalized software	\$ 1,096	\$ 900	1 to 7 years
Computer equipment	608	758	2 to 4 years
Leasehold improvements	228	277	Up to 15 years
Office equipment, furniture and fixtures	71	58	1 to 7 years
Total	2,003	1,993	
Less: Accumulated depreciation	(1,219)	(1,324)	
Property and equipment, net	\$ 784	\$ 669	

Depreciation expense was \$282 million, \$227 million, and \$259 million for the years ended December 31, 2023, 2022, and 2021, respectively. Additions to capitalized software during the years ended December 31, 2023, 2022, and 2021 were \$229 million, \$217 million, and \$191 million, respectively.

10. LEASES

The Company has operating and finance leases for office space, data centers, and computer equipment.

The Company recognized the following related to its leases in its Consolidated Balance Sheets (in millions):

Classification in Consolidated Balance Sheets		December 31,	
		2023	2022
Operating lease assets	Operating lease assets	\$ 705	\$ 645
Operating lease liabilities:			
Current operating lease liabilities	Accrued expenses and other current liabilities	\$ 152	\$ 125
Non-current operating lease liabilities	Operating lease liabilities	599	552
Total operating lease liabilities		<u>\$ 751</u>	<u>\$ 677</u>
Finance lease assets	Property and equipment, net	\$ 70	\$ 52
Finance lease liabilities:			
Current finance lease liabilities	Accrued expenses and other current liabilities	\$ 34	\$ 21
Non-current finance lease liabilities	Other long-term liabilities	34	32
Total finance lease liabilities		<u>\$ 68</u>	<u>\$ 53</u>

The Company recognized the following costs related to its leases in its Consolidated Statements of Operations (in millions):

Classification in Consolidated Statements of Operations		Year Ended December 31,		
		2023	2022	2021
Finance lease cost	Depreciation and amortization	\$ 28	\$ 9	\$ 3
Operating lease cost	General and administrative and Information technology	180	160	185
Variable lease cost	General and administrative and Information technology	82	45	46
Other	General and administrative and Interest expense	(4)	(5)	(3)
Total lease cost		<u>\$ 286</u>	<u>\$ 209</u>	<u>\$ 231</u>

As of December 31, 2023, the future lease payments for operating and finance leases are as follows (in millions):

	Operating Leases	Finance Leases
2024	\$ 176	\$ 36
2025	156	30
2026	96	5
2027	81	—
2028	61	—
Thereafter	320	—
Total future lease payments	890	71
Less: Imputed interest	(139)	(3)
Total lease liabilities	\$ 751	\$ 68

Supplemental cash flow information related to operating and finance leases is as follows (in millions):

	Year Ended December 31,		
	2023	2022	2021
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	\$ 172	\$ 175	\$ 186
Financing cash flows from finance leases	31	9	2
Operating lease assets obtained in exchange for new operating lease liabilities	200	392	162
Finance lease assets obtained in exchange for new finance lease liabilities	44	50	8

"Operating lease amortization" presented in the operating activities section of the Consolidated Statements of Cash Flows reflects the portion of the operating lease cost from the amortization of the operating lease assets.

At December 31, 2023 and 2022 the weighted-average lease term and discount rate for operating and finance leases are as follows:

	December 31,	
	2023	2022
Operating leases:		
Weighted-average remaining lease term	8.7 years	9.8 years
Weighted-average discount rate	4.0 %	3.2 %
Finance leases:		
Weighted-average remaining lease term	2.1 years	2.7 years
Weighted-average discount rate	3.1 %	2.0 %

In September 2016, the Company signed a turnkey agreement to construct a building for Booking.com's headquarters in the Netherlands and acquired a land lease upon signing the turnkey agreement. During the year ended December 31, 2022, the construction of the building was completed and the Company entered into a sale and leaseback transaction whereby the Company transferred ownership of the building and the acquired lease rights to a subsidiary of Deka Immobilien Investment GmbH for an aggregate consideration of approximately \$601 million. The Company concurrently entered into an agreement to lease the building from the purchaser for an initial term of 16.5 years, with up to five renewal options of five years each. The initial annual base rent under the lease was \$26 million, which will increase annually based on the consumer price index, subject to a specified ceiling. The lease commenced in December 2022 and has been classified by the Company as an operating lease. The Company recognized a gain of \$240 million on the sale and leaseback transaction, which was recorded in "Other operating expenses" in the Consolidated Statement of Operations for the year ended December 31, 2022.

11. GOODWILL AND INTANGIBLE ASSETS

A substantial portion of the Company's intangible assets and goodwill relates to the acquisitions of KAYAK, OpenTable, and Getaroom. See Note 18 for additional information related to the acquisition of Getaroom in December 2021.

Goodwill

The changes in the balance of goodwill for the years ended December 31, 2023 and 2022 consist of the following (in millions):

	Year Ended December 31,	
	2023	2022
Balance, beginning of year	\$ 2,807	\$ 2,887
Foreign currency translation adjustments and other adjustments ⁽¹⁾	19	(80)
Balance, end of year ⁽²⁾	<u>\$ 2,826</u>	<u>\$ 2,807</u>

(1) During the year ended December 31, 2022, measurement period adjustments relating to the acquisition of Getaroom resulted in a decrease to goodwill of \$38 million.

(2) The balance of goodwill as of December 31, 2023 and 2022 is stated net of cumulative impairment charges of \$2 billion.

At September 30, 2023, the Company performed its annual goodwill impairment test and concluded that there was no impairment of goodwill.

Intangible Assets

The Company's intangible assets consist of the following (in millions):

	December 31, 2023			December 31, 2022			Amortization Period
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	
Trade names	\$ 1,812	\$ (911)	\$ 901	\$ 1,806	\$ (812)	\$ 994	3 - 20 years
Supply and distribution agreements	1,402	(759)	643	1,386	(658)	728	3 - 20 years
Other intangible assets	330	(261)	69	330	(223)	107	Up to 20 years
Total intangible assets	<u>\$ 3,544</u>	<u>\$ (1,931)</u>	<u>\$ 1,613</u>	<u>\$ 3,522</u>	<u>\$ (1,693)</u>	<u>\$ 1,829</u>	

Amortization expense for intangible assets was \$222 million, \$224 million, and \$162 million for the years ended December 31, 2023, 2022, and 2021, respectively.

The estimated future annual amortization expense for the Company's intangible assets at December 31, 2023 is as follows (in millions):

2024	\$ 222
2025	214
2026	180
2027	170
2028	169
Thereafter	658
	<u>\$ 1,613</u>

12. DEBT

Revolving Credit Facility

In May 2023, the Company entered into a five-year unsecured revolving credit facility with a group of lenders. The revolving credit facility extends a revolving line of credit of up to \$2 billion to the Company and provides for the issuance of up to \$80 million of letters of credit, as well as up to \$100 million of borrowings on same-day notice, referred to as swingline loans. Other than the swingline loans, which are available only in U.S. Dollars, the revolving loans and the letters of credit are available in U.S. Dollars, Euros, Pounds Sterling, and any other currency agreed to by the administrative agent and each of the lenders. The revolving credit facility contains a maximum leverage ratio covenant, compliance with which is a condition to the Company's ability to borrow.

Borrowings under the revolving credit facility will bear interest at a rate determined by reference to benchmark rates plus an applicable spread (ranging from 0% to 1.375%) based on the Company's leverage or credit rating at the time of the borrowing. Undrawn balances available under the revolving credit facility are subject to commitment fees at the applicable rate determined by reference to the Company's leverage or credit rating.

Upon entering into this new revolving credit facility, the Company terminated the \$2 billion five-year revolving credit facility entered into in August 2019. At December 31, 2023 there were no borrowings outstanding and \$18 million of letters of credit issued under the new revolving credit facility. At December 31, 2022, there were no borrowings outstanding and \$14 million of letters of credit issued under the prior revolving credit facility.

Outstanding Debt

Outstanding debt consists of the following (in millions):

	December 31, 2023		December 31, 2022	
	Outstanding Principal Amount	Carrying Value ⁽¹⁾	Outstanding Principal Amount	Carrying Value ⁽¹⁾
2.75% Senior Notes due March 2023 ⁽²⁾	\$ —	\$ —	\$ 500	\$ 500
2.375% (€1 Billion) Senior Notes due September 2024 ⁽³⁾	1,105	1,104	1,067	1,064
3.65% Senior Notes due March 2025	500	499	500	499
0.1% (€950 Million) Senior Notes due March 2025	1,050	1,048	1,014	1,011
0.75% Convertible Senior Notes due May 2025 ⁽³⁾	862	857	863	854
3.6% Senior Notes due June 2026	1,000	998	1,000	997
4.0% (€750 Million) Senior Notes due November 2026	828	825	800	797
1.8% (€1 Billion) Senior Notes due March 2027	1,105	1,103	1,067	1,065
3.55% Senior Notes due March 2028	500	499	500	498
0.5% (€750 Million) Senior Notes due March 2028	828	825	800	797
3.625% (€500 Million) Senior Notes due November 2028	552	549	—	—
4.25% (€750 Million) Senior Notes due May 2029	828	823	800	794
4.625% Senior Notes due April 2030	1,500	1,492	1,500	1,491
4.5% (€1 Billion) Senior Notes due November 2031	1,105	1,098	1,067	1,060
4.125% (€1.25 Billion) Senior Notes due May 2033	1,381	1,367	—	—
4.75% (€1 Billion) Senior Notes due November 2034	1,105	1,097	1,067	1,058
Total outstanding debt	\$ 14,249	\$ 14,184	\$ 12,545	\$ 12,485
Short-term debt	1,967	1,961	500	500
Long-term debt	\$ 12,282	\$ 12,223	\$ 12,045	\$ 11,985

(1) The carrying values differ from the outstanding principal amounts due to unamortized debt discounts and debt issuance costs of \$65 million and \$60 million as of December 31, 2023 and 2022, respectively.

(2) Included in "Short-term debt" in the Consolidated Balance Sheet as of December 31, 2022.

(3) Included in "Short-term debt" in the Consolidated Balance Sheet as of December 31, 2023.

Fair Value of Debt

At December 31, 2023 and 2022, the estimated fair value of the outstanding debt was approximately \$15.2 billion and \$12.4 billion, respectively, and was considered a "Level 2" fair value measurement (see Note 2). The fair values were estimated based upon actual trades at the end of the reporting period or the most recent trade available as well as the Company's stock price at the end of the reporting period. The estimated fair value of the Company's debt in excess of the outstanding principal amount at December 31, 2023 primarily relates to the conversion premium on the convertible senior notes due in May 2025. As of December 31, 2022, the outstanding principal amount of the Company's debt exceeds the fair value of debt mainly due to the increase in interest rates partially offset by the conversion premium on the convertible senior notes due in May 2025.

Convertible Senior Notes

In April 2020, the Company issued \$863 million aggregate principal amount of convertible senior notes due in May 2025 with an interest rate of 0.75% (the "May 2025 Notes"). The Company paid \$19 million in debt issuance costs during the year ended December 31, 2020 related to the issuance. The May 2025 Notes are convertible, subject to certain conditions, into the Company's common stock at a conversion price of \$1,886.44 per share. The May 2025 Notes are convertible, at the option of the holder, prior to November 1, 2024, upon the occurrence of specific events, including but not limited to a change in control, or if the closing sales price of the Company's common stock for at least 20 trading days in the period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is more than 130% of the conversion price in effect for the notes on the last trading day of the immediately preceding quarter. In the event that all or substantially all of the Company's common stock is acquired on or prior to the maturity of the May 2025 Notes in a transaction in which the consideration paid to holders of the Company's common stock consists of all or substantially all cash, the Company would be required to make additional payments in the form of additional shares of common stock to the holders of the May 2025 Notes in an aggregate value ranging from \$0 to \$235 million depending upon the date of the transaction and the then current stock price of the Company. Starting on November 1, 2024, holders will have the right to convert all or any portion of the May 2025 Notes, regardless of the Company's stock price. The May 2025 Notes may not be redeemed by the Company prior to maturity. The holders may require the Company to repurchase the May 2025 Notes for cash in certain circumstances. Interest on the May 2025 Notes is payable on May 1 and November 1 of each year. If the note holders exercise their option to convert, the Company delivers cash to repay the principal amount of the notes and delivers shares of common stock or cash, at its option, to satisfy the conversion value in excess of the principal amount. Based on the closing sales prices of the Company's common stock for the prescribed measurement periods, the May 2025 Notes were convertible at the option of the holder starting the second calendar quarter of 2023 and continue to be convertible during the first calendar quarter of 2024. The May 2025 Notes are classified as "Short-term debt" in the Consolidated Balance Sheet as of December 31, 2023 and "Long-term debt" in the Consolidated Balance Sheet as of December 31, 2022. At December 31, 2023 and 2022, the estimated fair value of the May 2025 Notes was \$1.6 billion and \$1.2 billion, respectively, and was considered a "Level 2" fair value measurement (see Note 2).

In August 2014, the Company issued \$1 billion aggregate principal amount of convertible senior notes due September 2021 with an interest rate of 0.9% (the "September 2021 Notes"). In September 2021, in connection with the maturity of these notes, the Company paid \$1 billion to satisfy the aggregate principal amount due and paid an additional \$86 million conversion premium in excess of the principal amount.

Prior to January 1, 2022, cash-settled convertible debt, such as the Company's convertible senior notes, were separated into debt and equity components at issuance and each component was assigned a value. The value assigned to the debt component was the estimated fair value, at the issuance date, of a similar bond without the conversion feature. The difference between the bond cash proceeds and this estimated fair value, representing the value assigned to the equity component, was recorded as a debt discount. Debt discount was amortized using the effective interest rate method over the period from the origination date through the stated maturity date. The Company estimated the borrowing rates at debt origination to be 4.10% for the May 2025 Notes, considering its credit rating and similar debt of the Company or comparable corporate issuers without the conversion feature. The yield to maturity was estimated at an at-market coupon priced at par. Debt discount after tax of \$100 million (\$130 million before tax) related to the May 2025 Notes less debt issuance costs allocated to the equity component was recorded in additional paid-in capital in the balance sheet at debt origination. On January 1, 2022, the Company adopted the new accounting standards update relating to convertible instruments (see Note 2). The adoption of the new accounting standards update resulted in a decrease of \$26 million in "Interest expense" and an increase in "Income before income taxes" in the Consolidated Statement of Operations for the year ended December 31, 2022. For the year ended December 31, 2021, interest expense related to the convertible senior notes consisted primarily of the amortization of debt discount and debt issuance costs of \$43 million. For the years ended December 31, 2023, 2022, and 2021, the weighted-average effective interest rate related to the convertible senior notes was 1.2%, 1.2%, and 3.8%, respectively.

Other Senior Notes

The following table summarizes the information related to other senior notes outstanding at December 31, 2023:

Other Senior Notes	Date of Issuance	Effective Interest Rate ⁽¹⁾	Timing of Interest Payments
2.375% Senior Notes due September 2024	September 2014	2.54 %	Annually in September
3.65% Senior Notes due March 2025	March 2015	3.76 %	Semi-annually in March and September
0.1% Senior Notes due March 2025	March 2021	0.30 %	Annually in March
3.6% Senior Notes due June 2026	May 2016	3.70 %	Semi-annually in June and December
4.0% Senior Notes due November 2026	November 2022	4.08 %	Annually in November
1.8% Senior Notes due March 2027	March 2015	1.86 %	Annually in March
3.55% Senior Notes due March 2028	August 2017	3.63 %	Semi-annually in March and September
0.5% Senior Notes due March 2028	March 2021	0.63 %	Annually in March
3.625% Senior Notes due November 2028	May 2023	3.74 %	Annually in November
4.25% Senior Notes due May 2029	November 2022	4.35 %	Annually in May
4.625% Senior Notes due April 2030	April 2020	4.72 %	Semi-annually in April and October
4.5% Senior Notes due November 2031	November 2022	4.57 %	Annually in November
4.125% Senior Notes due May 2033	May 2023	4.26 %	Annually in May
4.75% Senior Notes due November 2034	November 2022	4.81 %	Annually in November

- (1) Represents the coupon interest rate adjusted for deferred debt issuance costs, premiums or discounts existing at the origination of the debt.

The proceeds from the issuance of the senior notes issued in May 2023 are available for general corporate purposes, including to repurchase shares of the Company's common stock.

A portion of the proceeds from the senior notes issued in November 2022 (the "November 2022 Notes") was used to repay \$500 million on the maturity of the Senior Notes due March 2023 and \$778 million on the maturity of the Senior Notes due November 2022. In addition, the Company paid the applicable accrued and unpaid interest relating to these senior notes. The remaining proceeds from the issuance of the November 2022 notes are available to be used for general corporate purposes.

In March 2022, the Company repaid \$1.1 billion on the maturity of Senior Notes due March 2022. In addition, the Company paid the applicable accrued and unpaid interest relating to these senior notes.

In April 2021, the Company used the proceeds from the issuance of the senior notes issued in March 2021 to pay \$1.1 billion and \$868 million to redeem the April 2025 Notes and the April 2027 Notes, respectively. In addition, the Company paid the applicable accrued and unpaid interest relating to these senior notes. The Company recorded a loss, before tax, of \$242 million in the Consolidated Statement of Operations for the year ended December 31, 2021, on the early extinguishment of these senior notes (see Note 6).

Interest expense related to other senior notes consists primarily of coupon interest expense of \$409 million, \$241 million, and \$257 million for the years ended December 31, 2023, 2022, and 2021, respectively. Debt discount and debt issuance costs are amortized using the effective interest rate method over the period from the origination date through the stated maturity date. "Interest expense" in the Consolidated Statements of Operations also includes interest expense related to the Company's cash management activities (with related income recorded in "Other income (expense), net" in the Consolidated Statements of Operations).

Each of the Company's senior notes are unsecured and rank equally in right of payment with all of the Company's other senior unsecured notes.

The Company designates certain portions of the aggregate principal value of the Euro-denominated debt as a hedge of the foreign currency exposure of the net investment in certain Euro functional currency subsidiaries. For the years ended December 31, 2023 and 2022, the carrying value of the portion of Euro-denominated debt, designated as a net investment hedge, ranged from \$3.1 billion to \$8.4 billion and from \$4.2 billion to \$6.2 billion, respectively. The foreign currency transaction gains or losses on the Euro-denominated debt that is designated as a hedging instrument for accounting purposes are recorded in "Accumulated other comprehensive loss" in the Consolidated Balance Sheets. The foreign currency transaction

gains or losses on the Euro-denominated debt that is not designated as a hedging instrument are recognized in "Other income (expense), net" in the Consolidated Statements of Operations.

13. TREASURY STOCK AND DIVIDENDS

At December 31, 2022, the Company had a total remaining authorization of \$3.9 billion related to a program authorized by the Company's Board of Directors ("the Board") in 2019 to repurchase up to \$15 billion of the Company's common stock. In the first quarter of 2023, the Board authorized an additional program to repurchase up to \$20 billion of the Company's common stock. At December 31, 2023, the Company had a total remaining authorization of \$13.7 billion to repurchase its common stock. The Company expects to complete the share repurchases under the remaining authorization by the end of 2026, assuming no major downturn in the travel market. Additionally, the Board has given the Company the general authorization to repurchase shares of its common stock withheld to satisfy employee withholding tax obligations related to stock-based compensation.

The following table summarizes the Company's stock repurchase activities during the years ended December 31, 2023, 2022, and 2021 (in millions, except for shares, which are reflected in thousands):

	Year Ended December 31,					
	2023		2022		2021	
	Shares	Amount	Shares	Amount	Shares	Amount
Authorized stock repurchase programs	3,660	\$ 10,249	3,320	\$ 6,526	—	\$ —
General authorization for shares withheld on stock award vesting	72	194	80	167	71	162
Total	3,732	\$ 10,443	3,400	\$ 6,693	71	\$ 162

Stock repurchases of \$40 million in December 2023 were settled in January 2024. Stock repurchases of \$70 million in December 2022 were settled in January 2023. For the years ended December 31, 2023, 2022, and 2021, the Company remitted employee withholding taxes of \$194 million, \$165 million, and \$163 million, respectively, to the tax authorities, which is different from the aggregate cost of the shares withheld for taxes for each year due to the timing in remitting the taxes. The cash remitted to the tax authorities is included in financing activities in the Consolidated Statements of Cash Flows.

Effective January 1, 2023, the Inflation Reduction Act of 2022 has mandated a 1% excise tax on share repurchases. Excise tax obligations that result from the Company's share repurchases are accounted for as a cost of the treasury stock transaction. As of December 31, 2023, the Company recorded an estimated excise tax liability of \$96 million for stock repurchases during the year ended December 31, 2023, which is included in "Accrued expenses and other current liabilities" in the Consolidated Balance Sheet.

On January 25, 2024, the Board adopted a dividend policy pursuant to which the Company intends to pay quarterly cash dividends on its common stock. Declaration of dividends pursuant to the policy will be subject to the Board's consideration of, among other things, the Company's financial performance, cash flows, capital needs, and liquidity. Pursuant to the dividend policy, on February 16, 2024 the Board declared a quarterly cash dividend of \$8.75 per share of common stock, payable on March 28, 2024 to stockholders of record as of the close of business on March 8, 2024.

14. CHANGES IN ACCUMULATED OTHER COMPREHENSIVE LOSS BY COMPONENT

The table below presents the changes in the balances of accumulated other comprehensive loss ("AOCI") by component for the years ended December 31, 2021, 2022, and 2023 (in millions):

	Foreign currency translation adjustments					Unrealized losses on cash flow hedges ⁽¹⁾			Net unrealized gains (losses) on available-for-sale securities			Total AOCI, net of tax
	Foreign currency translation		Net investment hedges ⁽²⁾		Total, net of tax			Total, net of tax			Total, net of tax	
	Before tax	Tax ⁽³⁾	Before tax	Tax		Before tax	Tax		Before tax	Tax		
Balance, December 31, 2020	\$ 11	\$ 47	\$ (184)	\$ 37	\$ (89)	\$ —	\$ —	\$ —	\$ 3	\$ (32)	\$ (29)	\$ (118)
Other comprehensive (loss) income ("OCI") before reclassifications	(287)	20	275	(65)	(57)	(15)	4	(11)	265	(62)	203	135
Amounts reclassified to net income ⁽⁴⁾⁽⁵⁾	—	—	—	—	—	15	(4)	11	(265)	93	(172)	(161)
OCI for the period	(287)	20	275	(65)	(57)	—	—	—	—	31	31	(26)
Balance, December 31, 2021	\$ (276)	\$ 67	\$ 91	\$ (28)	\$ (146)	\$ —	\$ —	\$ —	\$ 3	\$ (1)	\$ 2	\$ (144)
OCI for the period	(303)	26	219	(53)	(111)	—	—	—	(16)	4	(12)	(123)
Balance, December 31, 2022	\$ (579)	\$ 93	\$ 310	\$ (81)	\$ (257)	\$ —	\$ —	\$ —	\$ (13)	\$ 3	\$ (10)	\$ (267)
OCI for the period	42	1	(139)	33	(63)	—	—	—	9	(2)	7	(56)
Balance, December 31, 2023	\$ (537)	\$ 94	\$ 171	\$ (48)	\$ (320)	\$ —	\$ —	\$ —	\$ (4)	\$ 1	\$ (3)	\$ (323)

- (1) Relates to the reverse treasury lock agreements entered in March 2021 that were designated as cash flow hedges and settled in April 2021 (see Note 6).
- (2) Net investment hedges balance at December 31, 2023 and earlier dates presented above, includes accumulated net losses from fair value adjustments of \$35 million (\$53 million before tax) associated with previously settled derivatives that were designated as net investment hedges. The remaining balances relate to foreign currency transaction gains (losses) and related tax benefits (expenses) associated with the Company's Euro-denominated debt that is designated as a hedge of the foreign currency exposure of the net investment in certain Euro functional currency subsidiaries (see Notes 2 and 12).
- (3) The tax benefits relate to foreign currency translation adjustments to the Company's one-time deemed repatriation tax liability recorded at December 31, 2017 and foreign earnings for periods after December 31, 2017 that are subject to U.S. federal and state income tax, resulting from the enactment of the Tax Act.
- (4) The reclassified net gains (losses) on available-for-sale securities, before tax, are included in "Other income (expense), net" and the reclassified tax (expenses) benefits are included in "Income tax expense" in the Consolidated Statement of Operations. The cost of marketable debt securities sold is determined using a first-in and first-out method. For the year ended December 31, 2021, the reclassified tax expenses include a tax expense of \$31 million, related to the redemption in December 2021 of the Company's investment of \$500 million in Trip.com Group convertible senior notes.
- (5) For the year ended December 31, 2021, amounts reclassified to net income includes a gain of \$203 million (\$265 million before tax) related to the Company's investment in Grab, which was reclassified from available-for-sale debt securities to equity securities with readily determinable fair values (see Note 5).

15. INCOME TAXES

The composition of pre-tax income (loss) for the years ended December 31, 2023, 2022, and 2021 is as follows (in millions):

	Year Ended December 31,		
	2023	2022	2021
International	\$ 6,119	\$ 4,717	\$ 1,937
U.S.	(638)	(794)	(472)
Total	<u>\$ 5,481</u>	<u>\$ 3,923</u>	<u>\$ 1,465</u>

Provision for Income Taxes

The composition of income tax expense for the years ended December 31, 2023, 2022, and 2021 is as follows (in millions):

	Year Ended December 31,		
	2023	2022	2021
Current income tax expense (benefit):			
International	\$ 1,371	\$ 1,145	\$ 665
U.S. Federal	291	(8)	68
U.S. State	8	(15)	12
Current income tax expense (benefit):	<u>1,670</u>	<u>1,122</u>	<u>745</u>
Deferred income tax (benefit) expense:			
International	(47)	(61)	(103)
U.S. Federal	(411)	(172)	(323)
U.S. State	(20)	(24)	(19)
Deferred income tax (benefit) expense	<u>(478)</u>	<u>(257)</u>	<u>(445)</u>
Income tax expense	<u>\$ 1,192</u>	<u>\$ 865</u>	<u>\$ 300</u>

Income tax liabilities of \$1 billion and \$880 million are included in "Accrued expenses and other current liabilities" in the Consolidated Balance Sheets at December 31, 2023 and 2022, respectively.

U.S. Tax Reform

In December 2017, the Tax Act was enacted into law in the United States. The Tax Act made significant changes to U.S. federal tax law, including a one-time deemed repatriation tax on accumulated unremitted international earnings, to be paid over eight years. In 2023, the Company adjusted its income tax expense that was recorded during the year ended December 31, 2017 relating to the federal one-time deemed repatriation liability. This expense resulted from the closing of the 2017 and 2018 U.S. federal income tax audits. Under the Tax Act, the Company's future cash generated by the Company's international operations can generally be repatriated without further U.S. federal income tax, but will be subject to U.S. state income taxes and international withholding taxes, which have been accrued by the Company. The Tax Act also introduced in 2018 a tax on 50% of GILTI, which is income determined to be in excess of a specified routine rate of return, and a base erosion and anti-abuse tax ("BEAT") aimed at preventing the erosion of the U.S. tax base. The Company has adopted an accounting policy to treat taxes on GILTI as period costs.

Deferred Income Taxes

The Company utilized \$309 million of its U.S. NOLs to reduce its U.S. federal tax liability for the deemed repatriation tax. After utilization of available NOLs, at December 31, 2023, the Company had U.S. federal NOLs of \$353 million, the majority of which do not have an expiration date, and U.S. state NOLs of \$259 million, which mainly begin to expire in years ending December 31, 2032 and forward. In addition, at December 31, 2023, the Company had \$970 million of non-U.S. NOLs, the majority of which do not have an expiration date, and \$45 million of U.S. research tax credit and foreign tax credit carryforwards available to reduce future tax liabilities.

The utilization of these NOLs and credits is dependent upon the Company's ability to generate sufficient future taxable income and the tax laws in the jurisdictions where the losses were generated. The Company periodically evaluates the likelihood of the realization of deferred tax assets, and reduces the carrying amount of these deferred tax assets by a valuation allowance to the extent it believes a portion will not be realized. The Company considers many factors when assessing the likelihood of future realization of the deferred tax assets, including its recent cumulative earnings experience by taxing jurisdiction, expectations of future income, tax planning strategies, the carryforward periods available for tax reporting purposes and other relevant factors.

The tax effects of temporary differences that give rise to significant portions of deferred tax assets and liabilities at December 31, 2023 and 2022 are as follows (in millions):

	December 31,	
	2023	2022
Deferred tax assets:		
Net operating loss carryforward — U.S.	\$ 89	\$ 95
Net operating loss carryforward — International	200	176
Accrued expenses	70	74
Stock-based compensation and other stock-based payments	47	36
Unrealized losses on investments	83	—
Foreign currency translation adjustments	66	83
Tax credits	39	35
Operating lease liabilities	20	29
Property and equipment	195	126
Other	16	7
Total deferred tax assets	825	661
Valuation allowance on deferred tax assets	(114)	(120)
Deferred tax assets, net	711	541
Deferred tax liabilities:		
Intangible assets and other	(140)	(174)
Euro-denominated debt	(11)	(84)
State income tax on accumulated unremitted international earnings	(6)	(8)
Unrealized gains on investments	—	(202)
Operating lease assets	(19)	(26)
Installment sale liability	(118)	(119)
Deferred tax liabilities	(294)	(613)
Net deferred tax assets (liabilities) ⁽¹⁾	\$ 417	\$ (72)

(1) Includes deferred tax assets of \$675 million and \$613 million at December 31, 2023 and 2022, respectively, included in "Other assets, net" in the Consolidated Balance Sheets.

The valuation allowance on deferred tax assets at December 31, 2023 includes \$30 million related to international operations and \$84 million primarily related to certain unrealized losses on equity securities. The valuation allowance on deferred tax assets at December 31, 2022 includes \$29 million related to international operations and \$91 million primarily related to certain unrealized losses on equity securities and Connecticut NOLs. The decrease in the valuation allowance is primarily related to deferred tax assets generated from certain unrealized losses on equity securities and Connecticut NOLs.

The Company does not intend to indefinitely reinvest its international earnings that were subject to U.S. taxation pursuant to the mandatory deemed repatriation or subject to U.S. taxation as GILTI.

Reconciliation of U.S. Federal Statutory Income Tax Rate to Effective Income Tax Rate

A significant portion of the Company's taxable earnings is generated in the Netherlands. According to Dutch corporate income tax law, income generated from qualifying innovative activities is taxed at a rate of 9% ("Innovation Box Tax") for periods beginning on or after January 1, 2021 rather than the Dutch statutory rate of 25%. Previously, the Innovation Box Tax rate was 7%. Effective January 1, 2022, the Netherlands corporate income tax rate increased from 25% to 25.8%. A portion of

Booking.com's earnings during the years ended December 31, 2023, 2022, and 2021 qualified for Innovation Box Tax treatment, which had a significant beneficial impact on the Company's effective tax rate for those years.

The effective income tax rate of the Company is different from the amount computed using the expected U.S. statutory federal rate of 21% for the years ended December 31, 2023, 2022, and 2021 as a result of the following items (in millions):

	Year Ended December 31,		
	2023	2022	2021
Income tax expense at U.S. federal statutory rate	\$ 1,151	\$ 824	\$ 308
Adjustment due to:			
Foreign rate differential	307	264	137
Innovation Box Tax benefit	(544)	(452)	(230)
Stock-based compensation	59	42	37
Federal GILTI	24	10	17
State income tax benefit	(9)	(31)	(6)
Valuation allowance	(4)	87	(19)
Uncertain tax positions	14	72	39
Fines and penalties	144	2	1
Other	50	47	16
Income tax expense	<u>\$ 1,192</u>	<u>\$ 865</u>	<u>\$ 300</u>

Uncertain Tax Positions

The following is a reconciliation of the total beginning and ending amount of unrecognized tax benefits (in millions):

	Year Ended December 31,		
	2023	2022	2021
Unrecognized tax benefit — January 1	\$ 184	\$ 120	\$ 84
Gross increases — tax positions in current period	16	3	14
Gross increases — tax positions in prior periods	22	94	44
Gross decreases — tax positions in prior periods	(5)	(33)	(19)
Reduction due to lapse in statute of limitations	(3)	—	—
Reduction due to settlements during the current period	(147)	—	(3)
Unrecognized tax benefit — December 31	<u>\$ 67</u>	<u>\$ 184</u>	<u>\$ 120</u>

The decrease in unrecognized tax benefits, as well as gross interest and penalties, primarily relates to the settlement by Booking.com of certain French tax matters (see Note 16). The majority of unrecognized tax benefits are included in "Other assets, net" and "Other long-term liabilities" in the Consolidated Balance Sheet as of December 31, 2023. The amount of unrecognized tax benefits, if recognized, that would affect the effective tax rate are \$47 million as of December 31, 2023. It is reasonably possible that the balance of gross unrecognized tax benefits could change over the next 12 months. As of December 31, 2023 and 2022, total gross interest and penalties accrued was \$7 million and \$43 million, respectively. See Note 16 for more information regarding tax contingencies.

The Company's major taxing jurisdictions include: the Netherlands, United States, Singapore, and United Kingdom. The statutes of limitations that remain open related to these major tax jurisdictions are: the Company's Netherlands returns for 2018 and forward, U.S. federal returns for 2020 and forward, Singapore returns from 2018 and forward, and U.K. returns for 2020 and forward.

16. COMMITMENTS AND CONTINGENCIES

Competition and Consumer Protection Reviews

Online travel platforms have been the subject of investigations or inquiries by national competition authorities ("NCAs") or other governmental authorities regarding competition law matters, consumer protection issues, or other areas of concern. The Company is and has been involved in many such investigations. For example, the Company is involved in investigations related to whether Booking.com's contractual parity arrangements with accommodation providers are anti-competitive because they require partners to provide Booking.com with rates, conditions, and availability at least as favorable as those offered to other OTCs or by the partner itself. To resolve certain of the parity-related investigations, the Company has from time to time made commitments regarding future business practices or activities, such as agreeing to narrow the scope of its parity clauses. These investigations have resulted in fines and the Company could incur additional fines and/or be restricted in certain of its business practices in the future.

In October 2022, the Comisión Nacional de los Mercados y la Competencia in Spain (the "CNMC") opened an investigation into whether certain practices by Booking.com may produce adverse effects for hotels and other OTCs. In January 2024, the CNMC notified Booking.com of its draft decision to impose a fine of 486 million Euros and to restrict certain business practices such as those relating to parity provisions and criteria that Booking.com can use to determine how to rank hotels in its display to customers. The amount of the draft fine is based on Booking.com's historical revenues and it is possible the final amount may be increased when the decision is finalized, which is expected by July 2024. Booking.com does not agree with the rationale stated in the draft decision and certain of the restrictions sought to be imposed, and is continuing to engage with the CNMC prior to the decision being finalized. If the draft decision were to become final, Booking.com plans to challenge aspects of the fine, decision, and/or restrictions. Although the Company disagrees with the rationale stated in the draft decision, the Company accrued a loss of 486 million Euros (\$530 million) related to it, which is included in "General and administrative" expenses in the Consolidated Statement of Operations for the year ended December 31, 2023. The related liability is included in "Accrued expenses and other current liabilities" in the Consolidated Balance Sheet as of December 31, 2023. In addition, in September 2017, the Swiss Price Surveillance Office opened an investigation into the level of commissions of Booking.com in Switzerland and the investigation is ongoing. If there is an adverse outcome and Booking.com is unsuccessful in any appeal, Booking.com may be required to make other commitments, such as reducing its commissions in Switzerland. In July 2023, the Polish Office of Competition and Consumer Protection opened an investigation into Booking.com's identification of private and professional hosts and its messaging in relation to obligations owed to consumers. If any of the investigations were to find that Booking.com practices violated the respective laws, Booking.com may face significant fines, restrictions on its business practices, and/or be required to make other commitments.

The Company is and has been involved in investigations or inquiries by NCAs or other governmental authorities involving consumer protection matters, including in the United Kingdom and the European Union. The Company has previously made certain voluntary commitments to competition authorities to resolve investigations or inquiries that have included showing prices inclusive of all mandatory taxes and charges, providing information about the effect of money earned on search result rankings on or before the search results page and making certain adjustments to how discounts and statements concerning popularity or availability are shown to consumers. In the future, it is possible new jurisdictions could engage the Company in discussions to implement changes to its business in those countries. The Company is unable to predict what, if any, effect any future similar commitments will have on its business, industry practices or online commerce more generally. To the extent that any other investigations or inquiries result in additional commitments, fines, damages or other remedies, the Company's business, financial condition, and results of operations could be harmed.

The Company is unable to predict how any current or future investigations or litigation may be resolved or the long-term impact of any such resolution on its business. For example, competition and consumer-law-related investigations, legislation, or issues could result in private litigation and the Company is currently involved in such litigation. More immediate results could include, among other things, the imposition of fines, payment of damages, commitments to change certain business practices, or reputational damage, any of which could harm the Company's business, results of operations, brands, or competitive position.

Tax Matters

Between December 2018 and August 2021, the Italian tax authorities issued assessments on Booking.com's Italian subsidiary totaling approximately 251 million Euros (\$277 million) for the tax years 2013 through 2018, asserting that its transfer pricing policies were inadequate. The Company believes Booking.com has been and continues to be in compliance with Italian tax law. In September 2020, the Italian tax authorities approved the opening of a mutual agreement procedure ("MAP") between Italy and the Netherlands for the 2013 tax year and the Italian tax authorities subsequently approved the inclusion of

the tax years 2014 through 2018 in the MAP. Based on the Company's expectation that the Italian assessments for 2013 through 2018, and any transfer pricing assessments received for subsequent open years, will be settled through the MAP process, and after considering potential resolution amounts, 33 million Euros (\$36 million) have been reflected in net unrecognized tax benefits, the majority of which is recorded to "Other assets, net" in the Consolidated Balance Sheet at December 31, 2023. This unrecognized tax benefit is partially offset by a deferred income tax benefit of 15 million Euros (\$17 million). As of December 31, 2023, the Company made prepayments of 74 million Euros (\$82 million) to the Italian tax authorities to forestall collection enforcement pending the appeal phase of the case. The payments do not constitute an admission that the Company owes the taxes and will be refunded (with interest) to the Company to the extent that the Company prevails. The payments are included in "Other assets, net" in the Consolidated Balance Sheets at December 31, 2023 and December 31, 2022.

In June 2021, the investigative arm of the Italian tax authorities issued a Tax Audit Report recommending that a formal tax assessment of 154 million Euros (\$170 million), plus interest and penalties, be made on Booking.com BV for value-added taxes ("VAT") related to commissions charged to certain Italian accommodation providers from 2013 to 2019. In connection with the Tax Audit Report, the Genoa Public Prosecutor requested certain Booking.com tax information and related data. The Company is cooperating with regard to that request. While the Company continues to believe that Booking.com has been compliant with applicable VAT laws, in July 2023, the Company entered into an agreement with the Italian tax authorities and paid approximately 93 million Euros (\$103 million) to settle the issues raised in the Tax Audit Report for the periods 2013 through 2022.

In December 2022, the Company entered into an agreement with the French tax authorities to settle all the income and VAT assessments for the years 2006 through 2018 that were issued to Booking.com for a total amount of approximately 153 million Euros (\$163 million). The settlement amount was reflected in unrecognized tax benefits as of December 31, 2022.

The Company is also involved in other tax-related audits, investigations, and litigation relating to income taxes, value-added taxes, travel transaction taxes (e.g., hotel occupancy taxes), withholding taxes, and other taxes. Any taxes or assessments in excess of the Company's tax provisions, including the resolution of any tax proceedings or litigation, could have a material adverse impact on the Company's results of operations, cash flows, and financial condition. In some cases, assessments may be significantly in excess of the Company's tax provisions, particularly in instances where the Company does not agree with the tax authority's assessment of how the tax laws may apply to the Company's business.

Other Matters

Beginning in 2014, Booking.com B.V. received several letters from the Netherlands Pension Fund for the Travel Industry (Reiswerk) ("BPF") claiming that it was required to participate in the mandatory pension scheme of the BPF with retroactive effect to 1999, which has a higher contribution rate than the pension scheme in which it is currently participating. BPF instituted legal proceedings and in 2016 the District Court of Amsterdam rejected all of BPF's claims. BPF appealed the decision to the Court of Appeal, and, in May 2019, the Court of Appeal also rejected all of BPF's claims, in each case by ruling that Booking did not meet the definition of a travel intermediary for purposes of the mandatory pension scheme. BPF then appealed to the Netherlands Supreme Court. In April 2021, the Supreme Court overturned the previous decision of the Court of Appeal and held that Booking.com B.V. met the definition of a travel intermediary for the purposes of the mandatory pension scheme. The Supreme Court ruled only on the qualification of Booking as a travel intermediary for the purposes of the mandatory pension scheme and did not rule on the various other defenses brought forward by the Company against BPF's claims. The Supreme Court referred the matter to another Court of Appeal to assess the other defenses brought forward by the Company. In January 2024, that Court of Appeal ruled that Booking.com B.V. is required to participate in the mandatory pension scheme of the BPF with retroactive effect to 1999. The Company is considering an appeal of the decision on various grounds, such as whether the court applied the proper legal criteria in assessing whether Booking.com B.V. falls within the scope of the mandatory pension scheme, and whether the statute of limitations may further reduce the retroactive period. Although the Company disagrees with the decision, it accrued a loss of 253 million Euros (\$276 million), included in "Personnel" expenses in the Consolidated Statement of Operations for the year ended December 31, 2023. The related liability is included in "Accrued expenses and other current liabilities" in the Consolidated Balance Sheet as of December 31, 2023. Even in the event the Company pursues an appeal, on a go-forward basis, Booking.com B.V. expects to begin paying pension premiums to the BPF scheme or to increase contributions to employees under its existing pension scheme.

From time to time, the Company notifies the competent data protection authority, such as the Dutch data protection authority in accordance with its obligations under the General Data Protection Regulation, of certain incidental and accidental personal data security incidents. Should, for example, the Dutch data protection authority decide these incidents were the result of inadequate technical and organizational security measures or practices, it could decide to impose a fine.

The Company has been, is currently, and expects to continue to be, subject to legal proceedings and claims in the ordinary course of business, including claims of alleged infringement of third-party intellectual property rights. Such claims, even if not meritorious, could result in the expenditure of significant financial and managerial resources, divert management's attention from the Company's business objectives and adversely affect the Company's business, reputation, results of operations, financial condition, and cash flows.

The Company accrues for certain legal contingencies where it is probable that a loss has been incurred and the amount can be reasonably estimated. Such accrued amounts are not material to the Company's balance sheets and provisions recorded have not been material to the Company's results of operations or cash flows.

Other Contractual Obligations and Contingencies

The Company had \$533 million and \$452 million of standby letters of credit and bank guarantees issued on behalf of the Company as of December 31, 2023 and 2022, respectively, including those issued under the revolving credit facility. These are obtained primarily for regulatory purposes. See Note 12 for information related to letters of credit issued under the revolving credit facility.

Booking.com offers partner liability insurance that provides protection to certain accommodation partners ("home partners") in instances where a reservation has been made via Booking.com. The partner liability insurance may provide those home partners (both owners and property managers) coverage up to \$1 million equivalent per occurrence, subject to limitations and exclusions, against third-party lawsuits claims for bodily injury, or third party personal property damage that occurred during a stay booked through Booking.com. Booking.com retains certain financial risks related to this insurance offering, which is underwritten by third party insurance companies.

17. GEOGRAPHIC INFORMATION

The Company's revenue from its businesses outside of the U.S. consists of the results of Booking.com, Agoda, and Rentalcars.com in their entirety and the results of the KAYAK and OpenTable businesses located outside of the U.S. This classification is independent of where the consumer resides, where the consumer is physically located while using the Company's services, or the location of the travel service provider or restaurant. For example, a reservation made through Booking.com (which is domiciled in the Netherlands) at a hotel in New York by a consumer in the United States is part of the results of the Company's businesses outside of the U.S. The Company's geographic information on revenues is as follows (in millions):

For the year ended:	United States	Outside of the U.S.		Total Company
		The Netherlands	Other	
December 31, 2023	\$ 2,327	\$ 17,014	\$ 2,024	\$ 21,365
December 31, 2022	2,205	13,428	1,457	17,090
December 31, 2021	1,434	8,678	846	10,958

The following table presents information on the Company's property and equipment (excluding capitalized software) and operating lease assets based on location of the assets at December 31, 2023 and 2022 (in millions):

	United States	Outside of the U.S.			Total Company
		The Netherlands	United Kingdom	Other	
December 31, 2023	\$ 127	\$ 476	\$ 209	\$ 229	\$ 1,041
December 31, 2022	143	445	125	213	926

18. ACQUISITIONS

In December 2021, the Company acquired all of the outstanding stock of Getaroom, a business-to-business distributor of hotel rooms, in a cash transaction for \$1.3 billion (\$1.2 billion, net of cash acquired).

The following table summarizes the allocation of the consideration transferred for the Getaroom acquisition.

	(in millions)
Current assets ⁽¹⁾	\$ 174
Identifiable intangible assets ⁽²⁾	437
Goodwill ⁽³⁾	982
Other non-current assets	11
Current liabilities	(199)
Deferred income taxes	(65)
Other non-current liabilities ⁽⁴⁾	(44)
Total consideration	\$ 1,296

- (1) Includes cash and restricted cash acquired of \$116 million.
- (2) Acquired definite-lived intangible assets consist of supply and distribution agreements with an estimated value of \$311 million and weighted-average useful life of 10 years, technology assets with an estimated value of \$118 million and weighted-average useful life of 4 years, trade names with an estimated value of \$5 million and weighted-average useful life of 3 years and other intangible assets with an estimated value of \$3 million and weighted-average useful life of 5 years.
- (3) Goodwill, which is not tax deductible, reflects the synergies expected from combining the technology and expertise of Getaroom and Priceline.
- (4) Includes liabilities of \$39 million principally related to travel transaction taxes.

The allocation of the consideration transferred was completed and, compared to the preliminary allocation, resulted in a decrease to goodwill of \$38 million, a decrease to deferred tax liabilities of \$27 million, and increase to intangible assets of \$14 million, and a net decrease to other assets and liabilities of \$3 million.

Supplemental pro forma information has not been presented as the results of Getaroom are not material to the Company's results of operations.

19. OTHER INCOME (EXPENSE), NET

The components of other income (expense), net included the following (in millions):

	Year Ended December 31,		
	2023	2022	2021
Interest and dividend income	\$ 1,020	\$ 219	\$ 16
Net losses on equity securities ⁽¹⁾	(131)	(963)	(569)
Foreign currency transaction (losses) gains ⁽²⁾	(348)	(43)	111
Loss on early extinguishment of debt ⁽³⁾	—	—	(242)
Other ⁽⁴⁾	2	(1)	(13)
Other income (expense), net	\$ 543	\$ (788)	\$ (697)

- (1) See Note 5 for additional information related to the net losses on equity securities and Note 6 for additional information related to impairments of an investment in equity securities.
- (2) Foreign currency transaction (losses) gains include losses of \$163 million and gains of \$46 million and \$135 million for the years ended December 31, 2023, 2022, and 2021, respectively, related to Euro-denominated debt and accrued interest that were not designated as net investment hedges (see Note 12).
- (3) See Note 12 for additional information related to the loss on early extinguishment of debt.
- (4) The amount for the year ended December 31, 2021 includes losses on reverse treasury lock agreements which were designated as cash flow hedges (see Note 6).

20. OTHER

Other Operating Expenses

During the year ended December 31, 2022, the Company entered into a sale and leaseback transaction related to Booking.com's headquarters building and recognized a gain of \$240 million on the transaction, which was recorded in "Other operating expenses" in the Consolidated Statement of Operations for the year ended December 31, 2022 (see Note 10).

During the year ended December 31, 2022, the Company transferred certain customer service operations of Booking.com to Majorel Group Luxembourg S.A. resulting in a loss of \$41 million included in "Other operating expenses" in the Consolidated Statement of Operations for the year ended December 31, 2022.

Government Grants and Other Assistance

During the year ended December 31, 2020 and the three months ended March 31, 2021, the Company participated in various government aid programs to help businesses during the COVID-19 pandemic and recognized, in the aggregate, government grants and other assistance benefits of \$131 million, principally recorded as a reduction of "Personnel" expenses in the Consolidated Statements of Operations for the respective periods. In June 2021, in light of the improving booking trends in certain countries, the Company announced its intention to voluntarily return assistance received through various government aid programs and completed the repayments by December 31, 2021. For the year ended December 31, 2021 the Company recorded expenses of \$137 million in the Consolidated Statement of Operations, principally in "Personnel" expenses, to reflect the voluntary repayment of such assistance. The Company repaid \$107 million during the year ended December 31, 2021.

Terminated Acquisition

In November 2021, the Company entered into an agreement to acquire global flight booking provider Etraveli Group. The completion of the acquisition was subject to certain closing conditions, including regulatory approvals. In September 2023, the European Commission announced its decision to prohibit the acquisition and consequently a termination fee of 85 million Euros (\$90 million) was paid by the Company in October 2023 and is recorded in "General and administrative" expenses in the Consolidated Statement of Operations for the year ended December 31, 2023.

Consolidated Statements of Cash Flows: Additional Information

Restricted cash and cash equivalents are restricted through legal contracts or regulations. The following table reconciles cash and cash equivalents and restricted cash and cash equivalents reported in the Consolidated Balance Sheets to the total amount shown in the Consolidated Statements of Cash Flows (in millions):

	December 31,	
	2023	2022
As included in the Consolidated Balance Sheets:		
Cash and cash equivalents	\$ 12,107	\$ 12,221
Restricted cash and cash equivalents ⁽¹⁾	28	30
Total cash and cash equivalents and restricted cash and cash equivalents as shown in the Consolidated Statements of Cash Flows	<u>\$ 12,135</u>	<u>\$ 12,251</u>

- (1) Included in "Other current assets" in the Consolidated Balance Sheets and principally consist of amounts relating to the Company's travel-related insurance business.

Noncash investing activity related to additions to property and equipment, including stock-based compensation and accrued liabilities, was \$50 million, \$48 million, and \$51 million for the years ended December 31, 2023, 2022, and 2021, respectively. See Note 13 for additional information on noncash financing activity related to the excise tax on share repurchases.

Benefit Plans

The Company maintains a defined contribution 401(k) savings plan covering certain U.S. employees. The Company also participates in certain defined contribution plans outside of the United States for which it provides contributions for eligible employees. The Company's contributions during the years ended December 31, 2023, 2022, and 2021 were \$55 million, \$40 million, and \$32 million, respectively. In addition, "Personnel" expenses in the Consolidated Statement of Operations for the year ended December 31, 2023 includes an accrual of \$276 million related to the Netherlands pension fund matter (see Note 16).

Accrued expenses and other current liabilities

Included in "Accrued expenses and other current liabilities" in the Consolidated Balance Sheets at December 31, 2023 and 2022 are accrued liabilities of \$587 million and \$526 million, respectively, related to marketing expenses and \$634 million and \$518 million, respectively, related to personnel expenses. In addition, "Accrued expenses and other current liabilities" in the Consolidated Balance Sheet at December 31, 2023 includes an accrual of \$276 million related to the Netherlands pension fund matter (see Note 16).

21. SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

The Company has reclassified certain indirect taxes, primarily digital services taxes, between "General and administrative" expenses and "Sales and other expenses". See Note 2 for additional information. These reclassifications did not affect the previously reported quarterly Revenue, Operating income (loss), Income (loss) before income taxes, or Net income (loss) in the Unaudited Consolidated Statements of Operations. The following table presents the impact of the reclassifications by quarter on "Sales and other expenses" and "General and administrative" expenses in the Unaudited Consolidated Statements of Operations (in millions):

	Quarter ended				Year ended
	March 31,	June 30,	September 30,	December 31,	December 31,
2023					
Sales and other expenses (Prior presentation)	\$ 542	\$ 666	\$ 723	\$ 597	\$ 2,528
Reclassifications	28	51	84	53	216
Sales and other expenses (New presentation)	<u>\$ 570</u>	<u>\$ 717</u>	<u>\$ 807</u>	<u>\$ 650</u>	<u>\$ 2,744</u>
General and administrative (Prior presentation)	\$ 289	\$ 304	\$ 387	\$ 791	\$ 1,771
Reclassifications	(28)	(51)	(84)	(53)	(216)
General and administrative (New presentation)	<u>\$ 261</u>	<u>\$ 253</u>	<u>\$ 303</u>	<u>\$ 738</u>	<u>\$ 1,555</u>
2022					
Sales and other expenses (Prior presentation)	\$ 339	\$ 465	\$ 540	\$ 474	\$ 1,818
Reclassifications	24	38	69	37	168
Sales and other expenses (New presentation)	<u>\$ 363</u>	<u>\$ 503</u>	<u>\$ 609</u>	<u>\$ 511</u>	<u>\$ 1,986</u>
General and administrative (Prior presentation)	\$ 158	\$ 207	\$ 262	\$ 307	\$ 934
Reclassifications	(24)	(38)	(69)	(37)	(168)
General and administrative (New presentation)	<u>\$ 134</u>	<u>\$ 169</u>	<u>\$ 193</u>	<u>\$ 270</u>	<u>\$ 766</u>

Booking Holdings Inc.
Schedule I - Condensed Financial Information of Parent (Booking Holdings Inc.)
CONDENSED BALANCE SHEETS
(In millions)

	December 31,	
	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,752	\$ 4,110
Receivables from subsidiaries	106	23
Other current assets	22	17
Total current assets	1,880	4,150
Loans receivable from subsidiaries	1,119	1,116
Investment in subsidiaries	10,294	11,651
Other assets	29	12
Total assets	<u>\$ 13,322</u>	<u>\$ 16,929</u>
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
Current liabilities:		
Payables to subsidiaries	\$ 19	\$ 10
Accrued expenses and other current liabilities	336	207
Short-term debt	1,961	500
Total current liabilities	2,316	717
Loans payable to subsidiaries	1,404	1,290
Other long-term liabilities	123	155
Long-term debt	12,223	11,985
Total liabilities	16,066	14,147
Commitments and contingencies		
Total stockholders' (deficit) equity	(2,744)	2,782
Total liabilities and stockholders' (deficit) equity	<u>\$ 13,322</u>	<u>\$ 16,929</u>

See Notes to Condensed Financial Statements.

Booking Holdings Inc.
Schedule I - Condensed Financial Information of Parent (Booking Holdings Inc.)
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In millions)

	Year Ended December 31,		
	2023	2022	2021
Revenues	\$ —	\$ —	\$ —
Operating expenses	299	225	201
Operating loss	(299)	(225)	(201)
Interest expense	(495)	(284)	(319)
Other income (expense), net	—	116	(121)
Equity in earnings (losses) of subsidiaries, net of tax	5,074	3,442	1,743
Income before income taxes	4,280	3,049	1,102
Income tax benefit	(9)	(9)	(63)
Net income	<u>\$ 4,289</u>	<u>\$ 3,058</u>	<u>\$ 1,165</u>
Other comprehensive loss, net of tax:			
Foreign currency translation adjustments	(63)	(111)	(57)
Net unrealized gains (losses) on available-for-sale securities	7	(12)	31
Total other comprehensive loss, net of tax	<u>(56)</u>	<u>(123)</u>	<u>(26)</u>
Comprehensive income	<u>\$ 4,233</u>	<u>\$ 2,935</u>	<u>\$ 1,139</u>

See Notes to Condensed Financial Statements.

Booking Holdings Inc.
Schedule I - Condensed Financial Information of Parent (Booking Holdings Inc.)
CONDENSED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31,		
	2023	2022	2021
OPERATING ACTIVITIES:			
Net cash provided by (used in) operating activities	\$ 6,464	\$ 3,695	\$ (250)
INVESTING ACTIVITIES:			
Proceeds from internal transfers of subsidiaries	—	174	522
Acquisitions	—	—	(1,296)
Dividends received	107	3,087	72
Other investing activities	(128)	(102)	(88)
Net cash (used in) provided by investing activities	(21)	3,159	(790)
FINANCING ACTIVITIES:			
Proceeds from the issuance of long-term debt	1,893	3,621	2,015
Payments on maturity and redemption of debt	(500)	(1,880)	(3,068)
Payments for repurchase of common stock	(10,377)	(6,621)	(163)
Proceeds from exercise of stock options	134	7	5
Other financing activities	49	47	(115)
Net cash used in financing activities	(8,801)	(4,826)	(1,326)
Net (decrease) increase in cash and cash equivalents	(2,358)	2,028	(2,366)
Total cash and cash equivalents, beginning of period	4,110	2,082	4,448
Total cash and cash equivalents, end of period	<u>\$ 1,752</u>	<u>\$ 4,110</u>	<u>\$ 2,082</u>

See Notes to Condensed Financial Statements.

Booking Holdings Inc.
Schedule I - Condensed Financial Information of Parent (Booking Holdings Inc.)
NOTES TO CONDENSED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

These condensed parent company-only financial statements of Booking Holdings Inc. (the "Parent"), are prepared on a "parent company-only" basis and have been derived from and should be read in conjunction with the consolidated financial statements and related notes of Booking Holdings Inc. and subsidiaries included in Part IV, Item 15 of this Annual Report on Form 10-K (the "Consolidated Financial Statements"). Under a parent company-only presentation, investments in the parent's subsidiaries are accounted for under the equity method of accounting. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted.

2. DEBT

See Note 12 to the Consolidated Financial Statements for additional information on the 2023 revolving credit facility and information on the Parent's outstanding debt.

3. DIVIDENDS FROM SUBSIDIARIES

Cash dividends paid to the Parent by the subsidiaries were \$7.3 billion, \$7.3 billion, and \$339 million for the years ended December 31, 2023, 2022, and 2021, respectively, and are classified within "Net cash provided by (used in) operating activities" or "Net cash (used in) provided by investing activities," as appropriate, in the Condensed Statements of Cash Flows.

4. GUARANTEES

The Parent had \$389 million and \$363 million of guarantees issued on behalf of the Parent's subsidiaries as of December 31, 2023 and 2022, respectively, which are primarily related to arrangements with payment processors and networks.

5. OTHER

In the Condensed Statement of Cash Flows for the year ended December 31, 2021, "Acquisitions" within the investing activities section include a loan of \$500 million to a subsidiary in relation to an acquisition.

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BOOKING
HOLDINGS

