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2 April 2025

**Hostelworld Group plc**  
**("Hostelworld" or the "Company")**

**Publication of Annual Report for 2024 and Notice of 2025 Annual General Meeting**

**Annual Report and Accounts**

Hostelworld, the world's leading hostel-focused online booking platform, is pleased to announce that its Annual Report 2024 has been posted or is being made available to shareholders today.

**Annual General Meeting**

The Company confirms that its Annual General Meeting will be held at 12 noon on Wednesday 7 May 2025 at the offices of the Company, Charlemont Exchange, Charlemont Street, Dublin 2, Ireland. A Circular, containing the Chairman's Letter and Notice of 2025 Annual General Meeting, and a Form of Proxy have also been posted or are being made available to shareholders today.

**Documents available for inspection**

The following documents:

- Annual Report 2024;
- Circular containing the Chairman's Letter and Notice of 2025 Annual General Meeting;
- Form of Proxy; and
- A copy of the draft rules of the Company's Long Term Incentive Plan 2025

have been submitted to the Financial Conduct Authority via the National Storage Mechanism, and the Irish Stock Exchange (trading as Euronext Dublin), and will shortly be available for inspection at the following locations:

**National Storage Mechanism:** <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

and:

**Euronext Dublin:**

Companies Announcements Office,  
Euronext Dublin,  
28 Anglesea Street,  
Dublin 2  
and <https://direct.euronext.com/#/oamfiling>

The Annual Report 2024 has also been filed with the Central Bank of Ireland.

The Annual Report 2024 (ESEF compliant format), the Circular containing the Chairman's Letter and Notice of the 2025 Annual General Meeting and the Form of Proxy are available on the Company's website at [www.hostelworldgroup.com](http://www.hostelworldgroup.com).

**Regulated Information**

In accordance with DTR 6.3.5(1A), the unedited full text of the regulated information required to be made public under DTR 4.1 is contained within the 2024 Annual Report which has been uploaded to the National Storage Mechanism and is available on the Company's website [www.hostelworldgroup.com](http://www.hostelworldgroup.com).

The information set out in the Appendix, which is extracted from the Annual Report 2024, is included for the purposes of complying with Regulation 33(5)(b)(ii) of the Irish Transparency Regulations 2007 (as amended) and its requirements on how to make public annual financial reports. The information in the Appendix should be read in conjunction with the Company's preliminary results for the year ended 31 December 2024 released on 20 March 2025 which can be viewed at [www.hostelworldgroup.com](http://www.hostelworldgroup.com). Together, these constitute the material required by Regulation 33(5)(b)(ii) to be communicated in unedited full text through a Regulatory Information Service.

**Contacts:**

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**Appendix:****Directors' Responsibilities Statement**

The Directors are responsible for preparing the Annual Report and the Group and Company Financial Statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. The Directors are required to prepare the Group Financial Statements in accordance with UK-adopted international accounting standards and applicable law. The Directors have also elected to prepare the Group Financial Statements in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union and to prepare the parent Company Financial Statements in accordance with FRS 101 Reduced Disclosure Framework (the "Relevant Financial Reporting Framework") and applicable law. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company and of the profit or loss of the Group for that period.

In preparing the Group and Parent Company Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and accounting estimates that are reasonable and prudent.
- Present information, including accounting policies, in a manner that provides relevant, reliable and comparable information.
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company and Group's financial position and financial performance.
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.
- For the Company Financial Statements state whether Financial Reporting Standard 101 Reduced Disclosures Framework has been followed, subject to any material departures disclosed and explained in the Financial Statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

**Responsibility Statement**

We confirm that to the best of our knowledge:

- The Group Financial Statements, prepared in accordance with IFRS as adopted by the European Union and the Company Financial Statements prepared in accordance with FRS 101 Reduced Disclosure Framework, give a true and fair view of the assets, liabilities, and financial position of the Group and Company as at 31 December 2024 and of the profit or loss of the Group for the year then ended. The Strategic Report includes a fair review of the development and performance of the business and the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.
- The Annual Report and Financial Statements, taken as a whole, provides the information necessary to assess the Group's performance, business model and strategy and is fair, balanced and understandable. It also provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 19 March 2025 and is signed on its behalf by:

**John Duggan**

Company Secretary

19 March 2025

## Principal Risks and Uncertainties:

### Risk Identification

Our business model and results are subject to risks and uncertainties which could adversely affect our business, financial stability, and cash flows. Risk is an inherent factor. While demand for hostelling has remained strong, changing travel patterns including increased travel to lower cost regions, ongoing inflationary and cost of living pressures, and continuing geopolitical tensions remain as risk factors which can impact demand. The Hostelworld Group strategy can contribute additional risk such as the impact of social features, and external factors such as the growth of artificial intelligence and the impact on Hostelworld also contribute. Additionally, climate change poses a number of physical and transition-related risks for our business.

The Group's risk register process is based upon a standardised approach applied to identify, assess and mitigate against risks in the business. Within these processes, there is input across all levels of the business to ensure that risk identification processes capture all evolving risk areas and mitigating strategies. From the bottom-up, risk is identified and mitigated at a business unit level by the executive leadership team, senior management team, their teams, and subject matter experts including the Data Protection Officer and Head of IT Security.

The Board holds overall responsibility for risk and sets the Group risk appetite including determining the extent of risk that is tolerable in pursuit of its strategic objectives. The Board, together with the Audit Committee conduct a detailed formal half-year and full-year review of the risk register, including emerging risks and the mitigating actions that are in place. The Board is satisfied that its risk identification and management systems are effective, its mitigations and internal control processes are effective, and that the risks described within this report describe effectively the principal risks of the Group at present. The Board also considered its obligations in relation to providing both the annual viability and going concern statements.

The Audit Committee supports the Board in carrying out its risk oversight and management responsibilities. The Audit Committee has delegated responsibility for risk identification and assessment, in addition to reviewing the effectiveness of the Group's risk management and internal control systems and making recommendations to the Board thereon.

The Executive Leadership Team ("ELT") are responsible for ensuring appropriate risk management is incorporated into the business. They support the Board and Audit Committee through oversight of risk management processes and monitoring the risk environment and effectiveness of controls in place. The ELT complete a detailed review of the Group Risk Register prior to reporting to the Audit Committee and the Board.

Senior management team members (primarily functional team leads, who report directly to ELT) are assigned responsibility for the daily management of risks, reviewing and reporting on the effectiveness of controls in place, and consolidating the principal risks, and changes year-on-year, for each update made to the Principal Risk Register. Each risk is assigned an owner on the senior management team, and additional contributors dependent on the risk.

Subject matter experts including the Head of Tax, Data Protection Officer and Head of IT Security offer input on risks relevant to their areas of expertise. We have also engaged third parties to supplement knowledge base where applicable including climate consultants South Pole and third-party cyber security specialists.

The ESG Steerco support the ELT in identifying climate related risks and opportunities under the TCFD framework and supports the Group's ongoing commitment to ESG matters including monitoring current and emerging ESG trends, changes in sustainability regulations, and the impacts on the Group. The ESG Steerco feed directly into the Group Risk Register, and the Climate Related Risks and Opportunity Register, which are reviewed concurrently.

### Overview Principal Risk Register

The most material risks and uncertainties impacting the business are listed below, together with comments on how they are managed to minimise their potential impact. The table is not prioritised in a particular order, nor an exhaustive list of all risks that may impact the Group. Individually or together, these risks could affect our ability to operate as planned and could have a significant impact on revenue and shareholder returns. Additional risks and uncertainties, including those that have not been identified to date or are currently deemed immaterial, may also, individually, or together, have a negative impact on our revenue, returns, or financial condition. Each risk identified is subject to an assessment incorporating the likelihood of occurrence and potential impact on the Group. This assessment considers that risks do not

exist in isolation, and the relationships between risks can increase the likelihood of occurrence of a risk and influences the level of control and mitigations needed to be put in place.

The Group's Risk Register also includes any emerging risks. Emerging risks are identified from areas of uncertainty, which may not have a significant impact on the business currently but may have the potential to adversely affect the Group in the future. There is one emerging risk in the current year relating to artificial intelligence. Artificial intelligence is an emerging technology with wide-ranging impacts for cyber and data security, competition and third-party management amongst other areas. Although it includes significant crossover with existing risks the pervasiveness and rapid pace of change warrants assessment on a standalone basis.

The risk associated with the Group's successful execution of strategy is a new risk in the current year, as we have moved forward from COVID-19, formally repaid our debt facilities, and are focused on delivering against the ambitious targets set in our 2022 Capital Markets Day and sharing our targets at our 2025 Capital Market Day. Financial risk has been removed as a principal risk.

We repaid our term loan facility in full during 2024 and while there remains a certain level of foreign exchange movement risk this is not material to the Group and no longer represents a primary risk. Following an assessment of the residual risk attached after internal management and mitigation, each principal risk outlined below has been assigned a direction of change based on 2024 factors and forward expectations.

	<b>Strategic and External Risk</b>  Any external risks outside of the Group's control impacting our business.	<b>Technological, Cyber and Data Risk</b>  The systems we use to power our business, and the data we hold.	<b>Financial Risk</b>  Integrity of reporting and viability of the Group.	<b>Operational and Regulatory Risk</b>  The processes and people we use to power the Hostelworld model.
Risks newly disclosed	Execution of strategy			
Emerging risk		Artificial Intelligence		
Increased level of risk		Data Security Cyber Security		
Unchanged level of risk	Macroeconomic Conditions  Competition  Impact of Uncontrollable Events	Platform Evolution and Innovation  Marketing Optimisation	Taxation	People  Brand and Reputation  Third-party Reliance  Climate Change and Sustainability  Regulation  Business Continuity
Removed due to reduced level of risk			Financial	

No.	Category	Description and Impact	Management and Mitigation	Direction of Change
1	Macroeconomic Conditions	<p>The Group's financial performance is largely dependent on the wider availability of, and demand for, travel services.</p> <p>Travel services are enabled by the freedom of movement of people nationally and internationally without prohibitive restrictions. Moreover, it is supported by affordable air, ferry and train fares at significant scale, and similarly good access to affordable accommodation.</p> <p>The demand for travel services is influenced by a range of macroeconomic circumstances and their impact on consumers discretionary spending levels. Economic activity, employment levels, inflation, interest rates</p>	<p>Management and the Board regularly monitor a range of trading, market, and economic indicators to determine any risk to financial performance due to macroeconomic uncertainties, and any potential mitigating actions required.</p> <p>The Group's revenue and customer base is global, with a dispersed population of users, and a geographically dispersed set of destinations. While market conditions may decline in certain regions, the globally diversified nature of the business helps to mitigate this with circa 50%</p>	Steady

		<p>levels, inflation, interest rates, currency movements and access to credit are among the factors that can impact travel demand and patterns.</p> <p>The Group has seen shifts in travel demand towards lower cost destinations resulting in lower ABVs and a headwind for revenue growth.</p>	<p>to 60% of destination markets in Europe versus the rest of the world.</p> <p>Inflation rates can impact consumer discretionary spending and reduce their ability to travel. However, this is potentially offset by continued preference of consumers to prioritise discretionary spending on travel and leisure in their budgeting.</p> <p>In circumstances where events cause a material decline in consumer travel behaviours and patterns on a global scale, management will take necessary actions to reduce operating costs and conserve cash.</p>	
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
2	Data Security	<p>We're an innovative technology group relying on advanced software and infrastructure, which means we can be exposed to cyber security threats. Protecting our e-commerce data and customer information is crucial.</p> <p>Our hybrid model, global contractors, and evolving social strategy heighten data security challenges.</p> <p>Cloud migration finished in 2022, but cloud security risks persist. Technological speed and legislation gaps can complicate compliance with guidelines and laws. GDPR adherence and secure, scalable IT platforms are vital.</p> <p><b>Direction of change:</b> The sophistication of bad actors continues to grow at rapid pace including their incorporation of new methods based off advances in artificial intelligence. This poses an increased level of threat to data security.</p>	<p>Data protection is a priority for the Group. We comply with laws, regularly train employees, address threats and support business innovation and growth.</p> <p>We have a robust and comprehensive data privacy, security, and compliance programme. A supplier is not onboarded until a rigorous review of their data protection compliance and IT security controls has been carried out and deemed satisfactory.</p> <p>We adhere to leading industry standards and are PCI compliant. A data protection framework aligned with GDPR is maintained, with a Data Protection Officer, supported by employee champions.</p> <p>Hybrid work risks are assessed, and security measures include single sign-on and multi-factor authentication. Expert providers support us with cloud services and security. Our evolving social strategy and broader product developments are implemented in line with privacy by design, following guidelines and emerging innovations with a risk-based approach.</p>	Increased
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
3	Cyber Security	<p>The Group is susceptible to cyberattacks, which can impact system integrity and data security. Hackers' sophistication is constantly evolving, complicating risk management.</p> <p>Cloud migration adds further cybersecurity challenges, potentially compromising customer and proprietary data. Third-party vendors or contractors can also be entry points.</p> <p>Inadequate skills internally might</p>	<p>The Group dedicates significant resources to enhancing cyber security and regularly increases expenditure.</p> <p>A comprehensive risk programme manages vendor and third-party risks. Our procurement process is robust, proactively ensuring new suppliers are security compliant.</p> <p>Additional cyber security</p>	Increased

		<p>risk cloud data exposure and insurers could limit coverage for cybersecurity incidents.</p> <p><b>Direction of change:</b> The continuous upward momentum in the cost of cybercrime shows that this risk is increasing. The emergence of AI is a real threat to all organisations and will become commonplace in cyberattacks.</p>	<p>measures taken include monitoring tools enable real-time threat detection and response, policies and initiatives adapt to regulations and cyber threats, mandatory security awareness training is consistently updated, cloud-related training ensures skills are developed and multi-factor authentication is implemented for better access control and attack resilience.</p>	
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
4	Competition	<p>Competition risks could harm market share and growth. Competitors willing to operate at a loss pose challenges. Price influences consumer decisions, requiring competitive pricing, discounts, and flexible cancellation policies.</p> <p>Competition might lead to losing key suppliers. Large market players and disruptive new entrants pose risks. They may absorb revenue losses and/or additional costs to compete on price or bidding strategy, their ability to grow core inventory base (both in terms of property count and destination coverage), and their ability to enhance product features faster through depth of resources.</p> <p>Changes in technology, such as AI or other, can impact the Group both positively and negatively. Changing customer behaviour, such as preferring private rooms (as was seen during COVID-19), could reduce demand or raise acquisition costs.</p> <p>Exclusive supply to competitors, new Digital Markets Act regulations, and evolving market dynamics may influence the competitive landscape and affect the Group's positioning in the market.</p>	<p>Continuous monitoring of hostel coverage and market share guides the Group's proactive acquisition and retention strategy.</p> <p>The Group's strategy focuses on leveraging its unique market position through targeted customer acquisition and optimising the profitability of existing customer cohorts, emphasising customer lifetime value/customer acquisition cost.</p> <p>There is a continued focus on improving platform flexibility, enhancing customer experience, and global expansion.</p> <p>Partnerships deliver advanced technology solutions, aiming to diversify from exclusive OTA reliance with a broader experiential travel offering. Commercial agreements secure competitive rates and inventory, utilising the "Solo System" and "social cues" to deter competition. The Group explores AI and new distribution channels for customer acquisition and remains adaptable to market changes.</p>	Steady
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
5	Artificial Intelligence ('AI')	<p>AI technology is rapidly evolving. The potential for AI-enabled attacks, such as social engineering (e.g. voice simulation of senior executives) or algorithmic exploitation, heightens cybersecurity challenges.</p> <p>The adoption of AI-enabled tools by third-party vendors introduces risks of compromised integrity, security vulnerabilities, or non-compliance with data privacy regulations. Compliance risks include failure to meet obligations under the AI Act or GDPR, exposing the Group to regulatory penalties or reputational harm.</p> <p>Operational risks arise from potential biases, misuse, or over-reliance on AI tools, which could lead to unsafe or unsuitable product features, competitive disadvantages, or erosion of</p>	<p>Hostelworld prioritises cyber and data security in mitigating AI risks. AI tools are confined to secure environments to ensure its integrity, as well as encryption and monitoring controls.</p> <p>Tailored employee training on ethical and regulatory considerations of AI has been rolled out, and the procurement process ensures supplier features meet requisite confidentiality, integrity, and availability standards.</p> <p>AI features are deployed using a phased rollout approach, controlled safe to fail experiments, and manual oversight to ensure responsible use. Human intervention remains central.</p>	Emerging

		disadvantage, or erosion of customer trust. AI also poses data risks regarding the improper use of proprietary data in AI models, risking breaches of confidentiality, integrity, and availability of critical business information.		
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
6	Execution of Strategy	<p>The Group continues to pursue an ambitious growth strategy to deliver attractive sustainable returns for shareholders. Delivering this strategy requires strong leadership, employee engagement, investment and governance.</p> <p>The Group operates in an intensely competitive global environment and there is a risk of loss in market share to competitors or markets generally not performing in line with expected growth.</p>	<p>The Group's Executive Leadership Team have clear ownership of the key activities driving our growth strategy. Regular tracking of operational and financial performance takes place to ensure progress is in line with targets.</p> <p>Direct and indirect competitor activity and market performance is closely monitored which allows the Group to respond quickly if required.</p> <p>The Group's focus on investment in its social network and strengthening relationships with hostel partners ensures that it is well positioned in the marketplace.</p>	New
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
7	Marketing Optimisation	<p>A significant portion of our website traffic comes from search engines, both through organic and paid searches. We rely on search engine optimisation and search engine marketing for visibility. Search engine algorithms, like Google's, constantly change, affecting our placement and costs.</p> <p>AI-powered platforms are further influencing search results, making algorithm management and optimisation crucial for our marketing strategy and efficiency.</p>	<p>The Group invests in skilled personnel for paid and non-paid searches. In-house expertise and technology adapt to algorithm changes.</p> <p>The search marketing team collaborates with Google, gaining search traffic efficiency insights. Participation in alpha and beta tests give the Group first mover advantage with new functionality that can help drive efficiency.</p> <p>Skill enhancement through third-party vendors complements in-house capabilities for search engine optimisation.</p>	Steady
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
8	Platform Evolution and Innovation	<p>Over recent years the ever-increasing pace of change of new technology, new infrastructure, and new software offerings have changed how customers research, purchase, and experience travel. Notable shift changes include AI, mobile networks, mobile applications, meta-search providers, display advertising, and social communities.</p> <p>Unless we continue to stay abreast of technology innovation and change, we risk becoming irrelevant to the modern customer. Technology evolves rapidly, and updates can become quickly obsolete.</p> <p>As new products and features are offered the relevant cybersecurity controls must keep pace or risk new exposures.</p>	<p>We focus on staying current with new trends in technology development and customer behaviour.</p> <p>We invest a significant amount of our product and user experience functions on research and development and interacting with similar companies both within and external to travel.</p> <p>We leverage the capabilities of partnerships to ensure we are delivering best in class and the most advanced tech-based solutions for our customers and hostel partners.</p> <p>The Group has largely completed the modernisation of our underlying platform</p>	Steady

			and now focuses on continuously enhancing and optimising it to ensure it remains up to date and supports efficient execution across our core platform.	
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
9	People	<p>The Group relies on attracting and retaining skilled, committed, and motivated employees for strategic success.</p> <p>The Group is dependent on key roles throughout all functions of the business to drive innovation, ensure efficiency and deliver on the Group's strategy. These tend to be specialist roles where competition for talent is high.</p> <p>The Group recognises the importance of meeting industry standards in our reward offering, to keep attrition low and attract new talent.</p>	<p>The Group completes external salary benchmarking to ensure our reward offering is competitive and focuses on constantly evolving people policies to ensure they meet the needs of Our People.</p> <p>To access larger talent pools, the Group continues to operate from three global offices and is flexible on workforce locations that provide us with access to talent.</p> <p>A Non-Executive Director fulfils a workforce engagement role as set out in the 2018 UK Corporate Governance Code.</p>	Steady
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
10	Brand and Reputation	<p>Reduced brand marketing spending is likely to have impacted brand recognition and trust. Attributing a clear return on investment to brand spend is challenging due to the intangible nature of brand value, the difficulty of isolating brand spend and the complexity of customer journeys. Cyberattacks and poor customer experiences (with our hostel partners and our services) pose reputational risks.</p> <p>False claims about diversity, equity and inclusion or sustainability could damage reputation.</p> <p>Response to geopolitical developments and improper user actions could also affect brand integrity and the business. Artificial Intelligence offers opportunities and tools for Hostelworld but carries new and emerging risks to brand and reputation.</p>	<p>The paid marketing teams focus on promoting the app and emphasising new social features. Brand marketing sustains active owned channels, with added investment in social media content creators, yielding increased engagement on TikTok and Instagram.</p> <p>An ongoing CRM strategy integrates social features into the customer journey, while proactive communication addresses emotive issues like the Ukraine war.</p> <p>External PR advisors handle corporate incidents, and the crisis communications plan is updated with their involvement.</p> <p>Cybersecurity measures are robust, with a crisis plan adjusted to address potential attacks.</p> <p>An ESG Steerco oversees sustainability, mitigating risks through third parties.</p> <p>Customer service ensures positive experiences, backed by a crisis management policy. In-app social features include terms, a code of conduct, and automated moderation for user-reported inappropriate behaviour.</p> <p>Our IT and procurement policies as well as our legal frameworks are reviewed and updated regularly.</p>	Steady
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
11	Third-party Reliance	We rely on hostel accommodation providers to supply us with our inventory. Any	Nurturing hostel and vendor relationships is a priority. This close cooperation	Steady



		<p>constraints upon the supply of hostel inventory may stem growth ambitions.</p> <p>Revenue depends on connected hostels and third-party channels; lack of updates or outages may cause competitiveness loss. Financial pressures on partners risk business closure or category shift.</p> <p>Relying on third parties for systems poses revenue and functionality risks, affecting customer service and brand. Maintaining relationships with payment processors is crucial, as fee changes or unfavourable terms could impact transactions.</p>	<p>enables us to monitor market development.</p> <p>Rigorous assessment and due diligence are applied to third-party providers. All vendor contracts and purchasing requests must be processed through the Group's purchasing and contract review process.</p> <p>Service providers are contractually obliged to provide timely resolutions to issues. Alerts are in place to immediately capture any downtime and replicate as much functionality as possible in-house.</p> <p>Annual business reviews and contractual obligations ensure risk mitigation. Readiness for partner/service provider failure includes financial health monitoring and risk reduction measures.</p>	
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
12	Climate Change and Sustainability	<p>Internal and external stakeholders are focused on the accountability of the Group to climate change.</p> <p>There is a risk of brand damage if we do not meet these expectations regarding our sustainability strategy, target setting and actions taken. Meeting our targets introduces a financial cost for increasing pricing for climate investments.</p> <p>There is an onus on the Group for enhancing reporting obligations and a risk that the Group is perceived as not being transparent in its external reporting.</p> <p>Changing customer attitudes to travel, any limits placed on travel (e.g. flight carbon pricing) or physical climate change risks such as extreme weather events can impact revenue and profitability.</p>	<p>The ESG Steercos govern the actions taken by the Group in relation to climate change. The Steerco receives specific training from a third-party provider, engage with third parties' specialists for additional support where required and monitor areas of compliance. The Steerco engage with stakeholders to assess their expectations and publish targets annually.</p> <p>We have committed resources internally to assisting hostels and consumers on their own sustainability journeys.</p> <p>Climate change issues may impact travel decisions and travel patterns by customers but is mitigated to the extent that our business is a global one. We have a dispersed population of users, and a geographically dispersed set of destinations.</p>	Steady
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
13	Impact of Uncontrollable Events	<p>The Group is exposed to uncontrollable events which may have negative impacts, which by their nature are unpredictable and outside of its control.</p> <p>Economic and political factors including instability and changes to laws on travel and trade could adversely impact the demand for travel and in turn impact our operational results and profitability.</p> <p>Deterioration in the financial condition, restructuring of operations or limited resource availability of one or more key stakeholder in our supply chain eco-system could impact our growth.</p> <p>The threat of terrorist attacks in</p>	<p>Our target 18-34-year-old population tend to be flexible as to destination and are less risk adverse. Their trips tend to be a 'rite of passage' rather than a more discretionary or optional vacation resulting in less aversion to these risks and more flexibility in configuring trips around restrictions.</p> <p>We maintain a close working relationship with our hostel partners to ensure we monitor key developments in the market and can take timely mitigating actions if necessary.</p> <p>Risk assessment and due diligence controls are carried</p>	Steady

		key cities and on aircraft in flight may reduce the appetite of the leisure traveller to undertake trips, particularly to certain geographies, resulting in declining revenues. Geopolitical conflicts, climate change, natural disasters, or other adverse events outside of the control of the Group may also reduce demand for or prevent the ability to travel to affected regions.	out by our dedicated procurement function and relevant business owner in respect of each third-party provider.	
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
14	Regulation	<p>The Group faces regulatory and legal challenges in its global operations. We are exposed to issues regarding competition, licensing of local accommodation and experiences, language usage, web-based trading, consumer compliance, tax, intellectual property, trademarks, data protection and information security and commercial disputes in multiple jurisdictions.</p> <p>Sustainability related legislation place an onus on the Group to disclose its compliance. The Group needs to stay aware of all future regulation and policy changes within sustainability.</p> <p>The Group is subject to various regulations, including payment card association rules, the EU Package Travel Directive, and rules on cookies usage (impacted by GDPR and ePrivacy Directive). The Digital Services Act also imposes content moderation and transparency obligations.</p> <p>Increased scrutiny of the mechanisms to transfer personal data to third countries in relation to the EU-US Privacy Shield and Standard Contractual Clauses create uncertainty in relation to international transfers of personal data.</p> <p>The California Privacy Rights Act introduces new privacy requirements. Sign-up regulations, like DAC 7 EU Tax directive, may slow operations, impact property categorisations, and result in closures due to changing local laws. Ongoing legal developments pose potential constraints, compliance costs, and business harm for the Group.</p>	<p>The legal team keeps abreast of current and anticipated legal requirements and consult with external legal advisors on territory specific legal and regulatory issues.</p> <p>Qualified and experienced in-house lawyers ensure consumer compliance, listing rules, governance code, and Market Abuse Regulations adherence.</p> <p>TCFD governance structure and third-party monitoring ensure compliance with climate changes.</p> <p>External insurance brokers are appointed to optimise insurance terms reflecting industry standards.</p> <p>Payment options are expanded for customer efficiency.</p> <p>The Digital Services Act is carefully reviewed, and processes are updated for social functionality and customer reviews.</p> <p>Continuous reviews address online safety, media regulations, and evolving data protection legislation in the wider legal framework.</p>	Steady
No.	Category	Description and Impact	Management and Mitigation	Direction of Change
15	Business Continuity	<p>IT system failures, including third-party services, could disrupt bookings, payments, and administrative services.</p> <p>Weakness in business continuity planning ("BCP") may lead to major service disruption. Technology may quickly become outdated posing reliability, security, and feature delivery challenges.</p> <p>Sole reliance on one cloud provider region risks business impact from data centre outages.</p>	<p>The Group's BCP prioritises e-commerce operations, backed by external advisors' disaster recovery plans.</p> <p>Modernisation and cloud transition enhance resilience.</p> <p>Robust supplier terms cover force majeure and BCP. Successful COVID-19 response validates BCP and backup systems, which are reviewed periodically for relevance and effectiveness.</p>	Steady
No.	Category	Description and Impact	Management and Mitigation	Direction

No.	Category	Description and Impact	Management and Mitigation	Direction of Change
16	Taxation	<p>Indirect taxes are an ongoing area of focus with complexity on different regimes and rules in place in countries where the Group does business. Measures introduced include digital services taxes to address multinational businesses operating without a physical presence in Europe, and platform reporting which requires digital platform operators to collect and report information on sellers, with penalties and potential lost revenue for non-compliance. There is a risk that the Group does not stay ahead of compliance in all jurisdictions in which it operates. In addition, changes in tax legislation such as the European Commission's proposals in relation to VAT in the Digital Age, interpretations, or OECD recommendations may expose the Group to additional tax liabilities.</p> <p>Due to the global workforce footprint of the Group, a tax authority may consider a permanent establishment to exist in a country by virtue of some activity being carried on there. Key functions, assets or risks undertaken/managed outside of Ireland may cause tax leakage. If tax authorities take a different view than the Group as to the basis on which the Group is subject to tax, it could result in the Group having to account for tax that it currently does not pay. This may increase the Group's effective tax rate, increase tax cash outflows, and increase the costs associated with tax compliance.</p>	<p>Tax risk management involves qualified personnel and collaboration with reputable external tax advisors. Regular assessments, briefings to the Board, and biannual reviews with advisors, address tax impacts and legislative changes.</p> <p>Monitoring the global footprint includes implementing the relevant tax structures and enforcing a strict work-from-abroad policy.</p> <p>Key function locations are approved, and transfer pricing policies align accordingly, demonstrating proactive tax risk mitigation strategies.</p>	Steady

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