



TUI AG

Berlin / Hanover

registered with the commercial register of the Local Court of Berlin-Charlottenburg under HRB 321 as well as with the commercial register of the Local Court of Hanover under HRB 6580 with business address at: Karl-Wiechert-Allee 4, 30625 Hanover

NOTICE PURSUANT TO THE LISTING RULES OF THE UNITED KINGDOM FINANCIAL CONDUCT AUTHORITY AND FOR HOLDERS OF DEPOSITARY INTERESTS

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION AND REQUIRES YOUR IMMEDIATE ATTENTION. If you, as holder of depositary interests issued by Link Market Services Trustees Limited relating to TUI AG shares, are in any doubt as to the action you should take, you should seek your own personal advice from your stockbroker, bank manager, solicitor, accountant, or other independent adviser authorised under applicable laws (in the United Kingdom under the Financial Services and Markets Act 2000). If you have sold or otherwise transferred all depositary interests relating to TUI AG shares but afterwards have received documents in relation to the Annual General Meeting of TUI AG on 25 March 2021, please notify as soon as possible the purchaser or transferee, or the stockbroker, bank or other agent through whom the sale or transfer was effected and ask him/them to contact Link Market Services Trustees Limited in the event of any questions in a timely manner.

The notice of the virtual Annual General Meeting of TUI AG, which is convened for Thursday, 25 March 2021 at 12:00 hours (CET), is set out in this document, starting on page 1. This document includes information on how shareholders can exercise their rights with respect to the virtual Annual General Meeting, including how to appoint and give instructions to a proxy. This document is also available in German at www.tuigroup.com/de-de/investoren/hauptversammlungen.

Holders of depositary interests issued by Link Market Services Trustees Limited relating to TUI AG shares can, subject to certain conditions, follow the Annual General Meeting themselves via webcast and exercise their voting rights corresponding to the number of TUI AG shares underlying their depositary interests via proxy appointment. Further information, including the relevant conditions, are included in the invitation letter and short-version table along with the respective weblinks which holders of Depositary Interest ("DI Holders") will receive from Link Market Services Trustees Limited printers or via e-mail depending on the DI Holders' mailing preference.

NOTES ON THE AGENDA ITEMS AND PROPOSED RESOLUTIONS

Agenda items 1 to 4 contain items that are regularly provided at an annual general meeting pursuant to the German Stock Corporation Act (*Aktiengesetz* – "AktG"). Agenda items 5 to 7 concern proposals to authorise the Executive Board to increase the share capital (authorised capital) and to issue convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof). Agenda item 8 covers the election of Dr Jutta Dönges, Prof. Dr Edgar Ernst, Ms Janina Kugel and Mr Alexey Mordashov as Supervisory Board members representing the shareholders. Agenda items 9 to 11 concern the remuneration systems for the Executive Board and the Supervisory Board as well as the remuneration report.

In detail:

Agenda item 1 – Presentation of the approved annual financial statements as of 30 September 2020, the approved consolidated financial statements, the summarised management and group management report with a report explaining the information in accordance with section 289a and section 315a of the German Commercial Code (*Handelsgesetzbuch – HGB*) and the report of the Supervisory Board

As required by the German Stock Corporation Act, the financial statements were prepared by the Executive Board, reviewed by the auditor and approved by the Supervisory Board. They will be made available to the General Meeting together with the additional documents described in the heading. In the General Meeting, the Executive Board will present and explain the financial statements and the Chairman of the Supervisory Board will present and explain the report of the Supervisory Board. A resolution of the General Meeting approving the financial statements is not required by the German Stock Corporation Act. Further information as to why a resolution of the General Meeting approving the financial statements is not required can be found under the corresponding agenda item. Additional information can also be found in the UK Corporate Governance Statement of TUI AG contained in the Annual Report 2020 (available at www.tuigroup.com/en-en/investors/download) from page 107 onwards.

Agenda items 2 and 3 – Resolutions on the approval of the actions of the Executive Board and the Supervisory Board

The members of the Executive Board are appointed by the Supervisory Board. The members of the Supervisory Board who are not employee representatives or appointed by court are elected by the General Meeting. In the past, the Supervisory Board members were usually elected for a term of between four and five years. However, the German Stock Corporation Act provides that the shareholders should decide at the Annual General Meeting each year whether or not to approve the management of the Company by the members of the Executive Board and the Supervisory Board over the previous financial year. This approval of the management of the Company by the members of the Executive Board and the Supervisory Board does not constitute or include a waiver of claims for compensation; it is rather a vote of confidence for the past and the future.

In derogation from the general legal rule, a separate resolution on the approval of the actions in the financial year that ended on 30 September 2020 will be proposed at the virtual 2021 Annual General Meeting for each member of the Executive Board and the Supervisory Board.

Additional important information can be found in the UK Corporate Governance Statement of TUI AG contained in the Annual Report 2020 (available at www.tuigroup.com/en-en/investors/download) from page 107 onwards.

Agenda item 4 – Resolution on the appointment of the auditor

Agenda item 4 covers the appointment of the auditor. The Supervisory Board, which is solely responsible for submitting a nomination to the General Meeting pursuant to the German Stock Corporation Act, proposes that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hanover, be appointed as company auditor and group auditor for the financial year ending on 30 September 2021 and also for the audit review of the half-year financial report for the first half of said financial year. As stipulated by law, the Supervisory Board bases its nomination for the auditor on a recommendation of its Audit Committee. The Supervisory Board further proposes that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hanover, be also appointed as auditor for a potential review of additional interim financial information within the meaning of section 115 (7) WpHG for the financial years ending on 30 September 2021 and 30 September 2022 until the next General Meeting.

Agenda items 5 to 7 – Items 5 to 7 of the agenda are the

- **authorisation of the Executive Board to increase the share capital (authorised capital) of the Company with the option to disapply pre-emption rights in accordance with, inter alia, sections 203 (2), 186 (3) sentence 4 AktG – Amendment to the Charter (agenda item 5),**
- **authorisation of the Executive Board to increase the share capital (authorised capital) of the Company with the option to disapply pre-emption rights, including in return for contributions in kind – Amendment to the Charter (agenda item 6), and**
- **authorisation of the Executive Board to issue convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) with the option to disapply pre-emption rights pursuant to, inter alia, section 221 (4) and section 186 (3) sentence 4 AktG and to create new conditional capital – Amendment to the Charter (agenda item 7).**

These three proposed resolutions contain already common measures at TUI AG for potential capital procurement. In the formal appearance, the proposed authorisations differ from comparable authorisations obtained by other companies listed on the London Stock Exchange but are in accordance with the German Stock Corporation Act. In terms of content, however, important limits customary for companies listed at the London Stock Exchange (LSE) will also be observed:

The resolutions proposed under agenda items 5 to 7, if passed, would allow the issued share capital of the Company to be increased by an amount not to exceed EUR 636,878,726.00 (at the current division of the share capital this corresponds to 636,878,726 shares), i.e. (based on the issued share capital as at 3 March 2021, which is the date the General Meeting was convened) by an amount not to exceed approx. 58% (based on the issued share capital as at 3 March 2021, which is the date the General Meeting was convened).

EUR 109,939,363 (at the current division of the share capital this corresponds to 109,939,363 shares, 10% of the share capital) can be issued against cash contribution, also excluding the subscription right of the shareholders. A further EUR 417,000,000 (at the current division of the share capital this corresponds to 417,000,000 shares, approx. 38% of the share capital) can be issued against cash and/or contributions in kind with subscription right for shareholders. EUR 109,939,363 (at the current division of the share capital this corresponds to 109,939,363 shares, 10% of the share capital) of this total of EUR 417,000,000 (at the current division of the share capital this corresponds to 417,000,000 shares, approx. 38% of the share capital) can be issued to the exclusion of shareholders' subscription rights to facilitate contributions in kind.

Convertible bonds and bonds with warrants can be issued up to EUR 2,000,000,000 with conversion and option rights to shares in the Company with a proportionate amount of the share capital of up to EUR 109,939,363 (at the current division of the share capital this corresponds to 109,939,363 shares, 10% of the share capital).

In principle, the shareholders have a subscription right to the convertible bonds and bonds with warrants. The subscription right can be excluded. Overall, however, the subscription right can only be excluded for the subscription of up to 10% of the share capital (at the time of the convocation this corresponds to EUR 109,939,363, 109,939,363 shares and 10% of the share capital).

All of the above percentage limits are to be calculated on the basis of the lower of the issued share capital as of 25 March 2021 (being the date of the General Meeting), or at the time the new shares or bonds are issued. In addition, deduction clauses ensure that the issue of shares or disposals of own shares will be deducted from the limits referred to above so that the limits cannot be exceeded even when taking into account a disposal of own shares, if any. As at 3 March 2021, which is the date the

General Meeting was convened, the Company held, and at the time of publication of this notice holds, no own shares.

In addition to the resolutions proposed under agenda items 5 to 7, pursuant to Article 4 (4) of the Charter, the Company has an existing authorisation allowing the issue of new shares to employees of the Company and its Group companies. On the basis of Article 4 (4) of the Charter, the share capital can be increased by an amount not to exceed EUR 22,258,529.63 (at the current division of the share capital this corresponds to 22,258,529 shares), i.e. (based on the issued share capital as at 3 March 2021, which is the date the General Meeting was convened) by an amount not to exceed approx. 2%.

Furthermore, pursuant to Article 4 (6) of the Charter, the Company has an existing conditional capital allowing the issuance of up to 58,674,900 shares to service the respective number of option rights in connection with the warrant bond which was issued to the Economic Stabilization Fund within the meaning of Section 15 of the Act to Establish a Financial Market and Economic Stabilization Fund (*Gesetz zur Errichtung eines Finanzmarkt- und eines Wirtschaftsstabilisierungsfonds*) (“ESF”) on 1 October 2020 with a volume of EUR 150,000,000.00. On this basis, the share capital can be increased by an amount not to exceed EUR 58,674,900 (based on the issued share capital as at 3 March 2021, which is the date the General Meeting was convened) by an amount not to exceed approx. 5.4%. According to the contractual agreements between the ESF and TUI AG, whether, when and to what extent an increase is made depends on the decision of the ESF (or its legal successor, e.g., following an assignment).

Further, pursuant to Article 4 (8) of the Charter, the share capital of the Company is conditionally increased in accordance with section 7a Law to accelerate and simplify the acquisition of shares in and risk positions of companies in the financial sector through the “Financial Market Stabilization Fund – FMS” fund and the real economy through the “Economic Stabilization Fund – ESF” fund (*Gesetz zur Beschleunigung und Vereinfachung des Erwerbs von Anteilen an sowie Risikopositionen von Unternehmen des Finanzsektors durch den Fonds „Finanzmarktstabilisierungsfonds – FMS“ und der Realwirtschaft durch den Fonds „Wirtschaftsstabilisierungsfonds – WSF“* – WStBG) by up to EUR 420,000,000.00 by issuing up to 420,000,000 new shares. The conditional capital increase serves to grant no-par value shares upon the relevant exercise of the conversion right granted to the ESF in accordance with the resolution of the Extraordinary General Meeting of 5 January 2021 under agenda item 3 in respect of the Convertible Silent Participation as described there. On the basis of this authorisation, the share capital can be increased by an amount not to exceed EUR 420,000,000.00 through the issue of 420,000,000 shares, i.e. (based on the issued share capital as at 3 March 2021, which is the date the General Meeting was convened) by an amount not to exceed approx. 38%. The conditional capital increase is only implemented to the extent that the ESF (or its legal successor, e.g., following an assignment) makes use of its conversion right. There is a contractual agreement between TUI AG and the ESF, according to which the ESF may only exercise the right of conversion to the extent that this leads to a participation of the ESF in TUI AG (including all further shares held by the ESF) in the Company’s increased share capital which shall not at any time exceed 25% plus one share following the conversion (“Maximum Participation Amount of the ESF”). Taking this into account, currently it can be assumed that the share capital will be increased by an amount not to exceed EUR 366,464,545.00 through the issuance of 366,464,545 shares, i.e. (based on the issued share capital as at 3 March 2021, which is the date the General Meeting was convened) by a maximum of approx. 25%.

The authorisation to acquire and use own shares pursuant to section 71 (1) no. 8 AktG, which was resolved under agenda item 6 of the General Meeting on 11 February 2020 is valid until and including 10 August 2021; whereby on that basis contractual purchase transactions may only be concluded before the Annual General Meeting on 25 March 2021. However, TUI AG has contractually agreed to the ESF not to make use of this authorization.

Insofar as the measures described above have taken place or can take place with the participation of the ESF, these are part of the financing packages agreed with the ESF in the last few months.

The table below provides an overview of the scope of the individual authorisations:

		Portion of the share capital in EUR	Number of shares	% of the share capital existing as at 3 March 2021
1	Maximum permissible scope of share issues under the authorisations proposed under agenda items 5 to 7	636,878,726	636,878,726	approx. 58% (approx. 48% authorised capital and approx. 10% conditional capital)
2	Maximum permissible scope of the authorisations described in no. 1 above together with all other authorisations existing after the General Meeting for the issue of new shares	1,137,812,155.63 / 1,025,601,800.63 ¹	1,137,812,155 / 1,025,601,800 ¹	approx. 103.5 / approx. 90.3% ¹ (approx. 50% / approx. 50% ¹ authorised capital and approx. 53.5% / approx. 43.3% ¹ conditional capital)

Each of the resolutions proposed under agenda items 5 to 7 provide authorisations for a term of five years. Therefore, this complies with the German Stock Corporation Act which expressly permits a term of five years. It would be possible to specify a shorter term, but taking into account the need to include the authorisations and conditional capital in the Charter and considering the intent and purpose of the authorisations, TUI AG believes shorter authorisations to be less practical and, ultimately, detrimental to the Company. Further, under the statutory two-tier management structure existing at TUI AG, shareholders are protected by the Executive Board needing to obtain the consent of the Supervisory Board to issue any shares or bonds. During the five-year term, the previously described authorization volume and the limit of 10% for issues free of subscription rights against contributions in kind and the limit of 10% for issues free of subscription rights against cash contributions can only be used once (and not annually) during the five-year term without having to refer the matter to the general meeting again.

If the General Meeting has approved the proposed resolutions, the Executive Board will evaluate the utilisation of the opportunities granted thereby. The Executive Board will exercise the authorisations to issue shares or bonds subject to a disapplication of pre-emption rights only if the strict requirements for the disapplication of pre-emption rights provided by the German Stock Corporation Act are fulfilled in the specific situation and, in particular, the disapplication of pre-emption rights is considered to be in the best interests of the Company.

Further information that is relevant for the proposed resolutions is provided in the reports prepared by the TUI AG Executive Board for the shareholders, which are set out following the agenda.

¹ Taking into account the Maximum Participation Amount of the ESF in accordance with the contractual agreement.

Agenda item 8 – New election of several members of the Supervisory Board

Agenda item 8 concerns the election of new Supervisory Board members. The background to this agenda item is that the terms of office of the Supervisory Board members Mr Peter Long (Deputy Chairman), Prof. Dr Edgar Ernst, Ms Angelika Gifford and Mr Alexey Mordashov will end at the close of the virtual Annual General Meeting on 25 March 2021.

The Supervisory Board recommends the appointment of Dr Jutta Dönges, Prof. Dr Edgar Ernst, Ms Janina Kugel and Mr Alexey Mordashov as Supervisory Board members representing the shareholders. The election shall be for the period up to the end of the General Meeting that decides on the discharge for the financial year ending on 30 September 2024. In the selection of the candidates Dr Jutta Dönges and Ms Janina Kugel, also the ESF was involved in accordance with the framework agreement for granting supporting measures between the Company and the ESF dated 4 January 2021.

Further details relevant for the election, in particular with respect to the minimum quota requirement pursuant to section 96 (2) sentence 1 AktG, can be found under the respective agenda item.

Agenda item 9 – Resolution on the approval of the remuneration system for the Executive Board members

The remuneration of the members of the Executive Board is decided upon by the Supervisory Board. The Act Implementing the Second Shareholders' Rights Directive ("ARUG II") that entered into force on 1 January 2020 supplements the German Stock Corporation Act on the content of a remuneration scheme for the Executive Board and its presentation to the general meeting that are based on European law requirements. According to these, the Supervisory Board must – starting with the virtual Annual General Meeting in 2021 – necessarily resolve on a remuneration scheme for the Executive Board that is in line with the new requirements under stock corporation law and present it to the Annual General Meeting for approval on the new legal basis of section 120a AktG in the version of the ARUG II. The remuneration system for the Executive Board members that was (voluntarily) submitted to the Annual General Meeting on 11 February 2020 for approval did not comply with all the, in particular not all formal, requirements under the new statutory provisions to be applied now. For that reason, on 26 February 2021 the Supervisory Board resolved on a description of the remuneration system that complies with the formal requirements that now apply and that will be submitted to the 2021 Annual General Meeting for approval. Regarding its content, this remuneration system complies with the remuneration system approved on 11 February 2020.

Further information can be found under the respective agenda item. In addition a description of the remuneration system for the members of the Executive Board, which will be submitted for approval, can be found following the agenda.

Therein, first the main features of the remuneration system for the members of the Executive Board of TUI AG are described and then the remuneration system is described in detail. This also comprises details to the remuneration components, the maximum remuneration, the remuneration-related legal transactions, the consideration of the remuneration and employment conditions of the employees when determining the remuneration system, the procedure for setting, implementing and reviewing the remuneration system. For further details reference is made to the description following the agenda.

Agenda item 10 – Resolution on the remuneration and the remuneration system for the members of the Supervisory Board

The remuneration for the members of the Supervisory Board is decided upon by the general meeting of a listed company at least every four years. The shareholders of TUI AG last adopted a resolution on the regulations relating to the remuneration for Supervisory Board members at the Annual General Meeting of TUI AG held on 11 February 2020. No changes were made to the substance of those remuneration regulations, simply some editorial updates. The new formal requirements applying under ARUG II as to presentation in the form of a remuneration system are therefore to be implemented without any changes to the remuneration. The Executive Board and the Supervisory Board therefore propose to the Annual General Meeting to confirm the existing remuneration regulations for the members of the Supervisory Board and resolve on the new remuneration system for the members of the Supervisory Board of TUI AG.

Further information can be found under the respective agenda item. In addition, the description of the remuneration system for the members of the Supervisory Board, which will be submitted for approval, can be found following the agenda.

It details the remuneration components, the contribution made by the remuneration of the members of the Supervisory Board to the promotion of the business strategy and the long-term development of TUI AG and the procedure for setting, implementing and reviewing the remuneration system. For further details reference is made to the description following the agenda.

Agenda item 11 – Approval of the remuneration report for the financial year that ended on 30 September 2020 prepared and audited pursuant to section 162 AktG

The ARUG II stipulates that the Executive Board and Supervisory Board will in future, among other things, need to prepare an annual mandatory remuneration report in line with section 162 AktG, new version, that must comply with certain requirements, starting with the Annual General Meeting in 2023. The auditor is required to check that the remuneration report within the meaning of section 162 AktG contains all the information required by law and to issue an audit report confirming the same. The remuneration report thus audited by the auditor then needs to be submitted to the Annual General Meeting for approval. A corresponding duty will not exist before then. The Executive Board and the Supervisory Board however make use of the option of voluntarily applying the new provisions of the Stock Corporation Act relating to the remuneration report earlier than that. In doing so, they comply at the same time with a contractual obligation that TUI AG entered into vis-à-vis the ESF in the context of the grant of stabilisation measures pursuant to the German Stabilisation Fund Act. The Executive Board and the Supervisory Board therefore propose to the Annual General Meeting to approve the remuneration report which is accompanied by the corresponding audit report.

Further information can be found under the respective agenda item. In addition, the “remuneration report”, which will be submitted for approval, can be found following the agenda.

The remuneration report essentially outlines the remuneration of the members of the Executive Board of TUI AG as well as the remuneration of the members of its Supervisory Board in accordance with the Charter. The remuneration report is based, in particular, on the recommendations of the German Corporate Governance Code (GCGC), the requirements of the German Commercial Code (HGB), the German Stock Corporation Act (AktG) and, to the extent practicable, the requirements of the UK Corporate Governance Code (“UK CGC”). Additionally, the remuneration report also contains the information required under section 162 German Stock Corporation Act (AktG) in the version implementing ARUG II. TUI AG is thereby – as already mentioned – implementing the requirements for the remuneration report arising from the framework agreement on the grant of stabilisation measures that was entered into on 29 September 2020 with the ESF (Framework Agreement).

TUI AG is a German stock corporation that is also listed on the London Stock Exchange (LSE). Where mandatory provisions regarding the governance of or legal requirements for a German stock corporation are affected, these are disclosed in this report and placed in context with the UK CGC, as required.

RECOMMENDATION REGARDING RESOLUTION PROPOSALS

The Executive Board and Supervisory Board believe that the proposed resolutions are in the best interest of the Company and its shareholders as a whole. Therefore, the Executive Board and the Supervisory Board recommend to vote in favour of the respective resolution proposals, including to the extent that members of the Executive Board and Supervisory Board and the shares held by them are not entitled to vote on some of these resolutions on account of the provisions of the German Stock Corporation Act.

EXERCISABLE VOTING RIGHTS

As at 3 March 2021 (being the date of publication of this notice), the Company's issued share capital of EUR 1,099,393,634 was divided into 1,099,393,634 registered shares carrying one vote each. TUI AG does not hold any own shares. Therefore, the total exercisable voting rights in the Company as at 3 March 2021 are 1,099,393,634.

TUI AG**INVITATION**

We hereby invite our shareholders to the virtual Annual General Meeting on Thursday, 25 March 2021 at 12:00 hours (CET).

Owing to the COVID-19 pandemic and on the basis of the German Act on Measures in Corporate, Cooperative, Association, Foundation and Home Ownership Law to Combat the Effects of the COVID-19 Pandemic (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie* – the “COVID-19 Act”), published as Article 2 of the Law for the Mitigation of the Effects of the COVID-19 Pandemic in Civil, Insolvency and Criminal Procedure Law (*Gesetz zur Abmilderung der Folgen der COVID-19-Pandemie im Zivil-, Insolvenz- und Strafverfahrensrecht*) of 27 March 2020 (German Federal Law Gazette (*Bundesgesetzblatt* – “BGBI.”) I pp. 569, 570)¹, the General Meeting will be held as a virtual General Meeting. This results in certain modifications to meeting procedures and regarding shareholders’ rights.

The General Meeting will be held without physical presence of the shareholders or their proxies at the registered office of TUI AG, Karl-Wiechert-Allee 4, 30625 Hanover, Germany. Shareholders may follow the General Meeting via live video and audio transmission on the internet. Shareholders who have duly registered for the General Meeting can exercise their voting rights by way of absentee voting (*Briefwahl*) (in writing or electronically) as well as through proxy authorisation granted and may ask questions in advance of the General Meeting. They must submit their questions in German to the Company electronically via the password-protected GM online-service by Tuesday, 23 March 2021, 24:00 hours (CET), available at www.tuigroup.com/en-en/investors/agm. A participation by way of electronic communication within the meaning of section 118 (1) sentence 2 of the German Stock Corporation Act (*Aktiengesetz* – “AktG”) is excluded. Objections to items on the agenda of the General Meeting must be submitted electronically via the password-protected GM online-service to the notary instructed to keep the record of the General Meeting.

We would like to ask our shareholders to pay particular attention to the information and notices regarding the General Meeting.

TUI AG**Berlin/Hanover****Karl-Wiechert-Allee 4****30625 Hanover****Germany****The Company’s share capital**

is divided, at the time of convocation, into 1,099,393,634 no-par value shares carrying the same number of votes.

Securities identification numbers of voting and participating shares:

ISIN-Code	WKN
DE 000 TUA G00 0	TUA G00

¹ As last amended by Art. 11 of the German Act to Further Shorten Proceedings for the Discharge of Residual Debt and for the Adjustment of Pandemic-related Rules in Corporate, Cooperative, Association and Foundation Law as well as in Lease Law of 22 December 2020 (BGBI. I p. 3328).

I. AGENDA

for the Annual General Meeting of TUI AG on 25 March 2021

1. **Presentation of the approved annual financial statements as of 30 September 2020, the approved consolidated financial statements, the summarised management and group management report with a report explaining the information in accordance with section 289a and section 315a of the German Commercial Code (*Handelsgesetzbuch*) and the report of the Supervisory Board**

The Supervisory Board approved the annual financial statements for TUI AG as at 30 September 2020, which were presented to it by the Executive Board, on 9 December 2020. The annual financial statements have thus been approved in accordance with section 172 AktG. No circumstances therefore exist that would necessitate one-off approval of the annual financial statements by the General Meeting. No resolution will therefore be passed by the General Meeting on the annual financial statements. The consolidated financial statements for the financial year that ended on 30 September 2020 were also approved by the Supervisory Board on 9 December 2020. Pursuant to sections 172 sentence 1, 173 (1) AktG, the General Meeting is not required to pass a resolution in this regard either. Likewise, the other documents set out above are, pursuant to section 176 (1) sentence 1 AktG, merely to be made available for inspection at the Annual General Meeting, without any resolution being required in this respect. They will be available from the date of convocation, and also during the Annual General Meeting, via the internet address www.tuigroup.com/de-de/investoren/hauptversammlungen.

2. **Resolution on the approval of the actions of the Executive Board**

The Supervisory Board and the Executive Board propose that the actions of the members of the Executive Board in the financial year that ended on 30 September 2020 be approved.

Due to the fact that TUI AG's shares are listed on the London Stock Exchange and in view of the corporate governance standards applicable there, approval is to take place on an individual basis, i. e. a separate resolution is to be passed for each member. The actions of the following members holding office on the Executive Board in the preceding financial year are to be approved: Friedrich Joussen (CEO), David Burling, Birgit Conix, Sebastian Ebel, Dr Elke Eller and Frank Rosenberger.

3. **Resolution on the approval of the actions of the Supervisory Board**

The Executive Board and the Supervisory Board propose that the actions of the members of the Supervisory Board in the financial year that ended on 30 September 2020 be approved.

Due to the fact that TUI AG's shares are listed on the London Stock Exchange and in view of the corporate governance standards applicable there, approval is to take place on an individual basis, i. e. a separate resolution is to be passed for each member. The actions of the following members holding office on the Supervisory Board in the preceding financial year are to be approved: Dr Dieter Zetsche (Chairman), Frank Jakobi (Deputy Chairman), Peter Long (Deputy Chairman), Ingrid-Helen Arnold, Andreas Barczewski, Peter Bremme, Prof. Dr Edgar Ernst, Wolfgang Flintermann, María Garaña Corces, Angelika Gifford, Valerie Gooding, Stefan Heinemann, Dr Dierk Hirschel, Janis Kong, Vladimir Lukin, Coline McConville, Alexey Mordashov, Michael Pönipp, Carola Schwirn, Anette Stempel, Ortwin Strubelt, Joan Trián Riu and Stefan Weinhofer.

4. Resolution on the appointment of the auditor

Based on the recommendation of the Audit Committee, the Supervisory Board proposes that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hanover, be appointed as auditor of the annual financial statements and the consolidated financial statements for the financial year that will end on 30 September 2021 and also for the audit review of the half-year financial report for the first half of such financial year. The Supervisory Board further proposes that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hanover, be appointed as auditor for a potential review of additional interim financial information within the meaning of section 115 (7) of the German Securities Trading Act (*Wertpapierhandelsgesetz*) for the financial years that will end on 30 September 2021 and on 30 September 2022 up to the next General Meeting.

5. Resolution on the authorisation of the Executive Board to increase the share capital (authorised capital) with the option to disapply pre-emption rights in accordance with, inter alia, sections 203 (2), 186 (3) sentence 4 AktG (amendment to the Charter)

By the resolution under agenda item 6 of the Annual General Meeting of 9 February 2016, the Executive Board was authorised, subject to the consent of the Supervisory Board, to increase the Company's share capital by up to EUR 150,000,000.00 (in words: Euro one hundred and fifty million) by issuing new registered shares with the option to disapply pre-emption rights pursuant to section 186 (3) sentence 4 AktG. As this authorisation expired on 8 February 2021, it is proposed that a new authorisation be resolved on in order to ensure that the Executive Board continues to have the necessary means for raising capital at its disposal and will be able to adjust the Company's equity resources in order to meet the business requirements also in future. At the same time, it is to be ensured that all authorisations on the disapplication of pre-emption rights are limited to a share volume of 10% in aggregate of the share capital.

The Executive Board and Supervisory Board therefore propose that the following resolution be passed:

- a) The Executive Board will be authorised, subject to the consent of the Supervisory Board, to increase the share capital of the Company once or several times until 24 March 2026 by an amount not to exceed EUR 109,939,363.00 (in words: Euro one hundred and nine million nine hundred and thirty-nine thousand three hundred and sixty-three) in total (Authorised Capital 2021/I) by issuing new registered shares in return for contributions in cash. Shareholders are, in principle, entitled to pre-emption rights. The shares may be acquired by one or several banks with the obligation that the shares be offered to the shareholders for subscription. The Executive Board may, with the consent of the Supervisory Board, disapply shareholders' pre-emption rights if the issue amount of the new shares is not significantly lower than the market price for previously issued shares with the same terms. The number of new shares issued on the basis of this authorisation, plus the shares issued or sold on the basis of an authorisation to sell pursuant to sections 71 (1) no. 8 sentence 5 and 186 (3) sentence 4 AktG after the General Meeting has passed the resolution on this authorisation on 25 March 2021 (date of resolution) until such time as the authorisation has been exercised, must not exceed the limit specified in section 186 (3) sentence 4 AktG of 10% of the share capital existing on the date of the resolution or (if lower) the share capital existing on the date of issue of the new shares. Further, shares that are issued or to be issued on the basis of bonds with conversion or warrant rights or conversion obligations issued in accordance with section 186 (3) sentence 4 AktG after the date of resolution until such time as the authorisation has been exercised must be taken into account when calculating this limit.

The Executive Board may further, subject to the consent of the Supervisory Board, disapply shareholders' pre-emption rights in respect of fractional amounts.

However, the total portion of the share capital attributable to new shares for which pre-emption rights have been disapplied under these authorisations must not – together with the portion of the share capital attributable to own shares or new shares from authorised capital or relating to conversion or warrant rights or obligations from bonds that were sold or issued on or after 25 March 2021 subject to the disapplication of pre-emption rights – exceed 10% of the share capital; this threshold is to be calculated on the basis of the amount of the share capital existing either on 25 March 2021 or at the time the new shares are issued, whichever is the lowest.

The Executive Board is authorised, subject to the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation.

b) Article 4 (5) of the Charter will be re-stated as follows:

“The Executive Board is authorised, subject to the consent of the Supervisory Board, to increase the share capital of the Company once or several times until 24 March 2026 by an amount not to exceed EUR 109,939,363.00 (in words: Euro one hundred and nine million nine hundred and thirty-nine thousand three hundred and sixty-three) in total (Authorised Capital 2021/I) by issuing new registered shares in return for contributions in cash. Shareholders are, in principle, entitled to pre-emption rights. The shares may be acquired by one or several banks with the obligation that the shares be offered to the shareholders for subscription. The Executive Board may, with the consent of the Supervisory Board, disapply shareholders' pre-emption rights if the issue amount of the new shares is not significantly lower than the market price for previously issued shares with the same terms. The number of new shares issued on the basis of this authorisation, plus the shares issued or sold on the basis of an authorisation to sell pursuant to sections 71 (1) no. 8 sentence 5 and 186 (3) sentence 4 AktG after the General Meeting has passed the resolution on this authorisation on 25 March 2021 (date of resolution) until such time as it has been exercised must not exceed the limit specified in section 186 (3) sentence 4 AktG of 10% of the share capital existing on the date of the resolution or (if lower) the share capital existing on the date of issue of the new shares. Further, shares that are issued or to be issued on the basis of bonds with conversion rights or conversion or warrant obligations issued in accordance with section 186 (3) sentence 4 AktG after the date of resolution until such time as the authorisation has been exercised must be taken into account when calculating this limit. However, the total portion of the share capital attributable to new shares for which pre-emption rights have been disapplied under these authorisations must not – together with the portion of the share capital attributable to own shares or new shares from authorised capital or relating to conversion or warrant rights or obligations from bonds that were sold or issued on or after 25 March 2021 subject to the disapplication of pre-emption rights – exceed 10% of the share capital; this threshold is to be calculated on the basis of the amount of the share capital existing either on 25 March 2021 or at the time the new shares are issued, whichever is the lowest. The Executive Board may further, subject to the consent of the Supervisory Board, disapply shareholders' pre-emption rights in respect of fractional amounts. The Executive Board is authorised, subject to the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation.”

The report of the Executive Board can be found in Section II. 2. “Regarding item 5 of the agenda (authorised capital in the amount of EUR 109,939,363.00)” following this agenda.

6. Resolution on the authorisation of the Executive Board to increase the share capital (authorised capital) of the Company with the option to disapply pre-emption rights, including in return for contributions in kind (amendment to the Charter)

By resolution of the Annual General Meeting of 9 February 2016 (agenda item 7), the Executive Board was authorised, subject to the consent of the Supervisory Board, to increase the share capital of the Company by up to EUR 570,000,000.00 by issuing registered shares with the

option to disapply pre-emption rights, including in the event of a utilisation against contributions in kind (Authorised Capital 2016/II)). This authorisation expired on 8 February 2021.

It is therefore proposed that a resolution be passed on the creation of new authorised capital in the amount of EUR 417,000,000.00 (in words: Euro four hundred and seventeen million) in order to ensure that the Executive Board will continue to have planning security and remain in a position to adjust the Company's equity resources in order to quickly and flexibly meet financial requirements also in future. When utilising this new authorised capital, shareholders are, in principle, entitled to pre-emption rights; however, the Executive Board is to be authorised, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights for specific purposes. However, this option is to be limited to a share volume of 10% of the share capital in aggregate, taking into account all authorisations to disapply pre-emption rights.

The Executive Board and the Supervisory Board therefore propose that the following resolution be passed:

- a) The Executive Board will be authorised, subject to the consent of the Supervisory Board, to increase the Company's share capital once or several times until and including 24 March 2026 by issuing new registered shares against contributions in cash or in kind by an amount not to exceed EUR 417,000,000.00 (in words: Euro four hundred and seventeen million) in total (Authorised Capital 2021/II). Shareholders are, in principle, entitled to pre-emption rights. The pre-emption rights may be granted indirectly in that shares may also be subscribed by one or several credit institutions or equivalent entities as defined in section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders for subscription. However, the Executive Board is authorised, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights to the extent necessary in order to grant holders of bonds with conversion or warrant rights or obligations issued or to be issued by TUI AG or its subsidiaries the pre-emption rights they would be entitled to after exercising the conversion or warrant rights or fulfilling the conversion or warrant obligations. Furthermore, shareholders' pre-emption rights may be disapplied in respect of fractional amounts. In addition, the Executive Board may, with the consent of the Supervisory Board, disapply shareholders' pre-emption rights insofar as the capital increase against contributions in kind is performed in order to acquire companies, parts of companies, interests in companies or other assets (including receivables). However, the total portion of the share capital attributable to new shares for which pre-emption rights have been disapplied under these authorisations must not – together with the portion of the share capital attributable to own shares or new shares from authorised capital or relating to conversion or warrant rights or obligations from bonds that were sold or issued on or after 25 March 2021 subject to the disapplication of pre-emption rights – exceed 10% of the share capital; this threshold is to be calculated on the basis of the amount of the share capital existing either on 25 March 2021 or at the time the new shares are issued, whichever is the lowest. Pre-emption rights will also be deemed disapplied if the sale or issue is effected by applying section 186 (3) sentence 4 AktG directly, analogously or mutatis mutandis. The Executive Board is also authorised, subject to the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation.
- b) New authorised capital in the amount of EUR 417,000,000.00 will be created. To this end, article 4 (7) of the Charter will be restated as follows:

“The Executive Board is authorised, subject to the consent of the Supervisory Board, to increase the Company's share capital once or several times until and including 24 March 2026 by issuing new registered shares against contributions in cash or in kind by an amount not to exceed EUR 417,000,000.00 (in words: Euro four hundred and seventeen million) in total (Authorised

Capital 2021/II). Shareholders are, in principle, entitled to pre-emption rights. The pre-emption rights may be granted indirectly in that shares may also be subscribed by one or several credit institutions or equivalent entities as defined in section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders for subscription. However, the Executive Board is authorised, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights to the extent necessary in order to grant holders of bonds with conversion or warrant rights or obligations issued or to be issued by TUI AG or its subsidiaries the pre-emption rights they would be entitled to after exercising the conversion or warrant rights or fulfilling the conversion or warrant obligations. Furthermore, shareholders' pre-emption rights may be disapplied in respect of fractional amounts. In addition, the Executive Board may, with the consent of the Supervisory Board, disapply shareholders' pre-emption rights insofar as the capital increase against contributions in kind is performed in order to acquire companies, parts of companies, interests in companies or other assets (including receivables). However, the total portion of the share capital attributable to new shares for which pre-emption rights have been disapplied under these authorisations must not – together with the portion of the share capital attributable to own shares or new shares from authorised capital or relating to conversion or warrant rights or obligations from bonds that were sold or issued on or after 25 March 2021 subject to the disapplication of pre-emption rights – exceed 10% of the share capital; this threshold is to be calculated on the basis of the amount of the share capital existing either on 25 March 2021 or at the time the new shares are issued, whichever is the lowest. Pre-emption rights will also be deemed disapplied if the sale or issue is effected by applying section 186 (3) sentence 4 AktG directly, analogously or mutatis mutandis. The Executive Board is also authorised, subject to the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation.”

The report of the Executive Board can be found in Section II. 3. “Regarding item 6 of the agenda (authorised capital of EUR 417,000,000.00)” following this agenda.

7. Resolution on granting a new authorisation of the Executive Board to issue convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) with the option to disapply pre-emption rights pursuant to, inter alia, section 221 (4) and section 186 (3) sentence 4 AktG as well as to create conditional capital (amendment to the Charter)

Under agenda item 8 of the Annual General Meeting on 9 February 2016 the Executive Board was authorised, subject to the consent of the Supervisory Board, to issue convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) (hereinafter collectively referred to as “bonds”). A conditional capital of up to EUR 150,000,000.00 (in words: Euro one hundred and fifty million) was created for this purpose pursuant to article 4 (6) of the Charter. This authorisation was made use of by issuing a bond with warrants to the Economic Stabilisation Fund (*Wirtschaftsstabilisierungsfonds*). In order to ensure that the Company continues to have the necessary flexibility to use this key financing instrument in future, the proposal is made to the General Meeting to resolve on a new authorisation to issue bonds and a new conditional capital. The scope of the proposed new authorisation is to cover an amount of EUR 2,000,000,000.00 (in words: Euro two billion). The Executive Board is also to be authorised to disapply the shareholders' rights to subscribe the bonds. In order to ensure that the proposed authorisation scope can still be used in full in the case of subsequent adjustments in respect of conversion or warrant prices, the new conditional capital to be created, which serves to fulfil conversion or conversion or warrant rights or obligations, will be EUR 109,939,363.00 (in words: Euro one hundred and nine million nine hundred and thirty-nine thousand three hundred and sixty-three), although if pre-emption rights are disapplied in line with section 186 (3) sentence 4 AktG, the shares to be issued to service conversion or conversion or warrant rights or obligations must not exceed 10% of the share

capital either at the time the subsequent new authorisation is resolved or, if lower, at the time it is exercised. At the same time, it is to be ensured that all authorisations on the disapplication of pre-emption rights are limited to a share volume of 10% in aggregate of the share capital.

The Executive Board and the Supervisory Board therefore propose that the following resolution be passed:

- a) Authorisation to issue convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) and to disapply pre-emption rights

aa) Term of authorisation, nominal amount, number of shares, maturity, contribution in kind, currency, issue by Group companies

The Executive Board will be authorised, subject to the consent of the Supervisory Board, to issue registered or bearer convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) (hereinafter collectively referred to as “bonds”) with a total nominal amount of up to EUR 2,000,000,000.00 (in words: Euro two billion) once or several times until and including 24 March 2026 and to grant holders and creditors (hereinafter collectively referred to as “holders”) of the bonds conversion or conversion or warrant rights to Company shares representing a pro rata amount of the share capital of up to EUR 109,939,363.00 (in words: Euro one hundred and nine million nine hundred and thirty-nine thousand three hundred and sixty-three), in accordance with the terms and conditions of the bonds (hereinafter also referred to as the “terms and conditions”) or to attach conversion or warrant obligations to these bonds. The bonds and the conversion or warrant rights and obligations may be issued with or without a fixed maturity. The bonds may also be issued in return for contributions in kind. The bonds may be issued in euros or in another legal currency of an OECD country, provided that the equivalent in euro does not exceed the stipulated amount. The bonds may be issued by downstream Group companies of the Company; in this case, the Executive Board will be authorised, subject to the consent of the Supervisory Board, to assume the guarantee for the bonds on behalf of the Company and to grant or impose conversion or warrant rights or obligations relating to Company shares to or on the holders of these bonds.

bb) Granting and disapplication of pre-emption rights

Shareholders are, in principle, entitled to pre-emption rights in respect of the bonds. Such pre-emption rights may be granted indirectly in that shares may also be subscribed by one or several credit institutions or equivalent entities as defined in section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders for subscription. If bonds are issued by a downstream Group company, the Company must ensure that the statutory pre-emption rights for the Company's shareholders are guaranteed in line with the above. The Executive Board is, however, authorised to disapply shareholders' pre-emption rights to the bonds, subject to the consent of the Supervisory Board, in the following cases;

- in respect of fractional amounts;
- insofar as it is necessary in order to ensure that the holders of bonds that have already been issued are granted pre-emption rights in the scope which would be available to them once these conversion or warrant rights had been exercised or these conversion or warrant obligations fulfilled;
- insofar as bonds with conversion or warrant rights or obligations are issued for cash and the issue price is not substantially lower than the market value of the bonds, although this only applies insofar as the shares to be issued in order to service the

conversion or warrant rights or obligations under the bonds do not exceed 10% of the share capital in total either at the time the authorisation is resolved or at the time it is exercised, if this value is lower. The above authorised volume of 10% of the share capital is to be reduced by the proportion of the share capital represented by shares, or to which conversion or warrant rights or obligations under any bonds relate, which were issued or sold on or after 25 March 2021 subject to the disapplication of pre-emption rights by applying section 186 (3) sentence 4 AktG directly, analogously or mutatis mutandis;

- insofar as they are issued in return for contributions in kind, provided the value of the contributions in kind reasonably reflects the market value of the bonds.

However, the total portion of the share capital attributable to the shares relating to conversion or warrant rights or obligations from bonds which were issued on or after 25 March 2021 subject to the disapplication of pre-emption rights must not – together with the portion of the share capital attributable to own shares or new shares from authorised capital – exceed 10% of the share capital; this threshold is to be calculated on the basis of the amount of the share capital existing either on 25 March 2021 or at the time the bonds are issued, whichever is lower.

Where profit-sharing rights or income bonds without conversion or warrant rights or obligations are issued, the Executive Board is authorised, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights entirely, provided these profit-sharing rights or income bonds according to their terms are similar to debt obligations, i.e. do not represent membership rights in the Company, do not grant a share in any liquidation proceeds and the interest due is not calculated on the basis of the annual net earnings, the net profit or the dividend. Moreover, in this case, the interest due and issue price of the profit-sharing rights or income bonds must reflect the market conditions for comparable debt instruments prevailing at the time of issue.

cc) Conversion right

Where bonds with conversion rights are issued, the holders can convert their bonds into Company shares in line with the terms and conditions. The proportion of the share capital attributable to the shares to be issued upon conversion must not exceed the lower of the nominal amount of the bond and its issue price. The conversion rate is calculated by dividing the nominal amount of a bond by the defined conversion price for a Company share. The conversion rate can also be calculated by dividing the issue price of a bond (if lower than the nominal amount) by the defined conversion price for a Company share. An additional cash payment can also be determined. It is also possible to determine that fractional shares are consolidated and/or settled in cash.

dd) Warrant right

Where bonds with warrants are issued, one or more warrants entitling the holders to subscribe to Company shares in line with the terms and conditions will be attached to each bond. It is possible to specify that fractional shares are consolidated and/or settled in cash. The proportion of the share capital attributable to the shares to be subscribed for each bond must not exceed the lower of the nominal amount of the respective bond and its issue price.

ee) Conversion or warrant obligation

The terms and conditions may also provide for a conversion or warrant obligation at maturity or at another point in time (in each case "final maturity") or for the Company to have the right to grant holders of the bonds on final maturity shares in the Company or another listed company

in place of the whole or part of the payment due. In such cases, the conversion or warrant price for a share may reflect the average closing price of the Company's shares on the Frankfurt Stock Exchange (Xetra trading) or the depositary interests representing the shares at the London Stock Exchange during the ten trading days prior to or following the final maturity date, even if this is lower than the minimum price specified in paragraph ff). Section 9 (1) in conjunction with section 199 (2) AktG must be observed.

ff) Warrant/conversion price, anti-dilution protection

The conversion or warrant price is either (if pre-emption rights are disappplied) at least 60% of the average closing price of the Company's shares on the Frankfurt Stock Exchange (Xetra trading) or the depositary interests representing the shares at the London Stock Exchange during the ten trading days prior to the day on which the resolution on issuing bonds is passed by the Executive Board or (if pre-emption rights are granted) at least 60% of the average closing price of the Company's shares on the Frankfurt Stock Exchange (Xetra trading) or the depositary interests representing the shares at the London Stock Exchange during the subscription period, with the exception of any days in the subscription period that are required in order that the conversion or warrant price can be published on time in accordance with section 186 (2) sentence 2 AktG. If, during the term of the bonds granting or imposing a conversion or warrant right or obligation, the economic value of the existing conversion or warrant rights or obligations is diluted and no pre-emption rights are granted as compensation, the conversion or warrant rights or obligations may, notwithstanding section 9 (1) AktG, be adjusted to maintain their value, to the extent that such adjustment is not already required by mandatory law. The proportion of the share capital attributable to the shares to be subscribed per bond must not, in any case, exceed the lower of the nominal amount per bond and its issue price.

gg) Other possible structures

The terms and conditions of the bonds may in each case specify that the Company has the option, when conversion or warrant rights or obligations are exercised, also to grant new shares from conditional capital, own shares held by the Company or existing shares of another listed company. Moreover, they may also specify that the Company will not grant the holders of conversion or warrant rights Company shares, but will rather pay out the cash value.

hh) Authorisation to determine the further terms and conditions of the bonds

The Executive Board will be authorised, subject to the consent of the Supervisory Board, to define the further details relating to the issue and structure of the bonds, in particular the interest rate, the interest structure, the issue price, maturity, denomination and conversion or warrant period and any variability in the conversion ratio. Where Group companies are to issue the bonds, the Executive Board must also ensure that the corporate bodies of the Group companies issuing the bonds are in agreement.

b) Creation of conditional capital

The share capital is to be conditionally increased by up to EUR 109,939,363.00 (in words: Euro one hundred and nine million nine hundred and thirty-nine thousand three hundred and sixty-three) by issuing up to 109,939.363 new registered shares with dividend rights from the beginning of the financial year in which they were issued. The conditional capital increase allows shares to be granted to holders of convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) with conversion or warrant rights or obligations issued on the basis of the above authorisation, insofar as they were issued for cash.

The new shares will be issued at the conversion or warrant price to be determined on the basis of the above authorisation. The conditional capital increase may only be effected to the extent that conversion or warrant rights under bonds issued for cash are exercised or conversion or warrant obligations under such bonds are fulfilled, providing no other forms of fulfilment are employed when servicing such obligations.

The Executive Board is authorised, subject to the consent of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase.

c) Amendment to the Charter

Article 4 of the Charter is to be supplemented by adding the following paragraph (9):

“The share capital is conditionally increased by up to EUR 109,939,363.00 (in words: Euro one hundred and nine million nine hundred and thirty-nine thousand three hundred and sixty-three) by issuing up to 109,939,363 new registered shares with dividend rights from the beginning of the financial year in which they were issued (Conditional Capital 2021). The conditional capital increase will be effected only to the extent that holders or creditors of convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) with conversion or warrant rights or obligations issued by TUI AG or its Group companies for cash until and including 24 March 2026 on the basis of the authorisation resolved by the General Meeting on 25 March 2021 exercise their conversion or warrant rights or to the extent that conversion or warrant obligations under these bonds are fulfilled and to the extent that no other forms of fulfilment are employed when servicing such obligations. The Executive Board is authorised, subject to the consent of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase.”

The report of the Executive Board can be found in Section II. 4. “Regarding item 7 of the agenda (Regarding item 7 of the agenda (granting of a new authorisation to issue convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof)))” following this agenda.

8. New election of several members of the Supervisory Board

The term of office of all 10 Supervisory Board members representing the employees as well as of four of 10 Supervisory Board members to be elected by the general meeting will end at the close of the Annual General Meeting on 25 March 2021. The term of office of the Supervisory Board members to be newly elected will begin at this time. The term of office of the Supervisory Board members to be elected by the Annual General Meeting will last until the end of the Annual General Meeting that resolves on the approval of the actions of the Supervisory Board for the financial year ending on 30 September 2024, i.e. until expectedly 2025.

In accordance with section 96 (1), section 101 (1) AktG and section 7 (1), sentence 3, sentence 1, no. 3 German Co-Determination Act (MitbestG) in conjunction with Article 11 (1), sentence 1 of the Charter, the Supervisory Board of the Company is comprised of 10 shareholder representatives and 10 employee representatives. When electing shareholder representatives, the Annual General Meeting is not bound by nominations. Pursuant to section 96 (2), sentence 1 AktG, in the case of a supervisory board made up of 20 members, at least six of the seats must be filled by women and at least 6 of the seats must be filled by men. The overall fulfillment pursuant to section 96 (2), sentence 3 AktG, according to which the minimum proportion of 30% women and 30% men is to be fulfilled by the supervisory board as a whole, has not been objected to.

The 10 Supervisory Board members representing the employees were already elected on 8 October 2020.

With regard to the four shareholder representatives on the Supervisory Board to be elected, whose term of office is expiring, the Supervisory Board proposes – based on a corresponding proposal of the Nomination Committee – electing the following persons for the period until the close of the Annual General Meeting that resolves on the approval of actions for the financial year ending on 30 September 2024, whereby the Economic Stabilization Fund was also involved in the election of the candidates under no. 1 and no. 3 as set out in the framework agreement on the grant of stabilization measures between the Company and the Economic Stabilization Fund on 4 January 2021:

1. **Dr Jutta Dönges**, Managing Director of Finanzagentur GmbH, Frankfurt am Main, Germany, resident in Frankfurt am Main, Germany
2. **Prof. Dr Edgar Ernst**, President of the German Financial Reporting Enforcement Panel (FREP), Berlin, Germany, resident in Bonn, Germany
3. **Janina Kugel**, Supervisory Board member & Senior Advisor, Munich, Germany, resident in Unterföhring, Germany
4. **Alexey Mordashov**, Chairman of the Board of Directors of PAO Severstal, Cherepovets, Russia, resident in Moscow, Russia.

It is planned that the Annual General Meeting will be allowed to vote on the nominations on an individual basis.

The nominations take into account the targets determined by the Supervisory Board for its composition, the diversity concept pursued with respect to its composition and aim at fulfilling the profile of required skills and expertise for the entire body.

The Supervisory Board is convinced that, also in the proposed new composition, it will have the knowledge, ability and expert experience required to properly complete its tasks.

Of the candidates for the Supervisory Board, Prof. Dr Ernst – given his many years of professional experience – meets the requirements for a financial expert pursuant to section 100 (5) AktG. The requirements as to a minimum proportion of women and men pursuant to section 96 (2), sentence 1 AktG have also been taken into account.

Information pursuant to section 125 (1), sentence 5 German Stock Corporation Act and pursuant to recommendation C.13 of the German Corporate Governance Code:

Dr Jutta Dönges is a member of the following supervisory boards required by law:

- Commerzbank AG (publicly listed)
- Deutsche Pfandbriefbank AG (publicly listed)

She is a member of other comparable German and foreign supervisory bodies of commercial enterprises:

- FMS Wertmanagement AöR (not publicly listed)

Dr Jutta Dönges is Managing Director of Finanzagentur GmbH and is not considered by the shareholder representatives on the Supervisory Board to be independent according to the German Corporate Governance Code; this also applies with regard to the UK Corporate Governance Code.

Prof. Dr Edgar Ernst is a member of the following supervisory boards required by law:

- Metro AG (publicly listed)
- Vonovia SE (publicly listed)

He is not a member of other comparable German and foreign supervisory bodies of commercial enterprises.

After extensive consultation, the Supervisory Board has decided to nominate Prof. Dr Ernst for reelection to the Supervisory Board even though he is slightly older than the standard retirement age of 68 years adopted for the Supervisory Board of TUI AG. In particular, Prof. Dr Ernst has in-depth knowledge in the areas of accounting and auditing, which is especially important for TUI AG in the present challenging situation. Based on his special expertise, Prof. Dr Ernst is also the Chairman of the Audit Committee and a member of the special committee set up by the Supervisory Board last year to deal with the Federal Government's stabilization measures. Furthermore, the average age of the Supervisory Board members of TUI AG is relatively low, also including Prof. Dr Ernst.

Prof. Dr Ernst has been a member of the Supervisory Board of TUI AG since 9 February 2011. According to the UK Corporate Governance Code, it is an indication of a lack of independence if a member has been on the supervisory board for more than nine years; according to the German Corporate Governance Code, it is an indication of a lack of independence from the management board and the company if a member has been on the supervisory board for more than twelve years. In view of this, the shareholder representatives on the Supervisory Board have taken a close look at how they assess Prof. Dr Ernst's independence. In particular in view of Prof. Dr Ernst's professional career and his work as President of the German Financial Reporting Enforcement Panel, the shareholder representatives have come to the conclusion that Prof. Dr Ernst – also taking into account his membership on the Supervisory Board of TUI AG of over ten years – provides the necessary critical distance from the Executive Board and the Company and therefore consider him to be independent. Prof. Dr Ernst has exhibited his critical distance from the Executive Board and the Company in the past, especially in his position as Chairman of the Audit Committee.

Ms Janina Kugel is a member of the following supervisory boards required by law:

- Pensions-Sicherungs-Verein Versicherungsverein auf Gegenseitigkeit (not publicly listed)

She is a member of other comparable German and foreign supervisory bodies of commercial enterprises:

- Konecranes Plc (publicly listed)

The shareholder representatives consider Ms. Kugel to be independent; this also applies with regard to the UK Corporate Governance Code. Although the Economic Stabilization Fund was also involved in the selection of Ms. Kugel, the Fund is not a controlling shareholder of TUI AG but has instead only made silent contributions that can be converted into shares of TUI AG.

Mr Alexey Mordashov is not a member of supervisory boards required by law. However, he is a member of comparable German and foreign supervisory bodies of commercial enterprises:

- JSC “Power Machines” (not publicly listed)
- JSC “Severstal Management” (not publicly listed)
- Lenta PLC (publicly listed)
- Nord Gold S. E. (not publicly listed)
- PAO “Severstal Management” (publicly listed)

According to his last voting rights notification, Mr Mordashov indirectly holds approx. 30.1% of the voting shares in TUI AG. Based on the Supervisory Board’s assessment, there are otherwise no personal or business relationships with companies of the TUI Group, the governing bodies of TUI AG or any shareholders who directly or indirectly hold more than 10% of the voting shares in TUI AG that must be disclosed according to recommendation C.13. Mr Mordashov continues not to be considered by the shareholder representatives as independent; this also applies with regard to the UK Corporate Governance Code.

Further information on all candidates, in particular their CVs, can be found on the website of the Company at

www.tuigroup.com/en-en/investors/agm

9. Resolution on the approval of the remuneration system for the Executive Board members

The Act Implementing the Second Shareholders’ Rights Directive (“ARUG II”) that entered into force on 1 January 2020 provides for extensive amendments to the Stock Corporation Act in particular with respect to the remuneration of the Executive Board. This includes the fact that pursuant to section 120a (1) AktG the General Meeting is required to adopt a resolution on the approval of the remuneration system for Executive Board members submitted by the Supervisory Board in the case of any material amendment to the system, however at least every four years. The decision of the General Meeting relating to the approval of the remuneration system is understood as a recommendation. A resolution of the General Meeting on the approval of the remuneration system for Executive Board members under the new statutory provisions will be required this year for the first time.

The last time the General Meeting adopted a resolution, with 80.7 % of the votes cast, approving the remuneration system for the Executive Board members that had last been amended by the Supervisory Board in December 2019 was on 11 February 2020. In its substance, this remuneration system implemented the main new statutory requirements for the remuneration of the Executive Board and already took into account individual new recommendations of the draft new version of the German Corporate Governance Code approved on 9 May 2019 by the Government Commission on the German Corporate Governance Code (“GCGC”). The remuneration system for the Executive Board members that was submitted to the Annual General Meeting on 11 February 2020 for approval did not, however, comply with all the, in particular formal, requirements under the new statutory provisions to be applied for the first time in 2021. For that reason, on 26 February 2021 the Supervisory Board resolved a description of the remuneration system that complies with the formal requirements that now apply. Regarding its content, this remuneration system complies with the remuneration system approved on 11 February 2020. In addition, the restrictions on the remuneration of Executive Board members set out in the framework agreement on the grant of stabilization measures that

TUI AG concluded with the Economic Stabilization Fund on 4 January 2021, which replaced the framework agreement of 29 September 2020 apply. The current version of the remuneration system also takes account of the recommendations made in the amended version of the GCGC that only entered into force on 20 March 2020, after the last approval of the remuneration system.

Against this background, the Supervisory Board proposes to the Annual General Meeting to approve the remuneration system for the Executive Board members of TUI AG which can be found in Section III. “Additional information to agenda item 9” following this agenda.

10. Resolution on the remuneration and the remuneration system for the members of the Supervisory Board

The ARUG II also sets out new requirements as to the remuneration for the members of the Supervisory Board. Pursuant to section 113 (3) German Stock Corporation Act, new version, the general meeting of a listed company must resolve on the remuneration for the members of the Supervisory Board at least every four years. A resolution that confirms the existing remuneration is also permissible. The resolution must meet new formal requirements. The remuneration for the Supervisory Board members is currently laid down in Article 18 of the Charter.

Article 18 reads as follows:

“Article 18

- (1) Besides reimbursement of their expenses, which include the revenue tax due on their emoluments, the members of the Supervisory Board receive a fixed remuneration of EUR 90,000.00, payable at the end of the financial year.
- (2) The chairman of the Supervisory Board shall receive three times, and his deputies twice the fixed remuneration specified in paragraph 1.
- (3) For their roles, the members of the presiding committee, the audit committee and the strategy committee shall receive — in addition to the remuneration pursuant to paragraphs (1) and (2) — a further remuneration of EUR 42,000.00, payable after the end of the financial year. The chairman of the audit committee shall receive three times and the chairman of the strategy committee twice this remuneration.
- (4) In all cases the remuneration relates to a full financial year. For parts of a financial year or short financial years the remuneration shall be paid pro-rata temporis.
- (5) The members of the Supervisory Board, the presiding committee, the nomination committee, the audit committee and the strategy committee shall receive fee for attending meetings, irrespective of their form, of EUR 1,000.00 per meeting.
- (6) The members of the Supervisory Board shall be included in a D&O insurance taken out by the Company in a reasonable amount in the interest of the Company. The premium shall be paid by the Company.”

The shareholders of TUI AG last adopted a resolution on the regulations relating to the remuneration for Supervisory Board members at the Annual General Meeting of TUI AG held on 11 February 2020. No changes were made to the substance of those remuneration regulations, simply some editorial updates. The remuneration regulations take into account the recommendations and suggestions set out in the current German Corporate Governance Code

for the remuneration of Supervisory Board members. The new formal requirements applying under ARUG II as to presentation in the form of a remuneration system are therefore to be implemented without any changes to the remuneration.

The Executive Board and the Supervisory Board therefore propose to the Annual General Meeting to confirm the existing remuneration regulations for the members of the Supervisory Board and resolve the remuneration system for the members of the Supervisory Board of TUI AG which can be found in Section IV. “Additional information to agenda item 10” following the agenda.

11. Approval of the remuneration report for the financial year that ended on 30 September 2020 prepared and audited pursuant to section 162 AktG

ARUG II stipulates that, in line with section 162 AktG, new version, the Executive Board and Supervisory Board will in future, among other things, need to prepare an annual remuneration report that must comply with certain requirements. This statutorily mandatory remuneration report will take the place of the previous remuneration report delivered on the basis of a recommendation of the German Corporate Governance Code, as amended on 7 February 2017. The auditor is required to check that the remuneration report within the meaning of section 162 AktG contains all the information required by law and to issue an audit report confirming the same. The remuneration report thus audited by the auditor then needs to be submitted to the Annual General Meeting for approval. The decision of the Annual General Meeting relating to the approval of the remuneration report is understood as a recommendation. In the remuneration report for the current financial year the Executive Board and the Supervisory Board are required to explain how they took account of the Annual General Meeting’s resolution on the approval of the remuneration report for the previous financial year.

According to the transitional provisions, the new provisions of the Stock Corporation Act relating to the remuneration report will be mandatorily applied for the first time to the first financial year beginning after 31 December 2020. On that basis, in principle the first time this would apply would be in 2023, when the remuneration report for the financial year 2022 would need to be submitted to the Annual General Meeting of TUI AG for approval. The Executive Board and the Supervisory Board do however have the option of voluntarily applying the new provisions of the Stock Corporation Act relating to the remuneration report earlier than that. The Executive Board and the Supervisory board are making use of this option. In doing so, they are at the same time complying with a contractual obligation that TUI AG entered into vis-à-vis the Economic Stabilization Fund in the context of the grant of stabilization measures pursuant to the German Stabilization Fund Act. The remuneration report also contains abstract information about the remuneration of the Executive Board, setting out – in purely descriptive form – the principles for calculating the remuneration for the financial year 2020. The information required under section 162 (2) AktG, new version, need only be provided in the remuneration report if the relevant circumstances actually existed at TUI AG in the financial year 2020. The abstract principles contained in the remuneration report are to be seen as distinct from the remuneration system for the Executive Board members set out Section III. “Additional information t agenda item 9” following this agenda.

Against this background, the Executive Board and Supervisory Board propose to the Annual General Meeting to approve the remuneration report which can be found together with the audit report in Section V. “Additional information to agenda item 11” following this agenda.

II. REPORTS OF THE EXECUTIVE BOARD CONCERNING AGENDA ITEMS 5 TO 7

1. General

Whenever the authorisations for carrying out capital measures contained in agenda items 5 to 7 are exercised, shareholders are as a rule to be granted pre-emption rights; however, there should also be an option for shares to be issued or sold for specific purposes subject to the disapplication of pre-emption rights. However, this option is to be limited to a share volume of 10% of the share capital in aggregate, taking into account all authorisations to disapply pre-emption rights for shares and bonds. The amount of share capital relevant for the calculation of this threshold is to be the share capital existing either on 25 March 2021 or at the time the new shares are issued from authorised capital, whichever is the lowest. Pre-emption rights will also be deemed disappplied if the sale or issue is effected by applying section 186 (3) sentence 4 AktG directly, analogously or mutatis mutandis.

The authorisations proposed under agenda items 5 and 7 provide, inter alia, for the option, citing the provisions of section 186 (3) sentence 4 AktG, of increasing TUI AG's share capital or issuing bonds, while in each case disapplying shareholders' pre-emption rights, provided that the relevant statutory limit of 10% of the share capital in aggregate is not exceeded. The Executive Board will, with the consent of the Supervisory Board, exercise any such authorisation based on an application of section 186 (3) sentence 4 AktG only in such a manner as to ensure that the limit specified in section 186 (3) sentence 4 AktG of 10% of the share capital existing at the time the resolutions regarding the authorisations are adopted by the General Meeting is not exceeded in aggregate at any time during the term of the respective authorisation until such time as it is exercised. If the share capital at the time the respective authorisation is exercised is less than that at the time the resolutions were adopted, the lower share capital amount will apply.

Irrespective of whether the authorisations providing for an option to disapply pre-emption rights are exercised separately or cumulatively, the limit of 10% of the share capital must not be exceeded in aggregate when disapplying pre-emption rights pursuant to the rules set out in section 186 (3) sentence 4 AktG. The sole purpose of the proposed authorisations offering the option to disapply pre-emption rights pursuant to section 186 (3) sentence 4 AktG is to provide the Executive Board with the option to use the instrument that is most suitable in a specific situation – taking into consideration the interests of the shareholders and the Company – but not to make multiple use of the various options for a simplified disapplication of pre-emption rights provided in the proposed authorisations, thereby disapplying shareholders' pre-emption rights above and beyond the limit of 10% of the share capital specified in section 186 (3) sentence 4 AktG.

The authorisation proposed under agenda item 6 provides for pre-emption rights to be disappplied insofar as the capital increase against contributions in kind is performed in order to acquire companies, parts of companies, interests in companies or other assets (including receivables). However, the total portion of the share capital attributable to new shares for which pre-emption rights have been disappplied under this authorisation must not – together with the portion of share capital attributable to own shares or new shares from authorised capital or relating to conversion or warrant rights or obligations from bonds that were sold or issued on or after 25 March 2021 subject to the disapplication of pre-emption rights – exceed 10% of the share capital. This threshold is to be calculated on the basis of the amount of share capital existing either on 25 March 2021, i.e. the date on which the resolution was adopted or at the time the new shares are issued or sold, whichever is the lowest. Pre-emption rights will also be deemed disappplied if the sale or issue is effected by applying section 186 (3) sentence 4 AktG directly, analogously or mutatis mutandis. The resolution proposals under agenda items 5 and 7 also provide for corresponding volume restrictions.

2. **Regarding item 5 of the agenda (authorised capital in the amount of EUR 109,939,363.00)**

The authorisation to increase the share capital by EUR 150,000,000.00 according to the resolution under agenda item 6 of the Annual General Meeting on 9 February 2016 expired on 8 February 2021. In order to ensure that the Company will in future be able to adjust the Company's equity resources in order to flexibly meet any arising requirements, it is proposed to replace this authorisation by a new one. Thus, the Executive Board is to be authorised for a period of five years, subject to the consent of the Supervisory Board, to increase the Company's share capital by an amount not to exceed EUR 109,939,363.00. When utilising this authorised capital, pre-emption rights can be disapplied with the consent of the Supervisory Board if the new shares are issued in the context of cash capital increases in accordance with section 186 (3) sentence 4 AktG for an amount that is not significantly lower than the market price. This authorisation puts the company in a position to use market opportunities in its various areas of business quickly and flexibly and, if necessary, to meet resulting capital requirements even at very short notice. The disapplication of pre-emption rights makes it possible not only to act quickly, but also to place the shares at a price close to the market price, in other words without the fairly large discount that is generally necessary in the case of rights issues. This generates greater issue proceeds, to the benefit of the Company. If the authorisation is exercised, the Executive Board will ensure that the discount applied is as low as possible, taking into account the market conditions prevailing at the time of the placement. The discount on the market price at the time of utilisation of this authorised capital will, however, in no case represent more than 5% of the current market price.

The shares issued subject to the disapplication of pre-emption rights in accordance with section 186 (3) sentence 4 AktG must, in aggregate, not exceed 10% of share capital, either on the date of the resolution on this authorisation, or on the date on which it is exercised. If the share capital on the date on which the authorisation is exercised is lower than on 25 March 2021, then the lower share capital value will apply. The sale of own shares is to be taken into account when calculating this limit, provided that it takes place after 25 March 2021 and before the authorisation is exercised subject to the disapplication of pre-emption rights in accordance with section 186 (3) sentence 4 AktG. Further, such shares as are issued or to be issued for servicing bonds with conversion rights or warrants or conversion obligations are also to be taken into account when calculating this limit, provided that the bonds are issued after 25 March 2021 and before the authorisation is exercised under disapplication of pre-emption rights in accordance with section 186 (3) sentence 4 AktG.

This specification also accommodates the need to protect shareholders' equity holdings against dilution, in accordance with the applicable statutory provisions. Due to the limitation placed on the degree of capital increase subject to the disapplication of pre-emption rights, each shareholder in general always has the option to acquire the shares necessary in order to maintain his or her percentage share via the stock exchange on approximately the same terms. Thus, in compliance with the statutory valuation in section 186 (3) sentence 4 AktG, it is ensured that relevant interests relating to shareholding and voting rights remain appropriately protected when this authorised capital is utilised subject to the disapplication of pre-emption rights, and at the same time further scope for action is opened up for the Company, which is in the interests of all shareholders. The option granted to the Executive Board, subject to the consent of the Supervisory Board, to disapply pre-emption rights with regard to fractional amounts facilitates the processing of rights issues where fractional amounts occur as a result of the issue volume, or due to the need for a practicable subscription ratio.

3. Regarding item 6 of the agenda (authorised capital of EUR 417,000,000.00)

The new authorised capital of EUR 417,000,000.00 is proposed so that TUI will also in future be in a position to adjust its equity resources in order to meet the business requirements at any time. The Executive Board sees it as its duty to ensure that the Company – regardless of any specific plans for exercising such authorisation – always has suitable instruments available for the purposes of raising capital. As decisions concerned with meeting capital requirements must generally be taken at short notice, it is important that the Company will not be forced to wait for the next Annual General Meeting to take the relevant steps. German legislation has responded to this requirement by offering the instrument of 'authorised capital'. Authorised capital is most commonly used to strengthen a company's equity base or to finance the acquisition of interests in companies.

When authorised capital is utilised by means of capital increases against contributions in cash, shareholders generally have a pre-emption right. The pre-emption rights may be granted indirectly in that shares may also be subscribed by one or more credit institutions or equivalent entities as defined in section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders for subscription. However, the Executive Board is to be authorised to disapply, subject to the consent of the Supervisory Board, the shareholders' statutory pre-emption rights in certain cases when issuing new shares. Nonetheless, the option to disapply pre-emption rights is to be limited to new shares representing 10% in aggregate of the current share capital. A suitable clause is also to be introduced to ensure, in the interests of the shareholders, that the option to disapply pre-emption rights is limited to 10% in aggregate of the share capital, taking into account all further authorisations to disapply pre-emption rights; this threshold is to be calculated on the basis of the amount of the share capital existing either on 25 March 2021 or at the time the new shares are issued, whichever is the lowest. Pre-emption rights will also be deemed disapplied if the sale or issue is effected by applying section 186 (3) sentence 4 AktG directly, analogously or mutatis mutandis.

It should be possible to disapply pre-emption rights insofar as this is necessary in order to grant holders of existing and future bonds with conversion or warrant rights or obligations pre-emption rights to new shares where the terms of the bonds so provide. Such bonds are generally protected against dilution in that their holders may, in the context of subsequent share issues with shareholders' pre-emption rights, be granted pre-emption rights to new shares they would be entitled to after exercising the conversion or warrant rights or fulfilling the conversion or warrant obligations, instead of being offered a reduction of the conversion or warrant price. The authorisation enables the Executive Board to choose between these two alternatives, after a careful consideration of interests, when utilising the authorised capital in accordance with article 4 (7) of the Charter. The holders of such bonds are thus treated as if they had already exercised their conversion or warrant rights or fulfilled their conversion or warrant obligations. This has the advantage of allowing the Company to secure a higher issue price for the shares to be issued upon a conversion or the exercise of a warrant, which would not be the case if the protection against dilution was realised by reducing the conversion or warrant price.

The Executive Board is also to be authorised, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights in respect of fractional amounts. This allows the authorisation to be exercised using round figures, thereby making an issue easier to handle. The shares that are disapplied from shareholders' pre-emption rights as 'unallotted fractional shares' will be utilised on the best possible terms for the Company either through a sale on the stock exchange or in any other way.

There is also to be an option, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights in the case of capital increases against contributions in kind. In this case, the Executive Board will make use of the authorisation to disapply shareholders'

pre-emption rights only up to a maximum amount of 10% of the share capital; this threshold is to be calculated on the basis of the amount of share capital existing either on 25 March 2021 or at the time the new shares are issued, whichever is the lowest. This allows the Executive Board to use Company shares in suitable individual cases to acquire companies, parts of companies, interests in companies or other assets (such as hotels, ships or aircraft, or receivables). In some cases, shares rather than cash payments are required as consideration for takeovers. The possibility to offer Company shares as consideration thus creates an advantage for the Company in the competition for attractive acquisition targets, and also creates the necessary leeway permitting the Company to take advantage of opportunities that arise with regard to acquiring companies, parts of companies, interests in companies or other assets in such a way as to protect its liquidity. Offering shares can also make sense from the point of view of ensuring an optimum financing structure. The Company does not suffer any disadvantage, as the issue of shares against contributions in kind requires that the value of the contribution in kind be in reasonable proportion to the value of the share.

The Executive Board is also to be authorised to make use of this authorised capital in cases where the Company, for instance, has initially committed to paying for an acquisition in cash, in order to then fully or partially grant Company shares, rather than making the relevant cash payment, to the holders of such (certificated or uncertificated) monetary claims. This provides the Company with additional flexibility.

It is also to be possible to utilise this authorised capital – subject to the disapplication of pre-emption rights – to fulfil conversion or warrant rights or to fulfil conversion obligations under bonds for which the subscribers made contributions in kind rather than in cash. In this way, bonds carrying conversion and/or warrant rights or obligations can be used as currency for the acquisition of companies, parts of companies, interests in companies or other assets, thereby increasing the chances of securing attractive acquisition opportunities. In each individual case, the Executive Board will examine carefully whether it will make use of the authorisation to increase the capital subject to the disapplication of shareholders' pre-emption rights. The Executive Board will only do so if both its members and those of the Supervisory Board consider this to be in the interests of the Company and thus of its shareholders.

The Executive Board will report to the General Meeting on any specific exercise of the proposed authorisation.

4. Regarding item 7 of the agenda (granting of a new authorisation to issue convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof))

The authorisation of the Executive Board of 9 February 2016, subject to the consent of the Supervisory Board, to issue convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) (hereinafter collectively referred to as “bonds”) was made use of by issuing a bond with warrants to the Economic Stabilisation Fund on 1 October 2020.

In order to ensure, in view of the issued bond with warrants and the related use of the existing conditional capital, that the Company continues to have the necessary flexibility to use this important financing tool also in future, it is proposed to the General Meeting to resolve on a new authorisation to issue bonds with a total nominal amount of up to EUR 2,000,000,000.00 and a new conditional capital. This enables the Company to respond flexibly to the market conditions prevailing when a bond is issued and thus, in the interests of the Company and its shareholders, to achieve the best possible financing terms. The conditional capital to be created, which serves to fulfil conversion or warrant rights or obligations resulting from the authorisation, will be EUR 109,939,363.00.

The ability to issue bonds offers TUI AG another option, besides the traditional methods of debt and equity financing, namely to exploit attractive alternative financing instruments available on the capital market depending on the prevailing market conditions and thus to lay the foundations for future business developments. Moreover, the ability to grant conversion or warrant rights or obligations also offers the Company the option to secure as equity at least part of the funds borrowed when issuing bonds.

By issuing bonds, the Company can also borrow capital on attractive terms which, depending on the terms and conditions of the bonds, can be booked as equity or near-equity for the purposes of credit assessments and on balance sheets. The conversion or warrant premiums generated and the qualification as equity boost the Company's capital base and thus enable it to access cheaper financing options. The other options provided for, namely to create conversion or warrant obligations, as well as conversion or warrant rights and to combine convertible bonds, bonds with warrants, profit-sharing rights or income bonds, allows greater room for manoeuvre when developing these financial instruments. Since, in the field of hybrid financing instruments, products with an unlimited term have become established, the authorisation provides for the option to issue bonds with conversion or warrant rights or obligations that do not have a particular term. The authorisation also gives the Company the necessary flexibility to decide whether to issue the bonds itself or to place them with directly or indirectly associated companies. The bonds may be issued in euros or in another legal currency of an OECD country.

In order to be able to make the most of the spectrum of possible capital market instruments that carry conversion or warrant rights or obligations, it would appear appropriate to specify that the permitted issue volume under the proposed new authorisation is limited to a total nominal amount of EUR 2,000,000,000.00 and the conditional capital which serves to fulfil the conversion or warrant rights or obligations is EUR 109,939,363.00. This ensures that the scope of this authorisation can be exploited in full. The number of shares required to fulfil any conversion or warrant rights or obligations under a bond with a particular issue volume generally depends on the market price of TUI shares when the bond is issued. Having sufficient conditional capital available ensures that it is possible to exploit the full scope of the authorisation for issuing convertible bonds or bonds with warrants.

Shareholders must, as a rule, be granted pre-emption rights where convertible bonds, bonds with warrants, profit-sharing rights or income bonds are issued.

Where convertible bonds or bonds with warrants (or profit-sharing rights or income bonds) with conversion or warrant rights or obligations are issued, the Executive Board, in line with section 186 (3) sentence 4 AktG, is to be authorised to disapply shareholders' pre-emption rights, subject to the consent of the Supervisory Board, provided the issue price of the bonds is not substantially lower than their market value. This may be useful in order to be able to respond quickly to favourable market conditions and to be in a position to fast and flexibly place a bond with attractive terms on the market. Stock and credit markets are volatile. It is thus imperative that the Executive Board can react to market developments as quickly as possible when issuing bonds in order to ensure the best possible result. Favourable conditions that are as close-to-market as possible can generally only be achieved if the Company is not bound to them for too long an offer period. In the case of rights issues, it is as a rule necessary to take a not insubstantial haircut in order to ensure the sustained attractiveness of the terms and thus the issue's success prospects for the entire offer period. Although section 186 (2) AktG permits that the subscription price (and thus, in the event of bonds with conversion or warrant rights or obligations, the terms and conditions of these bonds) be published up to three days before the end of the subscription period, the volatility of the stock and credit markets means that a certain market risk then exists over several days, which makes haircuts necessary when defining the terms and conditions, which are thus no longer close-to-market. Moreover, if the Company

were to grant the shareholders pre-emption rights, it would be more difficult to achieve an alternative placement with third parties or this would generate additional expense, owing to the uncertainty as to whether or not shareholders will actually exercise their pre-emption rights (subscription behaviour). Finally, if the Company grants pre-emption rights it cannot respond quickly to changes in market conditions due to the length of the subscription period, and this in turn can mean that the Company is forced to accept less favourable conditions when raising capital.

The fact that the bonds are issued at a price that is not substantially lower than the market value ensures that shareholders' interests are protected. The market value must be calculated. When setting the price, the Executive Board will take account of the prevailing capital market conditions and endeavour to keep the difference between the issue price and market value as low as possible. This ensures that the hypothetical market value of the pre-emption rights would be close to zero, and that the shareholders would not suffer any significant financial disadvantage as a result of their pre-emption rights being disapplied. Irrespective of the foregoing, a stipulation of close-to-market terms, and thus the avoidance of any significant dilution of value, is ensured if a bookbuilding process is conducted. In this process, the bonds are priced on the basis of the purchase orders submitted by investors, which results in a determination of a total value of the bonds that is close-to-market. All of this ensures that the value of the Company's shares is protected against significant dilution as a result of the disapplication of pre-emption rights. The shareholders are also able to maintain the proportion of their holdings in the Company's share capital by purchasing bonds via the stock exchange on almost equal terms, thus ensuring that their financial interests have been adequately taken into account.

The authorisation to disapply pre-emption rights pursuant to section 186 (3) sentence 4 AktG applies only to bonds carrying rights to shares representing a proportion of the share capital that does not exceed 10% in total either at the time the authorisation is resolved or at the time it is exercised, if this value is lower. The above authorised volume of 10% of the share capital is to be reduced by the proportion of share capital represented by shares, or to which conversion or warrant rights or obligations under any bonds relate, which were issued or sold on or after 25 March 2021 subject to the disapplication of pre-emption rights by applying section 186 (3) sentence 4 AktG directly, analogously or mutatis mutandis. This reduction is effected in the interests of the shareholders to ensure that their shareholding is subject to as little dilution as possible.

Where profit-sharing rights or income bonds without conversion or warrant rights or obligations are to be issued, the Executive Board is authorised, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights entirely, provided these profit-sharing rights or income bonds according to their terms are similar to debt obligations, i.e. do not represent membership rights in the Company, do not grant a share in any liquidation proceeds and the interest due is not calculated on the basis of the annual net earnings, the net profit or the dividend. Moreover, in this case, the interest due and issue price of the profit-sharing rights or income bonds must reflect the market conditions for comparable debt instruments prevailing at the time of issue. If the above requirements are met, the disapplication of pre-emption rights does not place the shareholders at a disadvantage, since the profit-sharing rights or income bonds do not represent membership rights and do not grant a share in any liquidation proceeds or in profits generated by the Company. While the bonds may provide for any interest payable to be subject to annual net earnings, net profit or a dividend being generated, it would not be permissible for higher net earnings, higher net profit or a higher dividend to generate higher interest. The issue of profit-sharing rights or income bonds therefore neither changes nor dilutes the shareholders' voting rights nor their participation in the Company and its profits. Moreover,

the binding requirement that, where pre-emption rights are disapplied, the bonds are issued on fair market terms ensures that pre-emption rights have no significant value.

The above options for disapplying pre-emption rights will give the Company the flexibility to respond quickly and exploit favourable capital market situations and put it in a position to respond flexibly and quickly to secure low interest and/or favourable demand for a bond issue. Disapplying pre-emption rights, and thus eliminating the lead time, brings decisive advantages, both in view of the costs of raising capital and in view of the placement risk as compared to bonds with pre-emption rights. Where pre-emption rights are disapplied, the haircut and the placement risk, which would otherwise apply, can be reduced, thus enabling the Company to raise capital more cheaply, which is in its own interests and those of its shareholders. Where bonds with conversion or warrant rights or obligations are issued with pre-emption rights disapplied, the conversion or warrant price for a share is at least 60% of the average price of TUI shares on the Frankfurt Stock Exchange (Xetra trading) or the depositary interests representing the shares at the London Stock Exchange during the ten trading days prior to the day on which the resolution on issuing bonds is passed by the Executive Board. Insofar as shareholders have pre-emption rights in respect of the bonds, it is also possible to define the conversion or warrant price for a share on the basis of the average price of the Company's shares on the Frankfurt Stock Exchange (Xetra trading) or the depositary interests representing the shares at the London Stock Exchange during the subscription period, with the exception of any days in the subscription period that are required in order that the conversion or warrant price can be published on time in accordance with section 186 (2) sentence 2 AktG, although this price must also be at least 60% of the average price of TUI shares on the Frankfurt Stock Exchange (Xetra trading) or the depositary interests representing the shares at the London Stock Exchange.

The Executive Board is also authorised, subject to the consent of the Supervisory Board, to disapply pre-emption rights in respect of fractional amounts. Such fractional amounts may result from the amount of the respective issue volume and from ensuring a practicable subscription ratio. The bonds representing fractional shares subject to the disapplication of shareholders' pre-emption rights will be realised either by sale on the stock exchange or by other means in the best interests of the Company. In this case, disapplying pre-emption rights facilitates the processing of the capital increase.

The Executive Board is also to have the option to disapply shareholders' pre-emption rights, subject to the consent of the Supervisory Board, in order to grant the holders of bonds with conversion or warrant rights or obligations pre-emption rights to the extent they would be entitled to such rights after exercising their conversion or warrant rights or once their conversion or warrant option obligations have been fulfilled. This means that it is possible to grant holders of conversion or warrant rights or obligations already existing at the time pre-emption rights as a form of anti-dilution protection, rather than having to reduce the conversion or warrant price. Furnishing bonds with such anti-dilution protection is standard market practice.

Bonds may also be issued in return for contributions in kind, insofar as this is in the interests of the Company. In this case, the Executive Board is authorised, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights, provided the value of the contributions in kind reasonably reflects the market value of the bonds. This in turn makes it possible to grant bonds as consideration for acquisitions in appropriate individual cases, for instance when purchasing companies, parts of companies, interests in companies or other assets (such as hotels, ships or aircraft). In such cases, it may prove necessary during negotiations that a form of consideration other than cash is offered. The option to offer bonds as consideration thus offers a competitive edge in respect of interesting acquisitions as well as the necessary

leeway to exploit opportunities for acquiring companies, parts of companies, interests in companies or other assets while protecting the Company's own liquidity. This may also prove useful in view of achieving an optimum financing structure. The Executive Board will in each case carefully consider whether or not to use its authorisation to issue convertible bonds or bonds with warrants (or profit-sharing rights or income bonds) in return for contributions in kind while disapplying pre-emption rights. It will only exercise this authorisation if it is in the interests of the Company and thus of its shareholders.

The proposed new conditional capital is designed to service the conversion or warrant rights or to fulfil the conversion or warrant obligations relating to Company shares attached to convertible bonds, bonds with warrants, profit-sharing rights or income bonds, insofar as these bonds were issued for cash. Other forms of fulfilment may be used in place of the above.

Conversion or warrant rights or obligations under bonds issued in return for contributions in kind, however, cannot be serviced from the new conditional capital.

III. ADDITIONAL INFORMATION TO AGENDA ITEM 9

Remuneration system for the members of the Executive Board of TUI AG

A. KEY FEATURES OF THE REMUNERATION SYSTEM FOR THE MEMBERS OF THE EXECUTIVE BOARD OF TUI AG

The remuneration of the members of the Executive Board is intended to promote TUI AG's company strategy and the implementation thereof. Beyond that, it is intended as a contribution to long-term sustainable development by defining performance criteria relating to the company's long-term and sustainable success and associating these criteria with challenging annual and long-term targets. The remuneration system creates incentives that are congruent with and promote this company strategy:

The annual performance-based remuneration ("JEV") is geared toward the economic performance targets of Earnings Before Taxes and Interest ("EBIT") and Free Cash Flow before Dividends ("cash flow") and takes into account the individual performance of the members of the Executive Board by applying an individual performance factor. The individual performance factor is also geared toward sustainability targets (Environmental, Social and Governance, "ESG targets"). The JEV is intended to motivate members of the Executive Board to achieve ambitious and challenging financial, operational and strategic targets throughout the financial year. The targets are reflective of the company strategy and aimed at increasing corporate value. The link to the currency-adjusted EBIT makes it possible to measure the actual management performance without distortion from currency-induced translation effects.

To ensure that the remuneration of the members of the Executive Board is aligned toward the long-term development of TUI AG, long-term variable remuneration is an essential part of the members' total remuneration. Long-term variable remuneration is provided on the basis of virtual shares with a four-year performance reference period. The economic performance target is the development of the Earnings per Share ("EPS") of TUI AG during the performance reference period. In addition, the amount payable depends on the development of the TUI AG share price during the performance reference period. The long-term objective is to increase corporate and shareholder value by defining ambitious goals that are closely linked to the company's earnings, share price performance and dividends.

The system of remuneration for the members of the Executive Board is transparent and clear by design. It conforms to the specifications of the German Stock Corporation Act (AktG) in the version thereof promulgated in the Act Implementing the Second Shareholder Rights Directive (ARUG II) of 12 December 2019 (German Federal Law Gazette (BGBl. Part I 2019, No. 50, of 19 December 2019) and takes account of the recommendations of the German Corporate Governance Code (DCGK) in the version thereof that entered into force on 20 March 2020.

The remuneration system applies to all current and future members of the Executive Board of TUI AG.

While stabilisation measures provided by the German Economic Stabilisation Fund are being utilised, the remuneration system applies in a modified form in order to comply with the remuneration specifications that were agreed with the German Economic Stabilisation Fund (on this point, see B.I.2).

B. THE REMUNERATION SYSTEM: SPECIFICS

I. Remuneration components

1. Overview of remuneration components and their relative shares of remuneration

The remuneration of the members of the Executive Board comprises fixed and variable components. In principle, the fixed components of the remuneration of the members of the Executive Board are the monthly salary payments (“fixed remuneration”), fringe benefits and the company pension scheme. The variable components are the annual performance-based remuneration (“JEV”), which has a one-year performance reference period, and the Long-Term Incentive Plan (“LTIP”), for which the performance reference period is four years.

Remuneration component	Assessment basis / parameter	
Fixed remuneration components		
Fixed remuneration	As of the end of each month	
Fringe benefits	In particular: <ul style="list-style-type: none"> - Personal use of the company car, including driver, to a reasonable extent including for personal purposes; alternatively, monthly car allowance currently amounting to EUR 1,500 gross - Allowance towards health and long-term care insurance - Accident insurance - Financial liability insurance policy (“D&O insurance”) 	
Company pension scheme	<ul style="list-style-type: none"> - Alternative 1: Fixed annual pension payment - Alternative 2: Pension commitments relating to retirement, occupational disability and surviving dependants’ benefits <ul style="list-style-type: none"> - In principle upon reaching the age of 63 years - Defined contribution benefit commitment 	
Variable remuneration components		
Annual performance-based remuneration	Plan type:	Target bonus
	Limit:	216% of the target amount
	Performance criteria:	<ul style="list-style-type: none"> - EBIT (75%) - Cash flow (25%) - Individual performance factor
	Performance reference period:	The relevant financial year
	Payment:	In cash in the month of the approval and audit of the consolidated accounts of the TUI Group for the relevant financial year.

Remuneration component	Assessment basis / parameter	
Long-Term Incentive Plan (LTIP)	Plan type:	Performance Share Plan
	Limit:	240% of the target amount
	Performance criterion:	EPS (100%)
	Performance reference period:	Four years, forward-looking
	Payment:	In cash in the month of the approval and audit of the consolidated accounts of the TUI Group for the last year of the performance reference period.

On the basis of the remuneration system, the Supervisory Board establishes a concrete target total remuneration for each member of the Executive Board that is reasonably proportionate to that member's tasks and performance and the company's situation and does not exceed the customary remuneration without special reason. The target total remuneration is composed of the sum of the remuneration components that determine the total remuneration. The total remuneration includes the fixed remuneration, JEV and LTIP, along with the fringe benefits and the service costs incurred for the company pension scheme. For the JEV and LTIP, the target amount is taken as the basis at 100% achievement of the target in each case. The table below illustrates the relative shares of the fixed and variable remuneration components with reference to the target total remuneration.

	Fixed remuneration (in principle, fixed remuneration + fringe benefits + company pension scheme)	Variable remuneration	
		JEV	LTIP
CEO	approx. 30–40%	approx. 20–30%	approx. 35–45%
Members of the Executive Board	approx. 35–50%	approx. 15–25%	approx. 30–45%

For the CEO, the fixed remuneration (fixed remuneration, fringe benefits and costs of the company pension scheme) currently amounts to approximately 36% of the target total remuneration, and the variable remuneration amounts to approximately 64% thereof. Thereby, the share of JEV (target amount) in the target total remuneration is approximately 26% and the share of LTIP (target amount) in the target total remuneration is approximately 38%.

For the members of the Executive Board, the fixed remuneration (fixed remuneration, fringe benefits and costs of the company pension scheme) currently amounts to approximately 40–45% of the target total remuneration, and the variable remuneration amounts to approximately 55–60% thereof. Thereby, the share of JEV (target amount) in the target total remuneration is approximately 21–22% and the share of LTIP (target amount) in the target total remuneration is approximately 34–39%.

The stated percentages may vary for future financial years based on the development of service costs within the scope of the company pension scheme and/or the cost of the contractually promised fringe benefits and for potential appointments of new members.

2. Special agreements relating to remuneration during the period while stabilisation measures are being utilised

On 29 September 2020 TUI AG concluded a framework agreement with the German Economic Stabilisation Fund concerning the grant of stabilisation measures ("Framework Agreement I"), which stipulates various requirements for the remuneration of the members of the Executive Board during the utilisation of stabilisation measures. TUI AG has agreed corresponding amendments to the service agreements of all members of the Executive Board that bring the benefits generally agreed under the remuneration system in line with the restrictions on remuneration agreed with the economic stabilisation fund.

On 4 January 2021 TUI AG concluded a second framework agreement with the German Economic Stabilisation Fund on the grant of stabilisation measures ("Framework Agreement II"), which replaces Framework Agreement I and, compared with Framework Agreement I, sets out amended requirements for the remuneration of the members of the Executive Board during the utilisation of stabilisation measures. Framework Agreement II provides that the members of the Executive Board must not be granted bonuses or other variable or comparable remuneration components, nor may these be established subsequently, as long as TUI AG is utilising the overall stabilisation measures provided by the fund (taking account of any Group earnings in the case of double employment, including at a Group company that is not a principal Group company). Special payments in the form of share packages, gratuities or other special forms of remuneration alongside the fixed remuneration, other remuneration components and benefits conferred at the discretion of TUI AG or settlements that are not required by law must not be granted either, nor may these be established subsequently. Until such time as at least 75% of the sum of Silent Participations I and II (including coupons and any additional remuneration), the bonds and the shares to be acquired by the fund under the terms of Framework Agreement II have been repaid or sold, the members of the Executive Board of TUI AG will not receive any basic remuneration (taking account of any Group earnings in the case of double employment, including at a Group company that is not a principal Group company) in excess of these members' basic remuneration as at 31 December 2019, nor may such remuneration be established subsequently. For members of the Executive Board who had not yet been appointed to this role by 31 December 2019, the basic remuneration is capped at the basic remuneration of members of the Executive Board on the same level of responsibility as at 31 December 2019.

To fulfil these remuneration stipulations, TUI AG and all members of the Executive Board have agreed on relevant amendments to these members' service agreements. These amendments were agreed to implement the remuneration specifications of Framework Agreement II.

As long as these remuneration restrictions are in place, the remuneration provisions discussed in detail apply only to the extent that they are unaffected by the restrictions.

3. Fixed remuneration components

3.1 Fixed remuneration

The members of the Executive Board receive fixed remuneration. The fixed remuneration is paid in twelve equal instalments at the end of each month. If the service agreement begins or ends in the course of the financial year relevant for payment of the remuneration, the fixed annual remuneration will be paid pro rata for that year.

3.2 Company pension scheme

For the purposes of the company pension scheme, TUI AG grants members of the Executive Board in principle a **fixed annual pension payment** in cash. This payment is paid to members of the Executive Board once annually, in addition to the fixed remuneration. These members of the Executive Board can make their own pension using the pension payment. No further payments towards a company pension scheme are granted.

In the past, TUI AG has made a **pension commitment** to members of the Executive Board for retirement, occupational disability and surviving dependants' benefits, under which TUI AG credits an annual pension contribution in a contractually stipulated amount to a pension account as in the case of a defined contribution benefit commitment. The contributions credited to the pension account, which bear interest at a maximum of five percentage points, form the pension capital available in the event of pension eligibility. The normal retirement date for the retirement pension is the first day of the month after the person reaches the age of 63 years. The retirement date stipulated under older agreements was earlier. TUI AG is entitled to continue this pension commitment if the appointment of a member of the Executive Board is extended. This type of pension commitment is currently in place with members of the Executive Board Mr Joussen, Dr Eller, Mr Ebel and Mr Rosenberger.

3.3 Fringe benefits

The Supervisory Board of TUI AG is permitted to undertake contractual obligations to provide fringe benefits to the members of the Executive Board. These are currently, for example, the following benefits:

- a) In principle, TUI AG provides members of the Executive Board with a company car with driver that the member is permitted to use to a reasonable extent, including for personal purposes. Alternatively, members of the Executive Board can choose to receive a monthly car allowance currently amounting to EUR 1,500 gross.
- b) In addition, the members of the Executive Board receive typical fringe benefits such as allowances towards health and long-term care insurance. TUI AG has also taken out accident insurance for them. Different arrangements may be agreed with members of the Executive Board whose registered office (or one of their registered offices) is located in a different country with an eye to the insurance permitted and/or required under that country's laws. Special rules currently apply to Mr Burling, a member of the Executive Board.
- c) TUI AG takes out appropriate D&O insurance for the members of the Executive Board in the event that civil claims relating to financial losses are asserted against one or more members of the Executive Board by a third party or by TUI AG based on statutory liability provisions due to violations of duties committed in the exercise of their activities.

To the extent that further fringe benefits have been contractually promised to current members of the Executive Board, the Supervisory Board is also entitled to grant these fringe benefits in the event that the contract is extended. These kinds of fringe benefits include in particular cost reimbursements and discounts for travel/flights offered as part of the regularly scheduled services of a provider in which TUI AG holds a majority participation.

4. Variable remuneration components

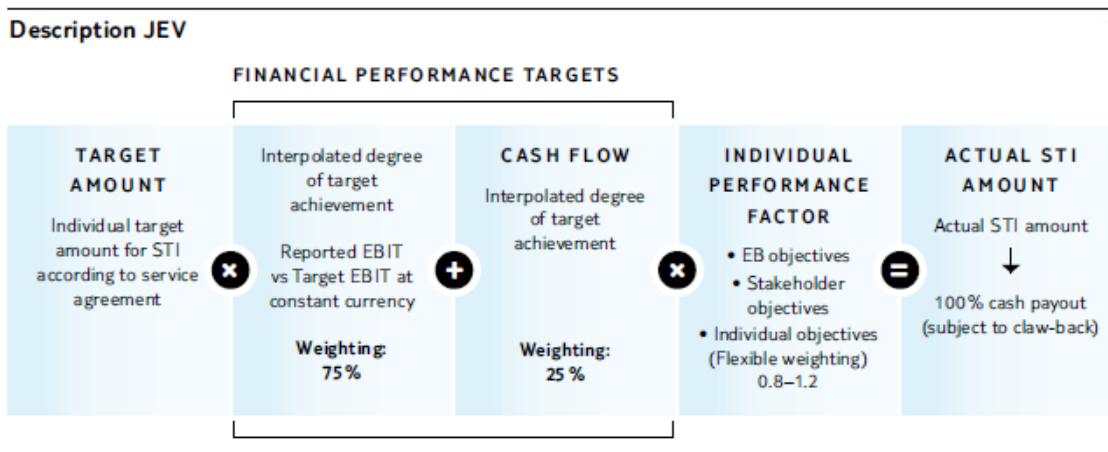
This section describes the variable remuneration components in detail. It clarifies the connection between achievement of the performance criteria and the amounts payable based on

the variable remuneration. It also explains in what form and when the members of the Executive Board can utilise the variable remuneration amounts granted.

4.1 Annual performance-based remuneration (“JEV”)

The JEV is a performance-based target bonus. It is calculated on the basis of two group performance indicators and an individual performance factor which is based on the individual performance of the member of the Executive Board, the performance of the overall Executive Board and the achievement of stakeholder targets. The performance period is the financial year of TUI AG. The JEV is intended to motivate members of the Executive Board to achieve ambitious and challenging financial, operational and strategic targets throughout the financial year. The targets are reflective of the company strategy and aimed at increasing corporate value.

The JEV is calculated based on the degree of target achievement (determined based on the weighted average of target achievement for the relevant group performance indicators as a percentage), multiplied by an individual performance factor and the individual target amount agreed in the service agreement.



An individual target amount is agreed for each member of the Executive Board in their service agreement. The relevant group performance indicators are Earnings before Taxes and Interest (“EBIT”) on a constant currency basis and Free Cash Flow before Dividends (“cash flow”). The target values for the one-year performance reference period for the EBIT and cash flow are set by the Supervisory Board for the respective financial year. EBIT is weighted at 75% and cash flow at 25%.

These group performance indicators are defined as follows:

- EBIT is the audited consolidated result for the TUI Group before interest and taxes on earnings, on a constant currency basis.
- The group performance indicator cash flow is a so-called free cash flow before dividends determined for the purpose of calculating the remuneration of the Executive Board. Authoritative are the values shown in the approved and audited consolidated accounts of the TUI Group for the respective financial year. Where a value that is material to the determination of a group performance indicator is not itself reported in the approved and audited consolidated accounts, the value is determined by TUI AG and checked for accuracy by a German public auditor.

For the achievement of targets relating to the group performance indicators, the actual result (EBIT actual value or cash flow actual value, as the case may be) is compared in each case against the relevant target values to identify the deviation between them as a percentage. For EBIT as a group performance indicator, this involves finding the quotient (as a percentage) between the EBIT actual value and the EBIT target value. The target achievement for the cash flow is based on the deviation from a target cash flow value, whereby the deviation in percent of the budgeted EBIT on budget rates for the respective financial year is calculated.

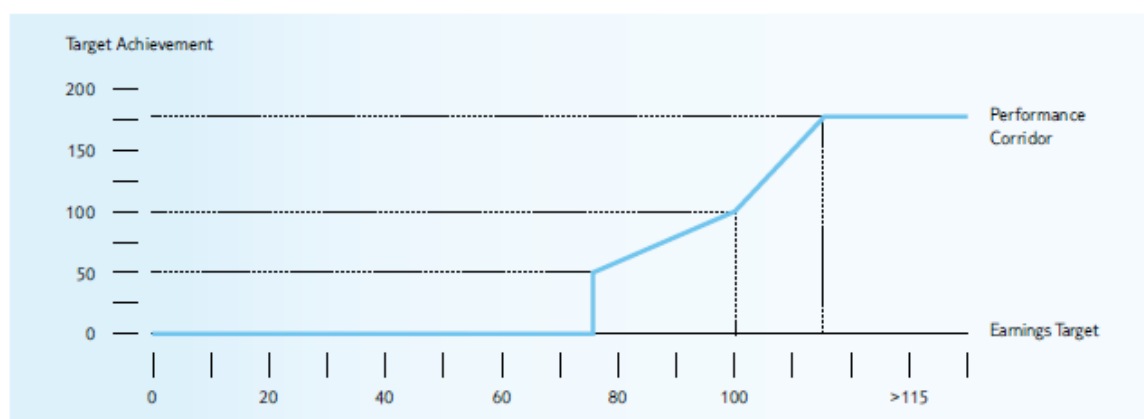
A threshold, target value and maximum value are set for target achievement in each case. If the threshold is not reached, the target achievement is 0%. If the threshold is reached, the target achievement is 50%. If the target value is reached, the target achievement is 100%. If the maximum value is reached or exceeded, the target achievement is 180%. Target achievement is determined through linear interpolation in each case between the threshold and target value and between the target value and maximum value. Target achievement is rounded to two decimal places, as is customary in commercial practice.

The following applies to EBIT as a group performance indicator:

- The EBIT component of the JEV must reach a threshold of at least 75% of the earnings target (on a constant currency basis) (equals target achievement of 50%) in order to be relevant for bonus purposes.
- The achievement of an earnings target of 100% equals a target achievement of 100%.
- Anything in excess of 115% (on a constant currency basis) of the earnings target (corresponds to a target achievement of 180%) is not included.

Performance Corridor EBIT

in %



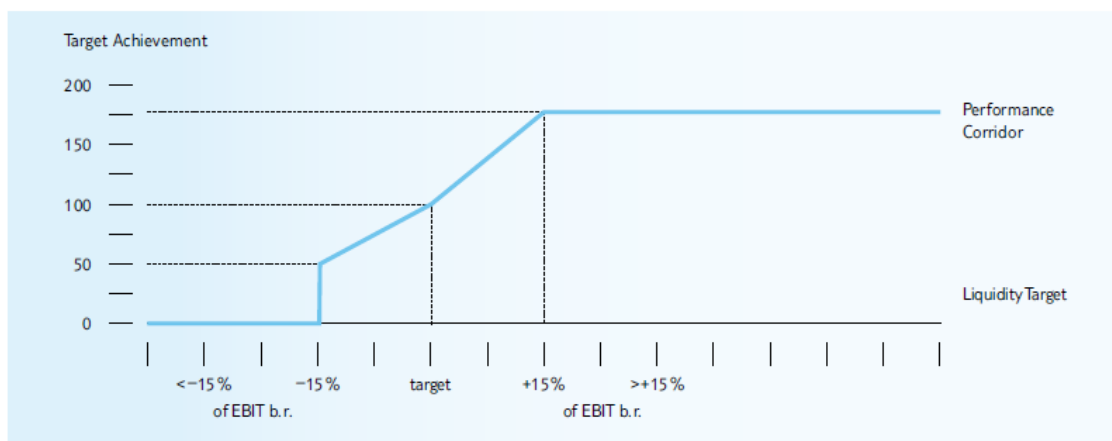
The following applies to cash flow as a group performance indicator:

- The cash flow component of the JEV can deviate from the target cash flow value by -15% (threshold) of the budgeted EBIT on budget rates (corresponds to a target achievement of 50%), in order to be relevant for bonus purposes.
- A deviation of 0% (target value) from the target cash flow value equals a target achievement of 100%.

- Anything in excess of a positive deviation from the target cash flow value of 15% (maximum value) of the budgeted EBIT on budget rates (corresponds to a target achievement of 180%) is not included.

Performance Corridor Cash Flow to the Firm

in %



The JEV also depends on an individual performance factor. The Supervisory Board shall determine the individual performance factor for the JEV (0.8 to 1.2) for each Executive Board member based on the achievement of three target categories: In addition to individual performance targets, this includes targets for the overall performance of the Executive Board and stakeholder targets. Health, safety and environmental targets can be established in particular as success criteria for stakeholder targets. In these cases, the Supervisory Board takes care to ensure in particular that the individual performance factor is geared toward sustainability criteria, taking account of ESG targets accordingly. The Supervisory Board determines the targets based on these three categories and how they are weighted in relation to each other for each member of the Executive Board for each financial year.

After the end of the financial year, the Supervisory Board determines the target achievement and calculates the amount payable for the JEV. The Supervisory Board reviews whether the calculated amount payable should be reduced based on malus rules (on this point, see 4.3). The amount payable will be paid out in the month of the approval and audit of the consolidated accounts of the TUI Group for the relevant financial year. The amount payable based on the JEV is capped at a maximum of 216% of the target amount.

In case of extraordinary events or developments, the Supervisory Board shall have the right to adjust the terms of the JEV at its due discretion. This allows for special situations that were not sufficiently factored into the targets previously set to be taken into account. In these cases, the Supervisory Board is also entitled to increase or reduce the amount payable to which a member of the Executive Board would be entitled when an extraordinary event or development is taken into account to the amount to which that member would be entitled if the extraordinary event or development were not taken into account. Moreover, in accordance with section 87 (1) sentence 3 clause 2 German Stock Corporation Act, the Supervisory Board is entitled to limit the amount of the JEV to allow for extraordinary circumstances.

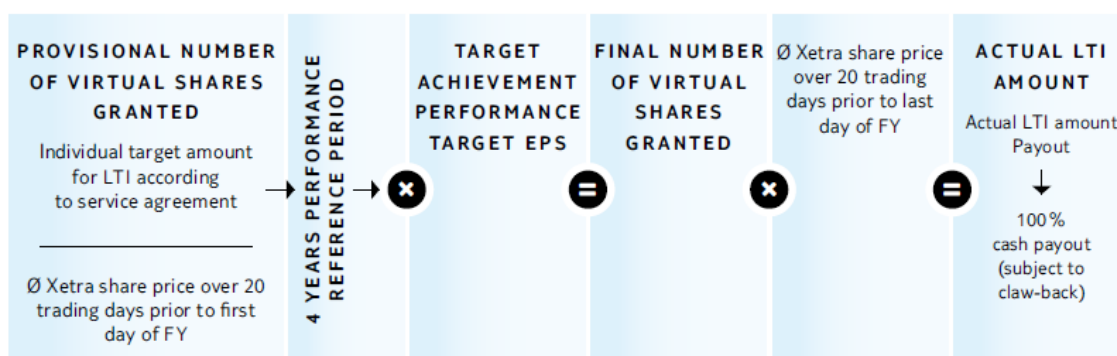
If a member's employment starts or ends during a financial year in progress, the target amount is reduced on a pro rata basis. The same applies to the limitation of the amount payable based on the JEV. In the case of a bad leaver, the claim to the JEV for the performance reference period in question is forfeited and no alternative remuneration or compensation is paid. A bad

leaver case is deemed to exist if the member's service agreement is terminated by the company by way of extraordinary termination before the end of the one-year performance reference period for good cause for which the beneficiary is responsible or is terminated by the beneficiary without good cause.

4.2 Long-Term Incentive Plan ("LTIP")

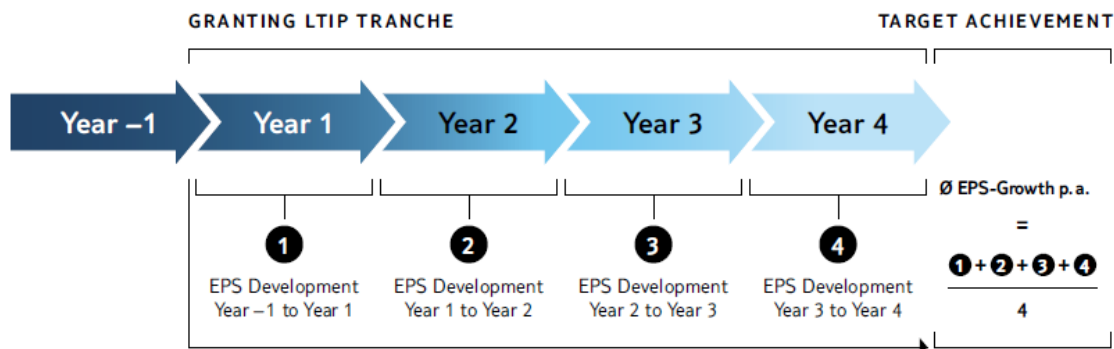
The LTIP is a several-year variable remuneration based on virtual shares with a four-year performance reference period.

Description LTIP



An individual target amount is agreed in the service agreement for each member of the Executive Board. For each financial year, a provisional number of virtual shares in TUI AG is granted to the members of the Executive Board at the start of the financial year, meaning 1 October of each year ("financial year of grant"). The period for measuring the performance targets ends on 30 September of the third financial year following the financial year of grant ("performance reference period"). This number of virtual shares will constitute the basis for the determination of the final performance-based payment for the tranche in question at the end of the respective performance reference period. The number of virtual shares provisionally granted is calculated based on the quotient of the target amount individually agreed in the service agreement and the average XETRA price of TUI AG shares (WKN: TUAG00) over the 20 trading days prior to the first day of the performance reference period. The claim to a payment only arises upon expiry of the four-year performance reference period and depends on whether or not the respective performance target is achieved.

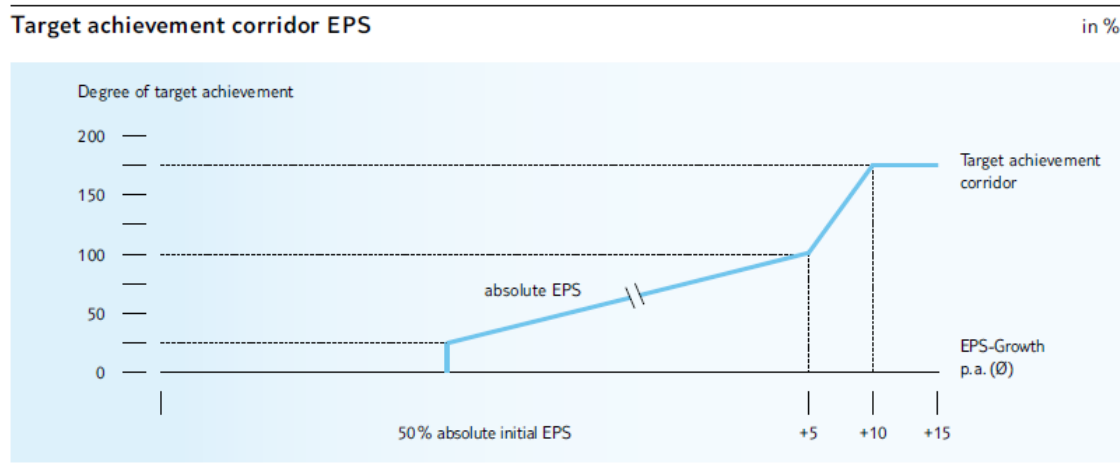
The relevant performance target is the average development of the EPS of TUI AG. The average development of the EPS of TUI AG over the four-year performance reference period is calculated on the basis of four equally weighted annual amounts (in percent). The EPS is defined as the pro forma underlying earnings per share from continuing operations as reported in the approved and audited consolidated accounts of the TUI Group. An annual amount is in each case calculated as the ratio of the EPS published for the relevant financial year of the performance reference period and the EPS published for the relevant previous year.



The degree of target achievement (percent) is determined based on the average annual development of the EPS on the basis of the annual values (in percent). In addition to the development of the EPS, a threshold determined on the basis of absolute EPS values must be exceeded. The following rules apply:

- An average absolute EPS value of less than 50% of the absolute initial EPS value corresponds to a target achievement of 0%.
- An average absolute EPS value of 50% of the absolute initial EPS value corresponds to a target achievement of 25%.
- An average EPS value of 50% or more of the absolute initial EPS value up to an average increase p.a. of 5% corresponds to a target achievement of 25% to 100%.
- An average increase p.a. of 5% corresponds to a target achievement of 100%.
- An average increase p.a. of 5% to 10% corresponds to a target achievement of 100% to 175%.
- An average increase p.a. of more than 10% corresponds to a target achievement of 175%.

In the event of an average absolute EPS of 50% or more of the absolute initial EPS up to an average increase p.a. of 5%, linear interpolation will be used to determine the target achievement between 25% and 100%, and in the event of an average increase p.a. between 5% and 10% or more, linear interpolation will be used to determine the target achievement between 100% and 175%. Target achievement will be rounded to two decimal figures, as is customary in commercial practice.



Deviating from the above rules, if the previous year's EPS is below € 0.50 the Supervisory Board will, for each subsequent financial year within the performance reference period, redefine absolute target values for the EPS as well as minimum and maximum values for determining the percentage target achievement.

To determine the final number of virtual shares, the degree of target achievement as at the date of the expiry of the performance reference period is multiplied by the provisional number of virtual shares. The payout is obtained by multiplying the final number of virtual shares by the average Xetra price of TUI AG shares over the last 20 trading days of in the respective performance reference period. The Supervisory Board reviews whether the amount payable should be reduced based on malus rules (on this point, see 4.3). The amount established in this way will be paid out in the month of the approval and audit of the consolidated accounts of the TUI Group. The maximum LTIP payout is capped at 240% of the target amount.

In accordance with section 87 (1) sentence 3 clause 2 AktG, the Supervisory Board is further entitled to limit the amount of the LTIP to allow for extraordinary circumstances. In the event of capital or structural measures, corresponding adjustments in the number of virtual shares granted are to apply. In the event of delisting, the LTIP will terminate as of the effective date of the delisting.

If a member's employment starts or ends during a year in progress, the target amount and thus the number of virtual shares granted must be reduced pro rata, where applicable retroactively. In the event of premature termination of the service agreement, the LTIP is continued in principle according to the agreed targets and terms. However, if the member's service agreement ends before the expiry of the performance reference period by way of extraordinary termination by TUI AG for good cause for which a member of the Executive Board is responsible or is terminated by the member without good cause, all claims arising from LTIP tranches that have not yet been paid are forfeited and no alternative remuneration or compensation is paid.

4.3 Malus and clawback provision

In case of a serious violation on the part of a member of the Executive Board of the principles contained in the TUI AG code of conduct or of the duty of care in the management of the company during the assessment period of a variable remuneration component – in the case of the JEV, during the relevant one-year assessment period, and for the LTIP, during the respective applicable four-year assessment period – the Supervisory Board may reduce or completely cancel the amounts payable for the JEV and/or LTIP in its duly exercised discretion in an

individual case (“malus”) or recover these in whole or in part following payment, provided that this is done within five years after the payment is made (“clawback”). The relevant factor for the cancellation or recovery is the gross amount of the remuneration elements in question in each case. A serious violation of the duties of organisation and monitoring may also constitute a violation. Should a violation occur in a year that falls in the assessment period for multiple variable remuneration components, the Supervisory Board’s decision may encompass individual or all remuneration elements in whose assessment period the violation falls.

Example: In the event of a violation in the financial year 2023/24, the JEV of the financial year 2023/24 and the LTIP tranches of the assessment periods 2020/21 to 2023/24, 2021/22 to 2024/25, 2022/23 to 2025/26 and 2023/24 to 2026/27 may be reduced or cancelled entirely.

When making this decision, the Supervisory Board is required to take into account the severity of the violation and the amount of the resulting financial or reputational damage.

II. Maximum remuneration

The remuneration of the members of the Executive Board granted in total for a financial year, regardless of the point in time at which it is paid, is subject to an absolute upper limit (“maximum remuneration”). The total remuneration paid by TUI AG includes the fixed remuneration and the variable remuneration components, costs of the company pension scheme and the fringe benefits.

The maximum remuneration for the CEO is EUR 7,500,000 gross. For members of the Executive Board, the maximum remuneration is EUR 3,500,000 gross.

If the maximum remuneration for a financial year is exceeded, the amount payable for the LTIP for the financial year in question is reduced accordingly.

Regardless of the stipulated maximum remuneration, the amounts payable for the JEV and LTIP are capped at 216% and 240%, respectively, relative to the relevant target amount.

The remuneration caps apply on a pro rata basis if a member joins or leaves this role during a financial year in progress.

III. Legal transactions relating to remuneration

1. Terms of legal transactions relating to remuneration

1.1 Terms of service agreements

The service agreements of the members of the Executive Board apply for the term of their current appointments to this role. Members of the Executive Board are typically appointed to serve for three years the first time they are appointed. The maximum reappointment term is five years.

Service agreements terminate no later than the month in which the members of the Executive Board reach the regular retirement age under the statutory pension insurance system. The service agreement terminates in any case as of the end of the quarter in which a member of the Executive Board is determined to have a permanent occupational disability.

If a member’s appointment is terminated, TUI AG is entitled to place that member of the Executive Board on leave. The member must permit any income earned from other sources to

be counted against that member's continued remuneration from the company in accordance with section 615, second sentence, of the German Civil Code (BGB).

1.2 Linking clause

If the appointment of a member of the Executive Board is revoked pursuant to section 84 (3) AktG, that member's service agreement is also terminated. If the reason for revocation does not also constitute good cause within the meaning of section 626 BGB, the service agreement does not terminate until the end of a 12-month period, effective as of the end of the month, or as of the end of the term of the service agreement, whichever is earlier. Notwithstanding the above, a phase-out period of 24 months is currently agreed with Mr Joussen, the CEO.

1.3 Special termination provisions to apply in exceptional cases

In exceptional cases, the Supervisory Board is entitled to agree on provisions with members of the Executive Board granting them the right to resign from office prematurely and to stipulate that resigning for the agreed reasons does not constitute a bad leaver case and therefore does not lead to a loss of variable remuneration components. At present, TUI AG has made such arrangements with two members of the Executive Board, Mr Joussen and Mr Burling, with an eye to the initial economic situation relating to the utilisation of stabilisation measures from the German Economic Stabilisation Fund.

2. Compensation for dismissal

Payments to members of the Executive Board in the case of premature termination of their activity in this role without good cause must not exceed the value of the remuneration for the remaining term of the service agreement and must, in any case, not exceed two years' remuneration (settlement cap). Further restrictions on settlement payments may be agreed with the members of the Executive Board.

The annual remuneration used as the basis for calculating the settlement cap is the target direct remuneration (fixed remuneration, target amount of JEV and target amount of LTIP) for the past financial year and, where applicable, also the expected target direct remuneration for the financial year then in progress.

In principle, the settlement must be counted toward any special compensation paid for periods of non-competition after the agreement is terminated.

No transitional earnings are agreed with the members of the Executive Board as a basic principle. Where transitional earnings were agreed in older agreements, the Supervisory Board is, however, entitled to agree that these continue to apply in the individual case.

IV. Consideration of employees' terms and conditions of remuneration and employment in establishing the remuneration system

The Supervisory Board reviews the remuneration of the Executive Board on a regular basis. When assessing whether the remuneration is appropriate, the Supervisory Board takes account of both the market environment in which TUI AG operates (horizontal comparison in relation to remuneration of members of the Executive Board) and the company's internal remuneration structure (vertical comparison). The Supervisory Board uses the workforce of TUI AG as the basis for its comparison with the development of the terms and conditions of remuneration and employment for employees.

The vertical comparison takes account of the ratio of the remuneration of the Executive Board to the remuneration of the upper management and the overall workforce of TUI AG. The Supervisory Board limits the upper management to executive employees for this purpose. For the overall workforce, the Supervisory Board takes into account non-tariff and tariff employees. The Supervisory Board takes account of the development of remuneration in the groups described and how the ratio has developed over time.

V. Process for determining, implementing and reviewing the remuneration system

The Supervisory Board decides on a clear and transparent remuneration system for the members of the Executive Board. The Presiding Committee is responsible for preparing for the Supervisory Board's resolution on the remuneration system and the regular review of the remuneration system. To this end, the Presiding Committee prepares a report and a proposed resolution. The Supervisory Board reviews the remuneration system in its duly exercised discretion, but no later than every four years. When it does so, the Supervisory Board performs a market comparison, taking account in particular of changes in the company's environment, the company's overall financial situation and its strategy, changes and trends in national and international corporate governance standards and the development of the terms and conditions of remuneration and employment for employees pursuant to section B. IV. If necessary, the Supervisory Board brings in external remuneration experts and other advisors. In the process, the Supervisory Board takes care to ensure that the external remuneration experts and advisors are independent of the Executive Board and takes precautions to prevent conflicts of interest.

The Supervisory Board presents the remuneration system on which it has adopted a resolution to the Annual General Meeting for approval whenever there is a material change, and at least every four years. If the Annual General Meeting does not approve the system presented, the Supervisory Board presents a revised remuneration system to the Annual General Meeting for approval no later than at the first ordinary Annual General Meeting thereafter.

The remuneration system applies to all current members of the Executive Board.

The Supervisory Board and the Presiding Committee take appropriate measures to ensure that possible conflicts of interest among the Supervisory Board members involved in the consultations and decisions regarding the remuneration system are avoided and, where applicable, resolved. Each Supervisory Board member is obligated to disclose conflicts of interest to the Supervisory Board.

The Supervisory Board can temporarily deviate from the remuneration system (procedures and rules on the remuneration structure) and the individual components thereof and from the provisions that apply to individual remuneration components or introduce new remuneration components if this is necessary in the interest of the long-term well-being of TUI AG. The Supervisory Board reserves the right to deviate in this way, particularly for extraordinary circumstances such as an economic or company crisis. In the case of an economic crisis, the Supervisory Board may, in particular, deviate from the plan provisions relating to the JEV and/or LTIP.

IV. ADDITIONAL INFORMATION TO AGENDA ITEM 10

Remuneration system for the members of the Supervisory Board of TUI AG

I. Remuneration components

The remuneration of the Supervisory Board members shall consist of a fixed remuneration, a further remuneration for membership on committees, and the attendance fee.

The fixed remuneration per financial year shall be EUR 270,000 for the chairman of the Supervisory Board or EUR 180,000 for the deputy chairmen of the Supervisory Board and EUR 90,000 for every other member of the Supervisory Board. Supervisory Board members shall receive a further remuneration for their work in the Presiding Committee, the Audit Committee and the Strategy Committee. For the chairman of the Audit Committee this remuneration shall be EUR 126,000, and for the chairman of the Strategy Committee EUR 84,000. For all other members of the Presiding Committee, the Audit Committee or the Strategy Committee the remuneration shall be EUR 42,000 in each case. This means that the remuneration of the members of the Supervisory Board is also in line with recommendation G.17 of the German Corporate Governance Code, according to which appropriate account is to be taken of the greater time commitment of the chairman and the deputy chairman of the Supervisory Board as well as of committee chairs and members.

The Supervisory Board members shall receive an attendance fee of EUR 1,000.00 per meeting of the Supervisory Board, the Presiding Committee, the Nomination Committee, the Audit Committee and the Strategy Committee, regardless of the form the meeting takes.

The fixed remuneration and the further remuneration shall be due for payment upon completion of the financial year for which remuneration is being paid. The attendance fee shall be due for payment following the respective meeting. For parts of a financial year and for short financial years the remuneration shall be paid on a pro-rata basis. Any revenue tax payable on the remuneration and expenses of the members of the Supervisory Board shall be reimbursed by TUI AG.

TUI AG shall also ensure that D&O insurance in an appropriate amount is taken out for the benefit of the members of the Supervisory Board. The relevant insurance premiums shall be paid by TUI AG.

II. Contribution of the remuneration of the members of the Supervisory Board to the promotion of the business strategy and the long-term development of TUI AG

The remuneration paid to the members of the Supervisory Board takes into account, both in terms of structure and amount, the requirements placed on a member of the Supervisory Board of TUI AG, in particular the time and responsibility the office involves. The remuneration is in line with the market, and the amount – also in comparison to the remuneration of the members of the supervisory boards of other listed companies of a comparable size in Germany – is commensurate with the tasks of the members of the Supervisory Board and the situation of TUI AG. The remuneration makes it possible to recruit suitable and qualified candidates for the office of Supervisory Board member. In that way, the remuneration of the members of the Supervisory Board contributes to the Supervisory Board as a whole being able to properly and competently perform its tasks of monitoring and advising the Executive Board. Limiting the remuneration to a fixed amount still gives due account to these Supervisory Board tasks. The fixed remuneration provides an incentive to Supervisory Board members to appropriately scrutinize the way the Executive Board is managing the company as part of their monitoring and advisory tasks, without letting themselves be guided primarily by movements in key

performance indicators. That way the Supervisory Board can, together with the Executive Board, promote TUI AG's business strategy and long-term development. Paying a fixed remuneration is moreover in line with sentence 1 of suggestion G.18 of the German Corporate Governance Code.

III. Procedure for determining, implementing and reviewing the remuneration system

The General Meeting determines the remuneration of the members of the Supervisory Board in the Articles of Association or by resolution based on a proposal made by the Executive Board and the Supervisory Board. At present, the remuneration is laid down in the Articles of Association.

The General Meeting resolves on the remuneration of the members of the Supervisory Board at least every four years. A resolution that confirms the existing remuneration is also permissible. In preparation for the resolution of the General Meeting, the Executive Board and the Supervisory Board each examine whether, particularly in terms of amount and structure, the remuneration continues to meet the interests of TUI AG and is commensurate with the tasks of the members of the Supervisory Board and the situation of TUI AG. The Supervisory Board may also carry out a horizontal market comparison and seek advice from an external independent remuneration expert for this purpose. If necessary, the Executive Board and the Supervisory Board will make a proposal to the General Meeting for an appropriate adjustment of the remuneration. The Presiding Committee carries out the preparatory work for the meetings and resolutions of the Supervisory Board on the remuneration of the Supervisory Board members, including the remuneration system.

The preparation and submission of proposed resolutions on the remuneration of Supervisory Board members is the responsibility of the Executive Board and the Supervisory Board in accordance with the statutory delineation of responsibilities. This means that the two boards monitor each other.

V. ADDITIONAL INFORMATION TO AGENDA ITEM 11

Preliminary remark: The remuneration report below is to be seen as distinct from the “remuneration system for the Executive Board members” which can be found in Section III. “Additional information to agenda item 9” following this agenda. The remuneration system for the Executive Board members sets out the abstract principles for calculating the remuneration of the Executive Board members in future financial years, beginning with the current 2021 financial year. While the remuneration report also contains abstract principles for calculating the remuneration, there are two fundamental points on which it differs from the remuneration system:

- 1. The remuneration system for the Executive Board members relates to the future. The abstract information in the remuneration report relates to the past, however, namely to the remuneration in the last completed financial year.*
- 2. The remuneration system for the Executive Board members contains binding provisions that the Supervisory Board must adhere to when setting the Executive Board remuneration. The remuneration report, on the other hand, simply describes the principles that were applied, on the basis of which it is possible to reconstruct how the specific remuneration for the respective financial year was calculated.*

Remuneration Report

The remuneration report outlines the remuneration of the members of the Executive Board of TUI AG as well as the remuneration of the members of its Supervisory Board in accordance with the Articles of Association. The remuneration report is based, in particular, on the recommendations of the German Corporate Governance Code (GCGC), the requirements of the German Commercial Code (HGB) and, to the extent practicable, the requirements of the UK Corporate Governance Code (UK CGC). Additionally, the remuneration report also contains the information required under section 162 German Stock Corporation Act (AktG) in the version implementing the Second Shareholders' Directive (ARUG II). TUI AG is thereby implementing the requirements for the remuneration report arising from the framework agreement on the grant of stabilisation measures that was entered into on 29 September 2020 with the German Economic Stabilisation Fund (Framework Agreement).

TUI AG is a German stock corporation that is also listed on the London Stock Exchange (LSE). Where mandatory provisions regarding the governance of or legal requirements for a German stock corporation are affected, these are disclosed in this report and placed in context with the UK CGC, as required.

Remuneration of the Executive Board

SHAREHOLDERS' APPROVAL OF THE REMUNERATION SYSTEM

Following preparatory work in FY 2019, in December 2019 the Supervisory Board of TUI AG approved a new remuneration system for the members of the Executive Board with retroactive effect from the beginning of FY 2020, i. e. from 1 October 2019. The remuneration system in its revised form was also approved by the shareholders of TUI AG at the Annual General Meeting on 11 February 2020. In addition to the legal requirements, the recommendations of the GCGC in its version dated 7 February 2017 as well as the draft for a new version dated 9 May 2019 were taken into account for the review of the remuneration system. ¹ In addition to that, the recommendations of the UK CGC as well as a diverging UK market practice are included respectively in the position described.² In view of the latest developments of the arrangement of the remuneration, the remuneration system for the members of the Executive Board of TUI AG has been revised and approved by the shareholders of TUI AG taking into account all aforementioned perspectives. The defined performance indicators aim to take into account the interests of all stakeholders and to create value for our providers of equity and external funding. In amending the remuneration system for the members of the Executive Board, the Supervisory Board was assisted by renowned, independent external advisory from PWC.

¹ It was too early to take into account the final version of the new GCGC, which was published in the Federal Gazette on 20 March 2020, during the review process. The Supervisory Board will consider the final version of the GCGC in the context of its resolution on the remuneration system of the members of the Executive Board and the presentation thereof to the Annual General Meeting in accordance with the AktG in the version incorporating ARUG II.

² This statement does not constitute a mandatory statement and is therefore not part of the audit.

Among other things, the amended remuneration system contained different performance targets for the annual performance-based remuneration ("JEV"). Furthermore, the long-term performance target Total Shareholder Return ("TSR") is omitted in the calculation for the Long Term Incentive Plan ("LTIP"). Moreover, the amended remuneration system now includes a malus and clawback clause to take into account especially the requirements of UK-based shareholders and the amended recommendations of the GCGC.

Although this is common practice in many companies applying the UK CGC, TUI AG was not obliged to an annual 'say on pay', i. e. the shareholders' vote on the remuneration system under the AktG in the version applicable prior to ARUG II. However, in order to meet the wishes of our domestic and foreign shareholders, the former chairman of the Supervisory Board of TUI AG has made the commitment to submit the remuneration system for the Executive Board voluntarily for a legally non-binding vote of the shareholders at the upcoming AGMs. During the AGM 2020, TUI AG received approval totalling 80.7 % of the votes. In the following remuneration report, the targets to be achieved retroactively for the past FY 2020 are explained in more detail in order to enable stakeholders to gain an understanding of the underlying target achievements of the remuneration system.

Pursuant to the AktG in the version incorporating ARUG II, in future the Supervisory Board is required to present the remuneration system for approval whenever a material change is made, and at least every four years. The Supervisory Board is required to make such a presentation no later than at the first ordinary Annual General Meeting following 31 December 2020. The procedure voluntarily followed to date at TUI AG based on the UK CGC already largely corresponds to these new requirements.

GENERAL PRINCIPLES

Following a recommendation from the Presiding Committee, the Supervisory Board determines in accordance with section 87 (1) sentence 1 German Stock Corporation Act the remuneration of the individual members of the Executive Board. It also regularly reviews the remuneration system for the Executive Board.



For further remits of the Presiding Committee, please see the report of the Supervisory Board page 16.

The following principles, in particular, are taken into account in this regard:

- Clarity and transparency
- Economic position, performance and sustainable development of the company
- Tying shareholder interest to value increase and distribution of profits with corresponding incentives for Members of the Executive Board
- Ability to be competitive on the market for highly qualified Members of the Executive Board
- Appropriateness and conformity with tasks, responsibilities and success of each individual Executive Board member, including in the relevant environment of comparable international firms, and taking into account standard practice at other major German companies
- Tying a material portion of total remuneration to the achievement of ambitious, long-term performance targets
- Appropriate correlation between the levels of fixed remuneration and performance-based remuneration
- Appropriateness in horizontal and vertical comparison (see page 144)

Moreover, the remuneration system approved by the Supervisory Board at the end of 2019 contains a malus and clawback clause. Accordingly, in case of a serious violation on the part of the beneficiary of the principles contained in the Company's code of conduct or of the duty of care in the management of the Company during the assessment period of the respective variable remuneration components, the Company may reduce or completely cancel the amounts payable or recover these in whole or in part

following payment. The Supervisory Board shall decide on this in each individual case at its due discretion and in particular take into account the severity of the violation and the amount of the resulting financial or reputational damage.

I. REMUNERATION SYSTEM OF THE EXECUTIVE BOARD IN FY 2020

In FY 2020, the remuneration for the members of the Executive Board comprises: (1) a fixed remuneration; (2) an annual performance-based remuneration (Jahreserfolgsvergütung – JEV); (3) virtual shares of TUI AG in accordance with the Long Term Incentive Plan (LTIP); (4) fringe benefits and (5) pension entitlements.

Details are set out below:

1. FIXED REMUNERATION

Purpose and link to company strategy

In conjunction with the other remuneration components, the fixed remuneration forms the basis of being able to attract and retain highly-qualified members of the Executive Board who are needed to develop and implement company strategy.

The remuneration should be commensurate with the abilities, experience and tasks of the individual Executive Board member.

Procedure

In determining the fixed remuneration the Supervisory Board takes into account, in particular, the relevant and aforementioned general principles.

The fixed remuneration is paid in twelve equal instalments at the end of each month. If the service agreement begins or ends in the course of the financial year relevant for payment of the remuneration, the fixed annual remuneration will be paid pro rata for that year.

Again in FY 2020, the remuneration was reviewed especially where when service agreements of Members of the Executive Board were extended. It can be adjusted or revised for the term of a new service agreement within the scope of the existing remuneration system for members of the Executive Board. A review of the remuneration can also take place during the term of a service agreement in particular if there is a change with respect to the tasks or responsibility of an Executive Board member.

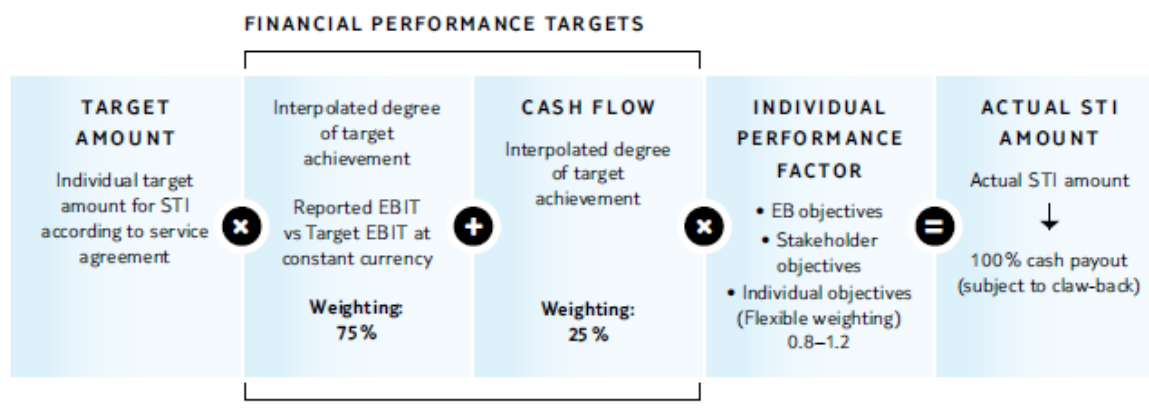
2. ANNUAL PERFORMANCE-BASED REMUNERATION (JEV)

Purpose and link to company strategy

The JEV is intended to motivate members of the Executive Board to achieve ambitious and challenging financial, operational and strategic targets throughout the financial year. The targets are reflective of the company strategy and aimed at increasing corporate value. In particular, the link to the EBIT means that the annual variable remuneration is coupled with the target achievement of a material group performance indicator in the respective financial year.

Description JEV

in %



Procedure

The JEV is calculated on the basis of two group performance indicators and an individual performance factor which is based on the individual performance of the member of the Executive Board, the performance of the overall Executive Board and the achievement of stakeholder targets. The performance period is the financial year of TUI AG.

An individual target amount (Target Amount) is agreed for each Executive Board member in their service agreement. Performance targets are Earnings Before Interest and Taxes (EBIT) at constant currency, and the free Cash Flow before dividends (Cash Flow), retroactively as of 1 October 2019. The target values for the one-year performance period for the EBIT and Cash Flow are set by Supervisory Board for the respective financial year.

The target achievement is calculated as follows:

2.1 EARNINGS BEFORE INTEREST AND TAXES (EBIT)

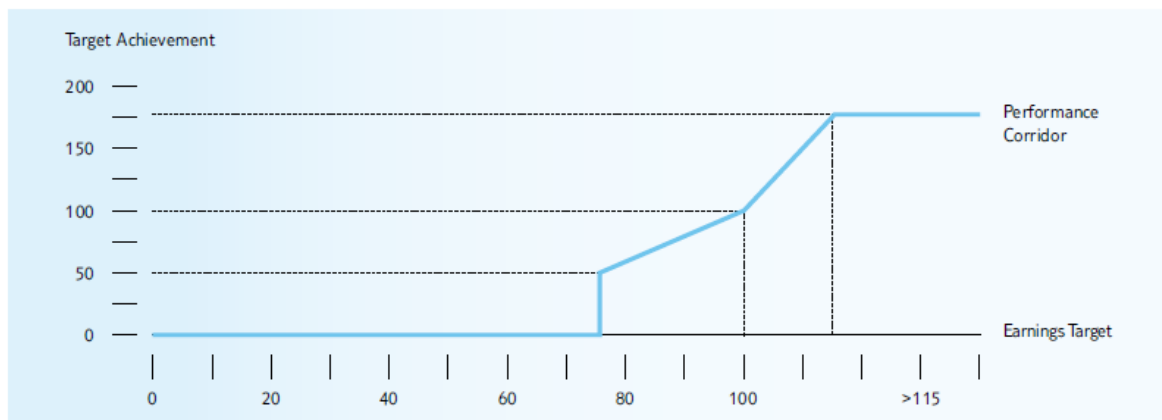
The EBIT is calculated on constant currency basis and is taken into account with a weighting of 75 %. With that the JEV includes one of the main key financial figures of TUI AG which are defined and published in the Annual Report. The adjustment for currency effects as defined and shown in the section Group performance indicators used in the Executive Board remuneration system makes it possible to measure the actual management performance without distortion from currency-induced translation effects.

- The EBIT component of the JEV must reach a threshold of at least 75 % of the earnings target (on a constant currency basis) (equals target achievement of 50 %), in order to be relevant for bonus purposes.
- The achievement of an earnings target of 100 % equals a target achievement of 100 %.
- Anything in excess of 115 % (on a constant currency basis) of the earnings target (corresponds to a target achievement of 180 %) is not included.

In the event of a quotient between 75 % and 100 %, linear interpolation will be used to determine the target achievement between 50 % and 100 %, and in the event of a quotient between 100 % and 115 %, linear interpolation will be used to determine the target achievement between 100 % and 180 %. The target achievement will be rounded to two decimal figures, as is customary in commercial practice.

Performance Corridor EBIT

in %



2.2 CASH FLOW

A cash flow is also included in the calculation as a second group performance indicator with a weighting of 25 %. For this purpose the free cash flow before dividends is calculated based on the unadjusted earnings before interest and taxes reported in the approved and audited consolidated accounts of the TUI Group (EBITA according to the approved and audited consolidated accounts of the TUI Group) on a constant currency basis plus the difference between amortisations and write-backs, plus the change to the so-called Working Capital, minus other non-cash earnings components, minus the earnings from companies measured according to the equity method, plus the dividends received by TUI AG from participating interests, minus taxes and interest paid, minus payments made to pension funds and minus net capex and investments. Working Capital includes short-term assets and liabilities that are not cash or cash equivalents ('cash'), income tax receivables or liabilities or derivative financial instruments. Furthermore, interest-bearing assets and liabilities as well as short-term provisions for pensions are not included.

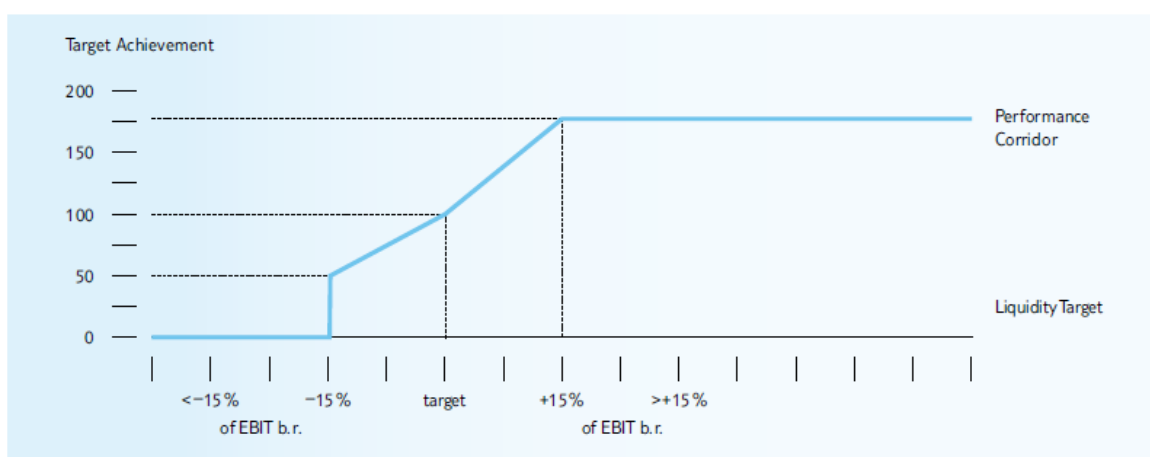
The target achievement for the cash flow is based on the deviation from a target cash flow value, whereby the deviation in percent of the budgeted EBIT on budget rates for the respective financial year is calculated.

- The cash flow component of the JEV can deviate from the target cash flow value by – 15 % of the budgeted EBIT on budget rates (corresponds to a target achievement of 50 %), in order to be relevant for bonus purposes.
- A deviation of 0 % from the target cash flow value equals a target achievement of 100 %.
- Anything in excess of a positive deviation from the target cash flow value of 15 % of the budgeted EBIT on budget rates (corresponds to a target achievement of 180 %) is not included.

In the event of a 'negative' deviation between – 15 % and 0 %, linear interpolation will be used to determine the target achievement between 50 % and 100 %, and in the event of a 'positive' deviation between 0 % and 15 %, linear interpolation will be used to determine the target achievement between 100 % and 180 %. The target achievement will be rounded to two decimal figures, as is customary in commercial practice.

Performance Corridor Cash Flow to the Firm

in %



The JEV further depends on an individual performance factor. The Supervisory Board shall determine the individual performance factor for the JEV (0.8 to 1.2) for each Executive Board member based on the achievement of three target categories: In addition to individual performance targets, this includes targets for the overall performance of the Executive Board and stakeholder targets. The Supervisory Board will establish the targets from these three categories and their relative weighting for each Executive Board member and financial year.

The value resulting from the multiplication of the respective target amount by the degree of target achievement for the EBIT and the cash flow and the individual performance factor will be paid out in the month of the approval and audit of the consolidated accounts of the TUI Group for the relevant financial year. If the service agreement begins or ends in the course of the relevant financial year, the claims for payment of the JEV will generally be pro rata.

In addition to that, in case of extraordinary events or developments, the Supervisory shall have the right to adjust the business plan terms at its due discretion. This allows for special situations that were not sufficiently factored into the targets previously set to be taken into account. However, this does not include generally unfavourable market developments. As a result of an extraordinary event, the Supervisory can increase or decrease the payout respectively. The limitation of the maximum target achievement for the group performance indicators EBIT and cash flow to 180 % respectively remains applicable.

Cap

The JEV payment will be capped at a maximum of 216 % of the target amount. As a result, there is an annual cap for the JEV and an individual cap for each member of the Executive Board, which is shown in the table on page 136.

In accordance with section 87 (1) sentence 3 clause 2 German Stock Corporation Act, the Supervisory Board is entitled to limit the amount of the JEV to allow for extraordinary circumstances (e. g. takeover of the company, sale of parts of the company, uncovering of hidden reserves, external influences).

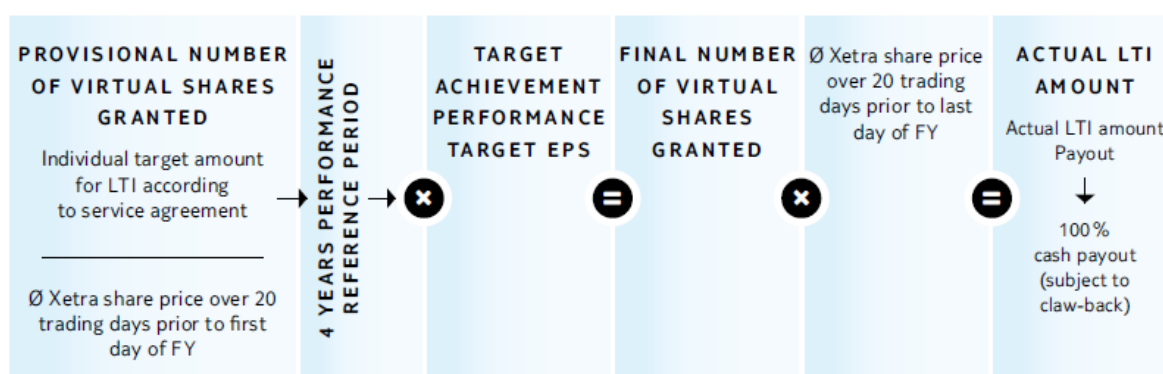
3. VIRTUAL SHARES ACCORDING TO THE LONG-TERM INCENTIVE PLAN (LTIP)

3.1 FUNCTIONING OF THE ACTUAL LONG-TERM INCENTIVE PLAN (LTIP)

Purpose and link to company strategy

The long-term objective is to increase corporate and shareholder value by defining ambitious goals that are closely linked to the company's earnings, share price performance and dividends. This link to the Earnings per Share and the performance of the share price creates congruence between the interests and expectations of the shareholders and the Executive Board Remuneration. The four-year performance reference period also helps ensure that the acts of the Executive Board during the current financial year are also geared towards the company's long-term development.

Description LTIP



Procedure

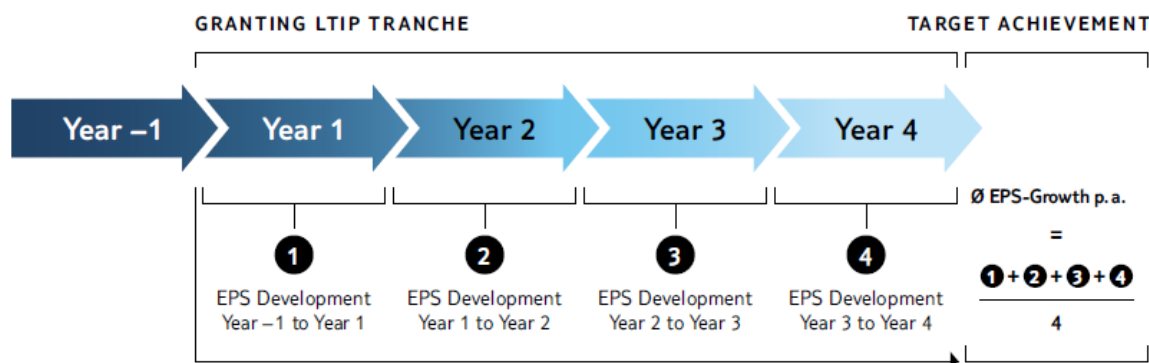
The LTIP is a performance share plan based on virtual shares and is assessed over a period of four years (Performance Reference Period). Virtual shares are granted in annual tranches.

For members of the Executive Board, an individual target amount (Target Amount) is agreed in the service agreement. At the beginning of each financial year a provisional number of virtual shares, commensurate with the target amount, will be allocated to each member of the Executive Board. This will constitute the basis for the determination of the final performance-based payment for the tranche in question at the end of the respective performance reference period. To set this number, the target amount will be divided by the average Xetra price of TUI AG shares over the 20 trading days prior to the beginning of the performance reference period (1 October of each year). The claim to a payment only arises upon expiry of the performance reference period and depends on whether or not the respective performance target is achieved.

3.1.1 EARNINGS PER SHARE (EPS)

The relevant performance target for the LTIP is the average development of the Earnings per Share ("EPS"). The average over the four-year performance reference period is based on a pro forma underlying earnings per share from continuing operations as published in the Annual Report. The average development of the EPS p. a. (in percent) over the Performance Reference Period is calculated on the basis of four equally weighted annual amounts (in percent). An annual amount is in each case calculated as the ratio of the current EPS to the former EPS. The first annual amount is based on the

first approved and audited consolidated accounts of the TUI Group in the Performance Reference Period and the last approved and audited consolidated accounts of the TUI Group prior to the start of the Performance Reference Period (“Initial EPS”).



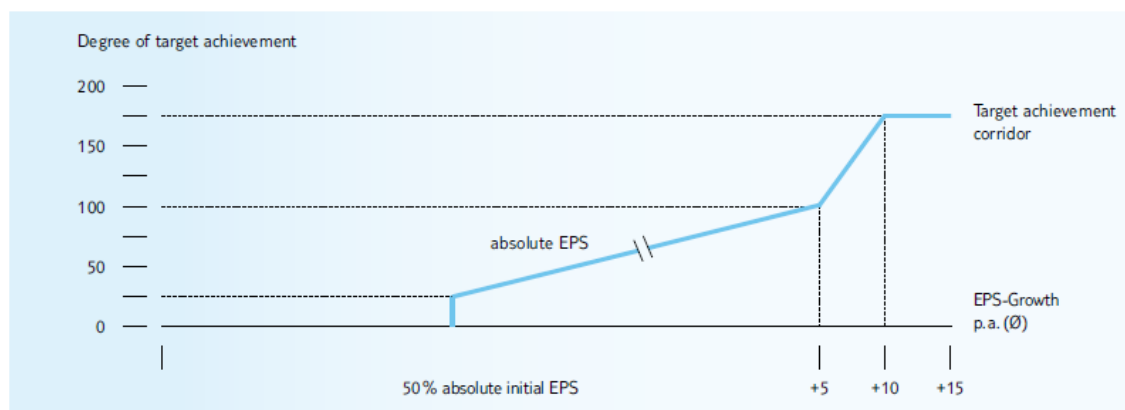
The target achievement for the average performance of the EPS p. a. based on the annual amounts is calculated as follows:

- An average absolute EPS value of less than 50 % of the absolute initial EPS value corresponds to a target achievement of 0 %.
- An average EPS value of 50 % of the absolute initial EPS value corresponds to a target achievement of 25 %.
- An average EPS value of 50 % or more of the absolute initial EPS value up to an average increase p. a. of 5 % corresponds to a target achievement of 25 % to 100 %.
- An average increase p. a. of 5 % corresponds to a target achievement of 100 %.
- An average increase p. a. of 5 % to 10 % corresponds to a target achievement of 100 % to 175 %.
- An average increase p. a. of more than 10 % corresponds to a target achievement of 175 %.

In the event of an average absolute EPS of 50 % or more of the absolute initial EPS up to an average increase p. a. of 5 %, linear interpolation will be used to determine the target achievement between 25 % and 100 %, and in the event of an average increase p. a. between 5 % and 10 % or more, linear interpolation will be used to determine the target achievement between 100 % and 175 %. The target achievement will be rounded to two decimal figures, as is customary in commercial practice.

Target achievement corridor EPS

in %



If the previous year's EPS is below € 0.50 the Supervisory Board will, for each subsequent financial year within the performance reference period, redefine absolute target values for the EPS as well as minimum and maximum values for determining the percentage target achievement.

To determine the final number of virtual shares, the degree of target achievement as at the date of the expiry of the performance reference period is multiplied by the provisional number of virtual shares. The payout is obtained by multiplying the final number of virtual shares by the average XETRA price of TUI AG shares over the last 20 trading days of the respective performance reference period (until 30 September of every year). The amount established in this way will be paid out in the month of the approval and audit of the consolidated accounts of the TUI Group for the financial year in question. If the service agreement begins or ends during the financial year that is relevant for the grant of the LTIP, the claim to payout of the LTIP is generally calculated on a pro rata basis.

In the event of a capital increase from company funds, the provisional number of virtual shares shall increase in proportion to the total nominal amount of the share capital. In the event of a capital reduction without repayment of contributions, the provisional number of virtual shares shall decrease in proportion to the total nominal amount of the share capital. If TUI AG performs a capital increase against contributions, a capital reduction with repayment of contributions or any other capital or structural measure affecting the share capital that results in a more than minor effect on the value of the TUI share, the provisional number of virtual shares shall be adjusted accordingly. The Supervisory Board shall decide on the adjustment at its due discretion in order to neutralise positive and negative effects of the capital or structural measures on the value of the virtual shares in a reasonable manner. These provisions apply accordingly if the payment of an unusually high surplus dividend affects the share price.

Cap

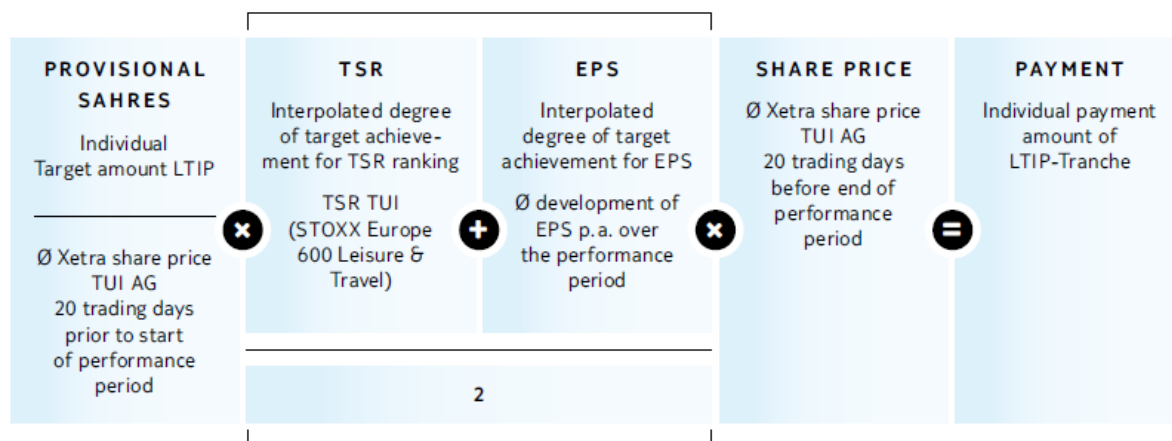
The maximum LTIP-payout is capped at 240 % of the individual target amount for each performance reference period. As a result, there is an annual cap for the LTIP and an individual cap for each member of the Executive Board, which is shown in the table on page 136. In accordance with section 87 (1) sentence 3 clause 2 AktG, the Supervisory Board is further entitled to limit the amount of the LTIP to allow for extraordinary circumstances (e. g. company takeovers, sale of parts of the company, uncovering of hidden reserves, external influences).

3.2 FUNCTIONING OF THE PREVIOUS LONG-TERM INCENTIVE PLANS (LTIP)

3.2.1 LTIP-TRANCHES FROM FY 2018 AND 2019

Prior to the amendment of the remuneration system applicable from FY 2020 onwards, on 11 February 2018 the AGM approved what was at that point a new remuneration system with retroactive validity from 1 October 2017, which applied during FY 2018 and 2019 accordingly. Within the four-year performance reference period, the respective provisions concerning the LTIP tranches granted in FY 2019 continue to apply.

Description



Procedure

The LTIP is a performance share plan based on virtual shares and assessed over a period of four years (Performance Reference Period). Virtual shares are granted in annual tranches.

An individual target amount (Target Amount) is agreed for members of the Executive Board in their service agreement. At the beginning of each financial year, a provisional number of virtual shares, commensurate with the target amount, will be set. This constitutes the basis for the determination of the final performance-based payment at the end of the respective performance reference period. To establish this number, the target amount is divided by the average Xetra price of TUI AG shares over the 20 trading days prior to the beginning of the performance reference period (1 October of each year). A claim to a payment only arises upon expiry of the performance reference period and depends on whether or not the respective performance target is achieved.

3.2.1.1 TOTAL SHAREHOLDER RETURN (TSR)

The relevant performance target for determining the amount of the payout after the performance reference period is the development of the Total Shareholder Return (TSR) of TUI AG in relation to the development of the TSR of the STOXX Europe 600 Travel & Leisure Index (Index). The relative TSR is being considered with a weighting of 50 %. The degree of target achievement is being determined depending on the TSR-value of TUI AG compared to the TSR-value of the companies belonging to the Index over the performance reference period. To determine the relative TSR of TUI AG the respective established TSR-value and those of the comparable companies are sorted in descending order. The relative TSR of TUI AG is expressed as a percentile (percentile rank).

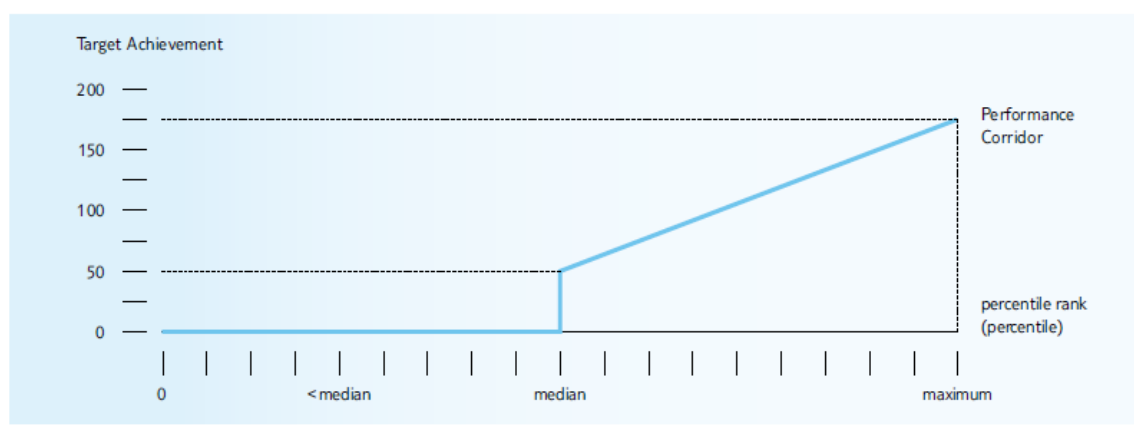
Thereby the TSR is the aggregate of all share price increases plus the gross dividends paid over the performance reference period. The data for the observation of the development of the TSR-values of TUI AG and the Index is provided by a reputable data provider (e. g. Bloomberg, Thomson Reuters). The reference to determine the ranking is the composition of the Index on the last day of the respective performance reference period. The values for companies that were not listed over the entire performance reference period will be factored in on a pro rata basis. The level of target achievement (in percent) for the relative TSR of TUI AG based on the percentile is calculated as follows:

- A percentile below the median corresponds to a target achievement of 0 %.
- A percentile equivalent to the median corresponds to a target achievement of 100 %.
- A percentile equivalent to the maximum value corresponds to a target achievement of 175 %.

In the event of a percentile between the median and the maximum value, linear interpolation will be used to determine the target achievement between 100 % and 175 %. The target achievement will be rounded to two decimal figures as is customary in commercial practice.

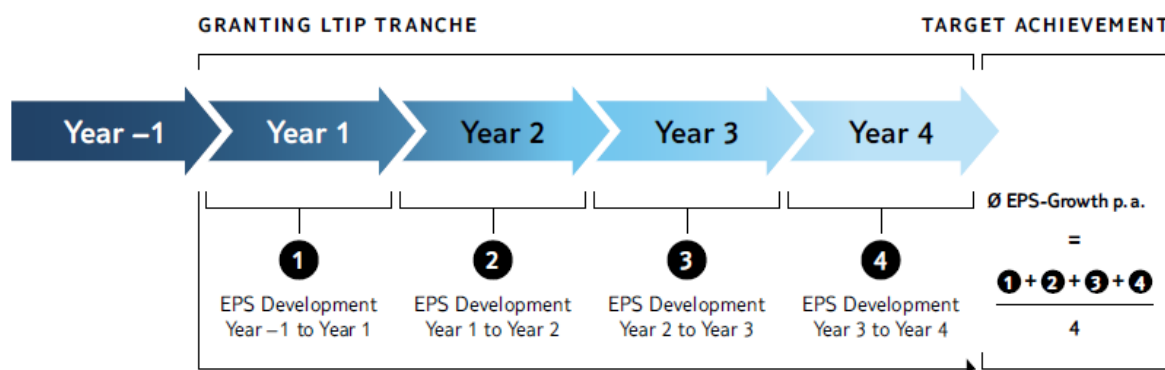
TSR target achievement corridor up to and including FY 2019

in %



3.2.1.2 EARNINGS PER SHARE (EPS)

Furthermore, the average performance of the Earnings per Share (EPS) p. a. as additional group performance indicator with a weighting of 50 % is taken into account for the LTIP. The average view over the four-year performance reference period is based on a pro forma underlying earnings per share from continuing operations as published in the Annual Report. The average development of the EPS p. a. (in percent) over the Performance Reference Period is calculated on the basis of four equally weighted annual amounts (in percent). An annual amount is in each case calculated as the ratio of the current EPS to the former EPS. The first annual amount is based on the first approved and audited consolidated accounts of the TUI Group in the Performance Reference Period and the last approved and audited consolidated accounts of the TUI Group prior to the start of the Performance Reference Period ("Initial EPS").



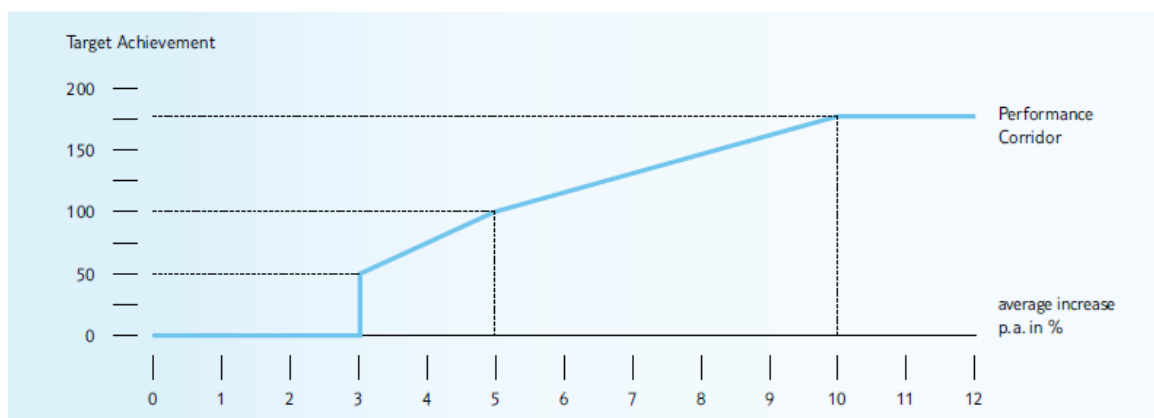
The target achievement for the average development of the EPS p. a. based on the annual amounts is calculated as follows:

- An average increase p. a. of less than 3 % corresponds to a target achievement of 0 %.
- An average increase p. a. of 3 % corresponds to a target achievement of 25 %.
- An average increase p. a. of 5 % corresponds to a target achievement of 100 %.
- An average increase p. a. of 10 % or more corresponds to a target achievement of 175 %.

In the event of an average increase p. a. between 3 % and 5 % linear interpolation will be used to determine the target achievement between 25 % and 100 % and in the event of an average increase p. a. between 5 % and 10 % or more, linear interpolation will be used to determine the target achievement between 100 % and 175 %. The target achievement will be rounded as well to two decimal figures as is customary in commercial practice.

Performance Corridor EPS up to and including FY 2019

in %



If the previous year's EPS is below € 0.50 the Supervisory Board will, for each subsequent financial year, redefine absolute target values for the EPS as well as minimum and maximum values for determining the percentage target achievement.

The degree of target achievement (in percent) is calculated as the average of the respective target achievements for the performance targets relative TSR of TUI AG and EPS. To determine the final number of virtual shares the degree of target achievement at the date of the expiry of the performance reference period is being multiplied with the provisional number of virtual shares. The payout is obtained by the multiplication of the final number of virtual shares with the average XETRA price of

TUI AG shares over the last 20 trading days in the respective performance reference period (until 30 September of every year). If the service agreement begins or ends during the financial year relevant for the granting of the LTIP the claim to payout of the LTIP is in general calculated on a pro rata basis. In the event of a capital increase by the company, the provisional number of virtual shares shall increase to the same extent as the total nominal amount of the share capital. In the event of a capital reduction without repayment of contributions, the provisional number of shares shall decrease to the same extent as the total nominal amount of the share capital. If TUI AG performs a capital increase against contributions, a capital reduction with repayment of contributions or any other capital or structural measure affecting the share capital and resulting a not negligible influence on the value of the TUI share, the provisional number of virtual shares shall be adapted accordingly. The Supervisory Board shall decide on the adaption at its equitable discretion in order to neutralize positive and negative effects of the capital or structural measure on the value of the virtual shares in a reasonable manner. These provisions apply accordingly of the payment of an unusually high surplus dividend has influence on the share price.

3.2.2 LTIP TRANCHE FROM FY 2017

For those members of the Executive Board whose service agreements already existed prior to FY 2018, the remuneration system applicable prior to 1 October 2017 continued to apply in parallel in FY 2020 with respect to the LTIP. This related only to the tranche allocated in FY 2017. Because of the four-year performance reference period, this tranche is essentially due for payout at the end of FY 2020.³

³ However, the active members of the Executive Board waived the payment of the LTIP tranche allocated in FY 2017 (cf. page 127 of the Annual Report).

Description



Procedure

The LTIP is a performance share plan based on virtual shares and is assessed over a period of four years (Performance Reference Period). Virtual shares are granted in annual tranches.

An individual target amount (Target Amount) was agreed for Members of the Executive Board in their service agreement. At the beginning of each financial year, a provisional number of virtual shares, commensurate with the target amount, was set. This constituted the basis for the determination of the final performance-based payment for the tranche in question at the end of the respective performance reference period. To set this number, the target amount was divided by the average Xetra price of TUI AG shares over the 20 trading days prior to the beginning of the performance reference period (1

October of each year). The claim to a payment only arose upon expiry of the performance reference period and depended on whether or not the respective performance target was achieved.

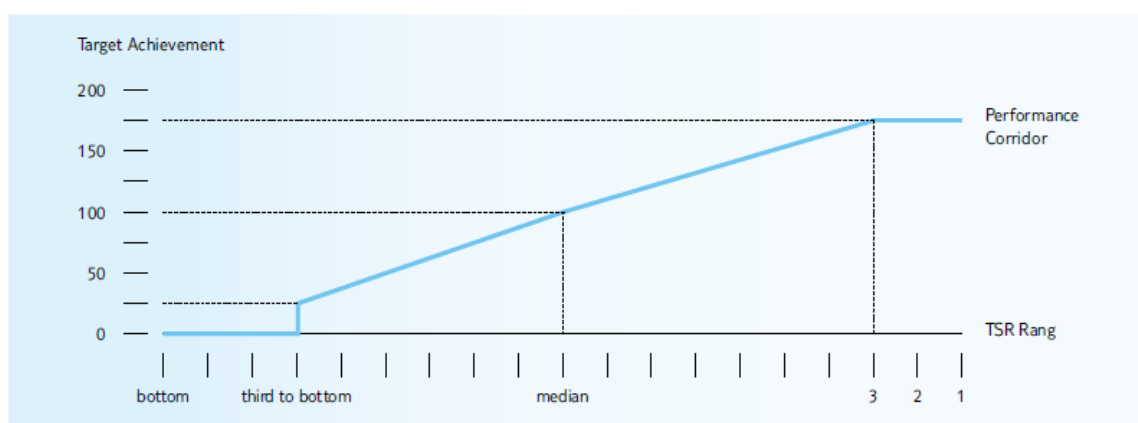
The performance target for determining the amount of the final payout at the end of the performance reference period was the performance of the Total Shareholder Return (TSR) of TUI AG relative to the development of the TSR of the STOXX Europe 600 Travel & Leisure (Index), whereby the ranking of the TUI AG TSR in relation to the index companies was monitored over the entire performance reference period. The TSR was the aggregate of all share price increases plus the gross dividends paid over the performance reference period. Data from a reputable data provider (e. g. Bloomberg, Thomson Reuters) was used for the purpose of establishing the TSR values for TUI AG and the index. The reference for the purpose of determining the rankings was the composition of the index on the last day of the performance reference period. The values for companies that were not listed over the entire performance reference period were factored in on a pro rata basis. The level of target achievement was established as follows depending on the ranking of the TSR of TUI AG relative to the TSR values of the index companies over the performance reference period:

- TSR value of TUI AG equivalent to the bottom and second to bottom value of the index corresponded to a target achievement of 0 %.
- TSR value of TUI AG equivalent to the third to bottom value of the index corresponded to a target achievement of 25 %.
- TSR value of TUI AG equivalent to the median of the index corresponded to a target achievement of 100 %.
- TSR value of TUI AG equivalent to the third to top, second to top or top value of the index corresponded to a target achievement of 175 %.

For performance between the third to bottom and the third to top rank, linear interpolation was used to determine the level of target achievement at between 25 % and 175 %. The degree of target achievement was be rounded to two decimal places, as is customary in commercial practice. For details on the target achievement of the LTIP tranche for FY 2017, see page 131 of the Annual Report.

Performance Corridor TSR up to and including FY 2017

in %



To determine the final number of virtual shares, the degree of target achievement was multiplied by the provisional number of virtual shares on the final day of the performance reference period. The payout was determined by multiplying the final number of virtual shares by the average Xetra price of TUI AG shares over the 20 trading days prior to the end of the performance reference period (30 September of each year). The payout calculated in this way was generally due in the month of the approval of the

annual accounts of TUI AG for the fourth financial year of the performance reference period and was paid out in cash. If the service agreement begins or ends in the course of the financial year relevant for the grant of the LTIP, the claims for payment of the same will generally be pro rata.

3.3 DEVELOPMENT OF AGGREGATE VIRTUAL SHARES OF CURRENT EXECUTIVE BOARD MEMBERS IN FY 2020

	Number
Granting in FY 2020 ¹	
Friedrich Joussen	185,410
David Burling	93,212
Birgit Conix	93,212
Sebastian Ebel	93,212
Dr Elke Eller	88,146
Frank Rosenberger	77,508
Decrease in FY 2020 ²	
Friedrich Joussen	119,741
David Burling	40,453
Sebastian Ebel	40,453
Dr Elke Eller	33,981
Frank Rosenberger	18,204

¹ Subject to the section "Restriction on remuneration due to the framework contract with the economic stabilisation fund"

² The decrease corresponds to the number of the virtual shares granted for the tranche ending in FY 2020. Payment was waived, page 129.

3.4 EXPENDITURE OF AWARDING VIRTUAL SHARES FOR THE LTIP IN FY 2020 TO CURRENT MEMBERS OF THE EXECUTIVE BOARD ACCORDING TO IFRS 2

Expenditure for granting of virtual shares in FY 2020 acc. to IFRS 2

€ '000	Part of total expenditure FY 2020	Part of total expenditure FY 2019
Friedrich Joussen	-1,190.4	-2,777.4
David Burling	-687.3	-695.8
Birgit Conix	-243.2	29.0
Sebastian Ebel	-607.2	-751.6
Dr Elke Eller	-681.3	-529.0
Frank Rosenberger	-384.1	-151.6
Total	-3,793.5	-4,876.4

The table shows the individual amounts of the total expenditure arising from the addition to the provisions to be formed pro rata according to IFRS 2 for all of the LTIP tranches to be granted during the term of the respective service agreements. Pursuant to IFRS 2, there are provisions totalling € 2,083.9 k (previous year: € 5,877.4 k) to cover entitlements under TUI AG's LTIP for current Members of the Executive Board.

In accordance with IFRS, there are provisions totalling € 146 k for Horst Baier, who retired from the Executive Board at the end of 30 September 2018, of which € 47 k will be recognised as liabilities (previous year: liabilities of € 0.0 k).

The provisions as well as the liabilities take into account the Executive Board's voluntary waiver of payout of variable remuneration components in FY 2020 explained further on page 129.

4. FRINGE BENEFITS

Purpose and link to company strategy

Fringe benefits offered should be competitive on the market for highly qualified members of the Executive Board in order to be able to attract and retain candidates who are a good match for the company. Further, the members of the Executive Board should enjoy an attractive working environment.

Procedure

Members of the Executive Board receive the following fringe benefits:

- Reimbursement of business travel expenses in accordance with TUI AG's general business travel guidelines; if applicable.
- Twice each financial year, the reimbursement of substantiated (e. g. by invoices) costs of a trip or individual components of a trip that take place at essentially the same time (flight, transfer in destination area, accommodation including holiday houses and apartments, cruise, rental car, round trip), from the ranges of a provider in which TUI AG holds a majority participation (section 16 German Stock Corporation Act), without any limitation as to type of holiday, category or price. Accompanying spouses / partners shall be granted a 50 % discount for these benefits, whereas accompanying own children and accompanying children of spouses / partners shall be granted a 100 % discount on the regular price of the aforementioned vacations until they no longer have a claim to a child allowance or a comparable state benefit pursuant to a foreign legal order. A discount of 75 % (50 % for accompanying spouses / partners, accompanying children meeting the requirements mentioned before) will be granted for flights (seat-only business of an airline in which TUI AG holds a majority participation pursuant to section 16 German Stock Corporation Act) that are not part of a trip.
- A suitable company car with driver or alternatively a car allowance of € 1.5 k gross per month.
- Insurance cover is provided in line with the agreements applicable in Germany and the United Kingdom. This is offered as follows:

TUI AG provides an accident insurance for Mr Joussen, Ms Conix, Mr Ebel, Dr Eller and Mr Rosenberger to the customary extend and pays the respective insurance contributions for the term of the service agreements. The coverage amounts for Mr Joussen and Mr Ebel to € 1,534 k and for Dr Eller, Mr Burling, Ms Conix and Mr Rosenberger to € 1,500 k for death and for Mr Joussen and Mr Ebel to € 3,218 k and for Dr Eller, Mr Burling, Ms Conix and Mr Rosenberger to € 3,150 k for full disablement. Furthermore TUI AG pays an allowance towards health and long-term care insurance in the amount that would be payable for an employee but no more than half of the respective insurance premium for Mr Joussen, Mr Baier, Ms Conix, Mr Ebel, Dr Eller and Mr Rosenberger.

Insofar as this is permitted by law, Mr Burling remains a beneficiary of the UK term life, vocational disability and health insurance programs at the expense of TUI AG.

TUI AG also takes out criminal law protection insurance that provides cover for the members of the Executive Board regarding criminal and misdemeanour proceedings, if these proceedings are based on an act or a failure to act in the exercise of their duties for TUI AG. TUI AG also takes out a suitable financial liability insurance policy (D&O insurance) coverage for the members of the Executive Board

to cover possible claims brought under private law on the basis of statutory liability provisions against one or more of the members of the Executive Board by a third party or the company for damages for a breach of duty committed in the exercise of their duties. The D&O insurance provides for a deductible of 10 % of the damage up to 150 % of the fixed annual remuneration.

Amount

The value of the company car, free holidays and insurance benefits which every member of the Executive Board receives annually is taken into account within the scope of the maximum remuneration listed on page 136 as fringe benefits.

5. PENSION BENEFITS

Purpose and link to company strategy

Highly-qualified members of the Executive Board who are needed to develop and implement company strategy are to be acquired and retained. The pension benefits should be competitive on the market for highly qualified members of the Executive Board and should provide them with a corresponding level of benefits in their retirement.

Procedure

Benefits in the form of pensions are paid to former members of the Executive Board if they reach the predefined age limit or are permanently incapacitated. The members of the Executive Board are not entitled to receive transition payments upon leaving the Executive Board, with the exception of Mr Ebel who has an acquired right to receive transition payments under a legacy contract.

With regard to pension entitlements, different principles apply to Mr Joussen, Mr Ebel, Dr Eller and Mr Rosenberger on the one hand and Ms Conix and Mr Burling on the other hand due to the legacy systems in Germany, Belgium and the UK.

Mr Joussen, Mr Ebel, Dr Eller and Mr Rosenberger are entitled to pensions in line with the pension commitments granted to members of the Executive Board of TUI AG. These members of the Executive Board receive, on an annual basis, a contractually agreed amount that is paid into an existing pension account for the respective Executive Board member. The contributions to the company pension scheme of Mr Joussen, Mr Ebel and Dr Eller carry an interest rate established in the pension commitment. The interest rate stands at 5 % p. a. The annual interest for Mr Rosenberger's contributions to the company pension scheme is established by the company at its reasonable discretion in such a way that it does not exceed 5 % p. a. The beneficiary may choose between a one-off payment, payment by instalments or pension payments. The amounts agreed on in the service agreements of the aforementioned members of the Executive Board are:

- Mr Joussen: € 454.5 k per year. Mr Joussen becomes eligible for payment of the pension upon reaching the age of 62.
- Mr Ebel: € 207.0 k per year. Mr Ebel becomes eligible for payment of the pension upon reaching the age of 62.
- Dr Eller: € 230.0 k per year. Dr Eller becomes eligible for payment of the pension upon reaching the age of 63.
- Mr Rosenberger: € 230.0 k per year. Mr Rosenberger becomes eligible for payment of the pension upon reaching the age of 63.

Should Mr Joussen, Mr Ebel, Dr Eller and Mr Rosenberger retire from TUI AG before the normal retirement date due to an ongoing occupational disability, they will receive an occupational disability pension until they are able to work again, but at most until they reach the normal retirement date.

Under certain circumstances, spouses, partners or cohabitants of the members of the Executive Board will, should the respective Executive Board member die, receive a survivor's pension worth 60 % of the pension for their lifetime or until remarriage. Children of members of the Executive Board will, should the respective Executive Board member die, receive an orphan's pension, paid no longer than until they reach the age of 27 at the latest. Children who have lost one parent will receive 20 % of the pension, and those who have lost both parents will receive 25 %. This claim is subject to the prerequisite that the child meets the requirements set out in section 32 (3), (4), sentence 1 nos. 1 to 3 and (5) German Income Tax Act (*Einkommensteuergesetz*).

Mr Burling receives a fixed annual amount of € 225.0 k paid out in cash for his pension.

Ms Conix receives a fixed annual amount of € 230.0 k paid out in cash for her pension.

5.1 PENSION RESERVES FOR THE CURRENT MEMBERS OF THE EXECUTIVE BOARD IN ACCORDANCE WITH THE PENSION COMMITMENTS OF THE TUI AG

The pension commitments for active members of the Executive Board pursuant to IAS 19 stood at € 16,649.6 k. as at 30 September 2020 (previous year: € 16,226.0 k). Thereof € 5,721.7 k (previous year: € 6,085.8 k) was attributable to claims that Mr Ebel had accrued in the course of his service for the TUI Group up to 31 August 200. The remaining claims are allocated as follows:

Pension of current Executive Board members under TUI AG Pension scheme

	Addition to/ reversal from pension provisions		Net present value	
€ '000	2020	2019	30 Sep 2020	30 Sep 2019
Friedrich Joussen	215.9	1,182.4	4,948.6	4,732.7
Sebastian Ebel	118.6	506.8	2,183.8	2,065.2
Dr Elke Eller	249.3	505.2	1,781.2	1,531.9
Frank Rosenberger	203.8	698.9	2,014.2	1,810.4
Gesamt	787.6	2,893.3	10,927.8	10,140.2

In accordance with the provisions of commercial law, the pension commitments for active members of the Executive Board stood at € 13,105.9 k (previous year: € 11,158.1 k); thereof € 4,105.8 k (previous year: € 3,693.9 k) are attributable to claims that Mr Ebel had accrued in the course of his service for the TUI Group up to 31 August 2006.

As regards the pension commitments of Mr Ebel, Dr Eller and Mr Rosenberger, corresponding assets were transferred in each case to a trustee on a fiduciary basis in line with the contractual agreement in order to finance the pension rights and to secure in case of a security event.

5.2 PENSION PAYMENTS MADE TO PAST MEMBERS OF THE EXECUTIVE BOARD

In FY 2020, the total pension payments to former members of the Executive Board and their surviving dependents totalled € 6,055.3 k (previous year: € 6,016.0 k). In FY 2020, € 874.1 k thereof was allocated to Michael Frenzel, who stood down from the Executive Board on 31 March 2014, and € 910.3 k to Horst Baier, who left on 30 September 2018.⁴ The remaining payments are allocated to past members of the Executive Board and their surviving dependents who left the Executive Board of TUI AG more than ten years ago. Pension provisions for former members of the Executive Board and their dependents

amounted as at the balance sheet date to € 73,483.7 k (previous year: € 79,767.9 k) as measured in accordance with IAS 19, not including Mr Ebel's claims in the amount of € 5,721.7 k (previous year: € 6,085.8 k), which he accrued up to 31 August 2006 in the course of his service for the TUI Group.

⁴ Further, in FY 2020 Mr Baier received a payment from the LTIP totalling € 47 k. Thereafter the relative share of the pension payment will be approx. 95.1 % of the remuneration granted to him in FY 2020.

According to commercial law provisions, the pension obligations for former members of the Executive Board and their surviving dependents amounted to € 65,552.6 k (previous year: € 67,102.1 k), not including Mr Ebel's claims in the amount of € 4,105.8 k (previous year: € 3,693.9 k) which he accrued up to 31 August 2006 during the course of his service for the TUI Group.

6. REMUNERATION CAPS

The following caps apply to the remuneration (remuneration components and total remuneration) payable to members of the Executive Board for a financial year. It has to be noted that if the contractually agreed cap of the total remuneration is exceeded, the LTIP will be reduced accordingly.

Remuneration caps				
€ '000	Fixed remuneration ¹	JEV	LTIP	Maximum total remuneration ²
Friedrich Jousen	1,100.0	2,743.2	4,392.0	7,500.0
David Burling	680.0	1,080.0	2,208.0	3,500.0
Birgit Conix	680.0	1,188.0	2,208.0	3,500.0
Sebastian Ebel	680.0	1,080.0	2,208.0	3,500.0
Dr Elke Eller	680.0	1,177.2	2,208.0	3,500.0
Frank Rosenberger	600.0	1,004.4	1,836.0	3,500.0

¹ Fixed amount, no cap applied

² Contractually fixed cap for overall remuneration (incl. fixed remuneration, JEV, LTIP, pension payments and fringe benefits). If contractually agreed cap for overall remuneration is exceeded, LTIP-payout will be reduced proportionately.

Remuneration caps were retained for financial year 2020 without a remuneration component being reduced.

7. PAYMENTS IN CASE OF PREMATURE DEPARTURE OF AN EXECUTIVE BOARD MEMBER

The payments to be made to a member of the Executive Board on the premature termination of his or her service agreement without good cause are in principle limited in the service agreement of Mr Jousen to an amount equal twice their annual remuneration. In the service agreements of Ms Conix and Mr Rosenberger it has been agreed that payments in the event of premature termination without good cause may not – in case of premature termination during the first year after the coming into force of the service agreement – exceed the amount equal twice their annual remuneration and – in case of premature termination after the end of the first year of the service agreement – exceed the amount on an annual remuneration (severance pay cap).

In the service agreements of Mr Burling, Mr Ebel and Dr Eller it has been agreed that payments due to premature termination of the respective service agreement without good cause shall not exceed the amount of an annual remuneration (severance pay cap).

For any member of the Executive Board, payments upon premature termination shall not cover more than the remaining term of the service agreement. The severance payment is calculated based on the target direct remuneration (fixed remuneration, target amount for JEV and target amount for LTIP) of the expired financial year and, if relevant, the expected target remuneration for the current financial

year, provided that the application of 4.2.3. paragraph 4 sentence 3 GCGC in the version dated 7 February 2017 does not result in a lesser sum. If the service agreement is terminated extraordinarily without notice no payments will be made to the members of the Executive Board.

If the appointment of a member of the Executive Board is revoked, the respective service agreement will also be terminated. If the revocation is not made for a reason that at the same time constitutes good cause for a termination of the service agreement without notice, the service agreement shall come to an end on expiry of a phase-out period. This phase-out period is generally twelve months. A phase-out period of 24 months has been agreed with Mr Jousen.

In cases of premature termination of the service agreement, the annual performance-based remuneration (JEV) and payments according to the LTIP will be managed as follows:

JEV:

- If the company terminates the service agreement without notice before the end of the one-year performance reference period for good cause attributable to the beneficiary or if the beneficiary terminates the service agreement without good cause, the claim to the JEV for the performance reference period in question will be forfeited and no alternative remuneration or compensation will be paid.
- In all other cases of premature termination of the service agreement before the end of the one-year performance reference period, the JEV will be paid on a pro rata basis.

LTIP:

- If the company terminates the service agreement without notice before the end of the respective performance reference period for good cause attributable to the Executive Board member, or if the Executive Board member terminates the service agreement without good cause, all claims under the LTIP will lapse for all tranches not yet paid and no alternative remuneration or compensation will be paid.
- If the service agreement ends before the expiry of the performance reference period for other reasons, the claims under the LTIP will be maintained for tranches not yet paid. The tranche of the current financial year will be reduced on a pro-rata basis. The payout will be calculated in the same way as in the case of a continuation of the service agreement.

It has been agreed with Mr Jousen and Mr Burling that as of 1 June 2022 they may unilaterally resign from their roles as members of the Executive Board with three months' notice to 30 September 2022, whereby the JEV and LTIP will be paid out as contractually agreed and will not lapse. Should Mr Jousen or Mr Burling exercise this right of resignation, the respective service agreement will come to an end at the close of a phase-out period of 24 or nine months respectively.

In connection with a termination of an Executive Board member's service agreement, in particular subsequent to a termination of the service agreement, regardless of by which party, or the conclusion of a termination agreement, TUI AG shall be entitled to release the respective Executive Board member in full or in part from his or her obligation to perform work subject to continued payment of the remuneration. Such release shall initially be irrevocable for the period of any still outstanding holiday entitlement, which shall hereby be deemed exhausted. The release shall subsequently be maintained until the service agreement ends. The release shall be revocable in the event that questions exist in connection with the winding-up of the service relationship or temporary work becomes necessary for business reasons. This shall not affect the remainder of the service agreement.

The service agreements of the members of the Executive Board do not contain change of control clauses.

II. RESTRICTIONS ON REMUNERATION DUE TO THE FRAMEWORK AGREEMENT WITH THE ECONOMIC STABILISATION FUND

Description

On 29 September 2020 TUI AG concluded a framework agreement with the German Economic Stabilisation Fund concerning the grant of stabilisation measures, which stipulates various requirements for the remuneration of the members of the Executive Board during the utilisation of stabilisation measures. Accordingly, as at 31 December 2019 each serving member may not receive any remuneration in excess of this member of the Executive Board's basic remuneration as at 31 December 2019 unless at least 75 % of the stabilisation measure has been repaid (taking account of any consolidated remuneration in the event of a dual appointment with another group company). The framework agreement further stipulates that for as long as it takes advantage of the stabilisation measure, TUI AG will not accord to members of the Executive Board 'bonuses, other variable or comparable remuneration components or special payments in the form of share packages, gratuities or other special forms of remuneration alongside their fixed remuneration, other remuneration components and benefits conferred at the company's discretion or settlements that are not required by law, taking account of any consolidated remuneration'.

For members of the Executive Board who was appointed a member of the Executive Board at the point at which the stabilisation measure was granted or thereafter, the cap shall be equivalent to the basic remuneration of members of the Executive Board of the same level of responsibility as at 31 December 2019.

Procedure

TUI AG has agreed corresponding amendments to the service agreements of all members of the Executive Board that bring the benefits generally agreed under the remuneration system in line with the restrictions on remuneration agreed with the economic stabilisation fund.

By way of corresponding amendments to the service agreements and the waivers agreed by the members of the Executive Board, TUI AG is deviating from the remuneration system in place for FY 2020 in respect of the fixed remuneration, the annual performance-related remuneration and the Long Term Incentive Plan. This deviation is in the interest of TUI AG and is a condition for TUI AG being able to take advantage of the stabilisation measures in accordance with the German Economic Stabilisation Fund Act as need be. Otherwise, there were no other deviations from the remuneration system currently in effect in FY 2020.

III. OVERVIEW: INDIVIDUAL REMUNERATION OF MEMBERS OF THE EXECUTIVE BOARD

1. PARTIAL WAIVER OF REMUNERATION BY THE MEMBERS OF THE EXECUTIVE BOARD FOR FINANCIAL YEAR 2020

In the course of the first application for state support as a result of the dramatic impact of the COVID-19-pandemic on the business of the Group, all members of the Executive Board declared a voluntary waiver of 30 % of their fixed remuneration for the months of April and May 2020 to the Group. Due to special national measures, Mr Burling waived a further 30 % of his fixed remuneration for the months June and July 2020.

Additionally, in August 2020, the members of the Executive Board have notified KfW of a voluntary waiver of all payouts from the JEV and LTIP variable remuneration elements. In fact, the LTIP tranches that expired as at 30 September 2020 would have resulted in the following payouts for the members of the Executive Board:

- Friedrich Joussen: € 103 k
- David Burling: € 34.8 k
- Sebastian Ebel: € 34.8 k
- Dr Elke Eller: € 29.2 k
- Frank Rosenberger: € 15.7 k

Furthermore, since March 2020 none of the members of the Executive Board has made use of their right to reimbursement of holiday trips which they are entitled to according to their service agreements.

2. INDIVIDUAL REMUNERATION OF THE MEMBERS OF THE EXECUTIVE BOARD FOR FINANCIAL YEAR 2020 (PURSUANT TO SECTION 314 (1), NO. 6 (A) GERMAN COMMERCIAL CODE)

The amount for the LTIP shown in the following table corresponds to the fair value of the LTIP tranches of the respective member of the Executive Board at the grant date within the meaning of section 314 (1) no. 6a sentence 1 German Commercial Code (HGB) in accordance with the provisions of the HGB covering the entire term of the respective service agreement. Conversely, the values of the fixed remuneration and the JEV reflect the remuneration paid for FY 2020.

Remuneration of individual Executive Board members granted by TUI AG for FY 2020 (acc. to section 314, paragraph 6 lit a of the German Commercial Code)

€ '000	Fixed remuneration ¹	JEV	LTIP	Total 2020	Total 2019
Friedrich Joussen	1,081.3	0.0	9,750.7	10,832.0	1,134.8
David Burling	638.0	0.0	3,675.3	4,313.3	709.1
Birgit Conix	664.2	0.0	0.0	664.2	682.1
Sebastian Ebel	664.0	0.0	0.0	664.0	680.0
Dr Elke Eller	680.4	0.0	0.0	680.4	3,967.9
Frank Rosenberger	588.0	0.0	2,737.4	3,325.4	669.4
Total	4,315.9	0.0	16,163.4	20,479.3	
Total previous year	4,592.8	0.0	3,250.5	7,843.3	

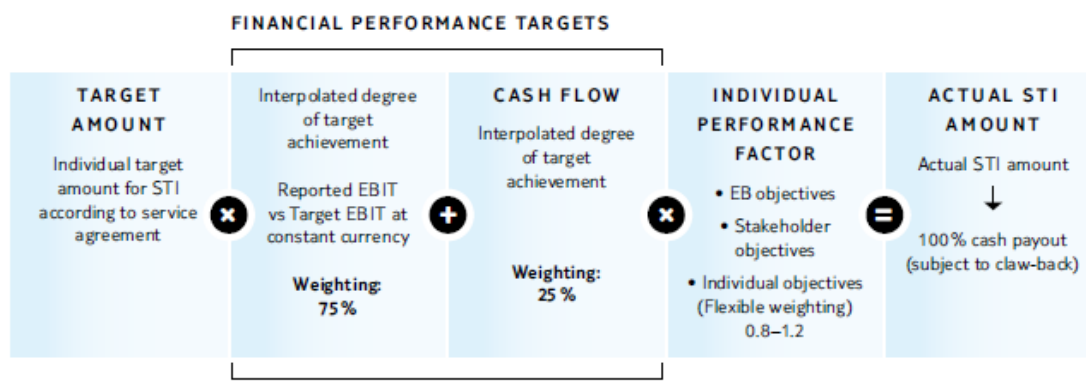
¹ Incl. fringe benefits (without insurances from group contracts, taking into account the voluntary waiver of all members of the Executive Board of 30% of their fixed remuneration for April and May as well as a further 30% for the months June to September for Mr Burling due to national measures in UK.

3. TARGET ACHIEVEMENT

The following describes how the performance criteria are applied in FY 2020 and how the targets for the variable remuneration components were achieved.

The multiplication of the target amounts by the weighted degrees of target achievement for EBIT and the Cash Flow and the individual performance factor results in the amount paid to member of the Executive Board as JEV.

Description JEV

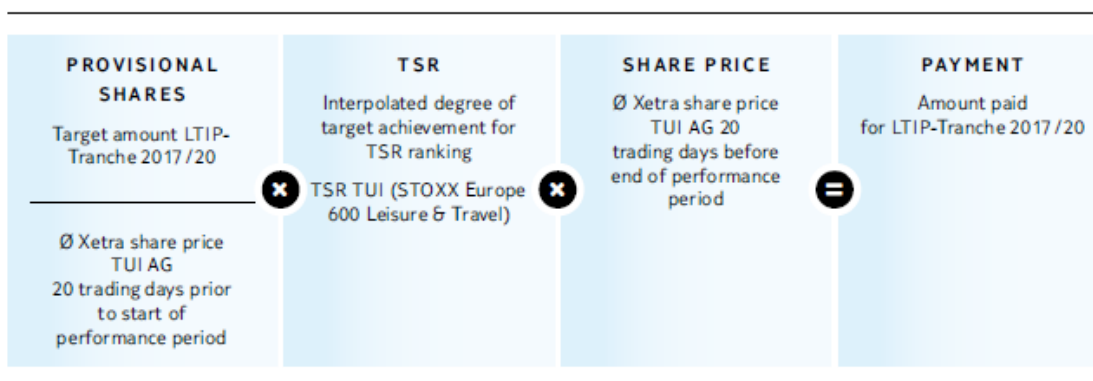


The targets set by the Supervisory Board for EBIT and Cash Flow are based on the annual operating plan and are in line with the financial communication.

Against the background of the group-wide transformation process, the Supervisory Board decided at the beginning of the financial year to waive individual targets in favour of targets for the overall Executive Board with regard to the individual performance factor. Thus, the execution of the transformation by reducing the complexity of the IT system landscape as well as of the operative side and by expanding the digital platform across all source markets has been an essential part of the target-setting. The Supervisory Board has defined engagement-targets that are closely connected to this and include especially the retention and engagement of employees and leadership as well as an extensive change management process. Furthermore, the members of the Executive Board have been given ambitious sustainability targets, which entail the reduction of environmental impacts of holidaymakers as well as the strengthening of the positive impact of tourism in the respective destinations.

Because of the waiver that was voluntarily announced by the members of the Executive Board, the Supervisory Board did not set the target achievement for the EBIT and the Cash Flow. The effects of the COVID-19-pandemic, which in the interim have seen a cessation of operative business and have resulted in a significant liquidity bottleneck, have resulted in a situation where, despite a strong booking position at the start of the financial year and massive cost-saving measures, a situation has arisen where none of the performance targets could have been achieved in FY 2020.

The Supervisory Board further did not set the individual performance factor. Despite the immense work effort that the exceptional challenges of FY 2020 have demanded from the members of the Executive Board, they have shown outstanding engagement and commitment and at the same time kept the focus on the targets agreed upon. After intense consideration and despite the voluntary waiver, the Supervisory Board has established, that within the realms of the technical and operational possibilities, the targets have been met satisfactorily and partly even ahead of schedule.



The provisions of the remuneration system that was replaced as at 1 October 2017 would have been relevant for a payout of the LTIP tranche 2017/20 (page 117). The LTIP tranche was granted on the basis of TUI AG's average share price of € 12.36. At the end of the performance period, TUI AG's average share price was € 3.44. Due to the degree to which the TSR ranking of TUI AG was achieved compared with the TSR values of the STOXX Europe 600 Travel & Leisure companies over the performance reference period, the LTIP achieved a target of 25 %. Due to the voluntarily declared waiver, there is, however, no payment from the LTIP in FY 2020 to the current members of the Executive Board.

4. ADDITIONAL INFORMATION

As in the previous year, no loans or advances were granted to the members of the Executive Board in FY 2020.

For her activities – which were approved by the Supervisory Board of TUI AG – in supervisory boards or comparable domestic and foreign supervisory bodies of companies (cf. section 125 (1) sentence 5 AktG) to be set up in accordance with statutory requirements which are not carried out on the basis of a shareholding of TUI AG in the companies concerned, Dr Eller received € 33.9 k from K+S AG and acquired a claim amounting to € 80.6 k there. For his mandate on the Supervisory Board of SIXT SE, Mr Joussen received € 100.0 k in FY 2020. Mr Ebel received remuneration of € 7.5 k for his Supervisory Board mandate at BRW Beteiligungs AG and € 20 k from TCT GmbH. This remuneration was not offset against the Executive Board remuneration paid by TUI AG.

5. REMUNERATION AWARDED IN FY 2020

Pursuant to clause 4.2.5, annex tables 1 and 2 GCGC in the version of 7 February 2017, the following table shows the remuneration awarded by TUI AG pursuant to the former version of the GCGC. However, the underlying recommendations for the information contained in such tables on the 'remuneration awarded' within the meaning of the former version of the GCGC ceased to apply when the revised GCGC came into effect on 20 March 2020. Similarly, the AktG in the version incorporating ARUG II does not contain a continuing requirement to include such information in the remuneration report. To provide our shareholders with a better comparison with the information from previous years and to maintain the level of transparency achieved to date, the Executive Board and the Supervisory Board have decided to again include voluntary information within the meaning of the former version of the GCGC 'remuneration awarded' in the remuneration report for FY 2020. The 'remuneration awarded' within the meaning of the former version of the GCGC is not equivalent to the 'remuneration awarded and owed' within the meaning of section 162 (1) sentence 1 AktG:

- 'Remuneration awarded' within the meaning of the former version of the GCGC includes, without taking account of the point of payment, all remuneration components granted to a

member of the Executive Board within the financial year at least on the merits and the (future) amount of which can at least be estimated.

- Conversely, 'remuneration awarded and owed' within the meaning of section 162 (1) sentence 1 AktG only denotes remuneration that has been de facto received in the financial year or remuneration that according to the explanatory memorandum (BT-Drs. 19 / 9739, p. 111) 'is owed under legal categories, but has not (previously) been received'.

5.1 REMUNERATION AWARDED PURSUANT TO GCGC (FORMER VERSION)

The table of 'remuneration awarded' in accordance with the former version of the GCGC shows the amount awarded in each financial year. At the time of grant, the LTIP tranches are measured at fair value as at 1 October 2019. This was determined by multiplying the respective target amount of the members of the Executive Board by a fair value factor of 0.78 per euro.

Remuneration awarded in accordance with the former version of the DCGK

€ '000	Friedrich Joussem CEO since 14 February 2013 ¹				David Burling Member of the Executive Board since 1 June 2016			
	2019	2020	2020 (min.)	2020 (max.)	2019	2020	2020 (min.)	2020 (max.)
Fixed remuneration	1,100.0	1,100.0	1,100.0	1,100.0	680.0	680.0	680.0	680.0
Fringe benefits ²	52.8	36.3	36.3	36.3	29.1	26.1	26.1	26.1
Total	1,152.8	1,136.3	1,136.3	1,136.3	709.1	706.1	706.1	706.1
JEV	1,270.0	1,270.0	0.0	2,743.2	500.0	500.0	0.0	1,080.0
LTIP								
LTIP (2019 - 2022)	2,122.8				1,067.2			
LTIP (2020 - 2023)		1,427.4	0.0	4,392.0		717.6	0.0	2,208.0
Total	4,545.6	3,833.7	1,136.3	8,271.5	2,276.3	1,923.7	706.1	3,994.1
Pension/service costs ³	635.7	628.3	628.3	628.3	225.0	225.0	225.0	225.0
Total remuneration⁴	5,181.3	4,462.0	1,764.6	7,500.0	2,501.3	2,148.7	931.1	3,500.0

Remuneration awarded in accordance with the former version of the DCGK

	Birgit Conix				Sebastian Ebel			
	Member of the Executive Board since 15 July 2018				Member of the Executive Board since 12 December 2014			
€ '000	2019 ²	2020	2020 (min.)	2020 (max.)	2019	2020	2020 (min.)	2020 (max.)
Fixed remuneration	680.0	680.0	680.0	680.0	680.0	680.0	680.0	680.0
Fringe benefits ²	20.1	18.2	18.2	18.2	18.0	18.0	18.0	18.0
Total	700.1	698.2	698.2	698.2	698.0	698.0	698.0	698.0
JEV	550.0	550.0	0.0	1,188.0	500.0	500.0	0.0	1,080.0
LTIP								
LTIP (2019 - 2022)	1,067.2				1,067.2			
LTIP (2020 - 2023)		717.6	0.0	2,208.0		717.6	0.0	2,208.0
Total	2,317.3	1,965.8	698.2	4,094.2	2,265.2	1,915.6	698.0	3,986.0
Pension/service costs ³	230.0	230.0	230.0	230.0	288.9	285.9	285.9	285.9
Total remuneration⁴	2,547.3	2,195.8	928.2	3,500.0	2,554.1	2,201.5	983.9	3,500.0

Remuneration awarded in accordance with the former version of the DCGK

	Dr Elke Eller Member of the Executive Board / Labour Director since 15 October 2015				Frank Rosenberger Member of the Executive Board since 1 January 2017			
€ '000	2019	2020	2020 (min.)	2020 (max.)	2019	2020	2020 (min.)	2020 (max.)
Fixed remuneration	680.0	680.0	680.0	680.0	600.0	600.0	600.0	600.0
Fringe benefits ²	55.4	34.4	34.4	34.4	87.4	18.0	18.0	18.0
Total	735.4	714.4	714.4	714.4	687.4	618.0	618.0	618.0
JEV	545.0	545.0	0.0	1,177.2	465.0	465.0	0.0	1,004.4
LTIP								
LTIP (2019 - 2022)	1,009.2				887.4			
LTIP (2020 - 2023)		678.6	0.0	2,088.0		596.7	0.0	1,836.0
Total	2,289.6	1,938.0	714.4	3,979.6	2,039.8	1,679.7	618.0	3,458.4
Pension/service costs ³	360.6	356.7	356.7	356.7	416.5	408.8	408.8	408.8
Total remuneration⁴	2,650.2	2,294.7	1,071.1	3,500.0	2,456.3	2,088.5	1,026.8	3,500.0

¹ Joint-CEO since 9 February 2016; member of the Executive Board since 15 October 2012

² Without insurances from group contracts

³ For Mr Joussen, Mr Ebel, Dr Eller and Mr Rosenberger service costs acc. to IAS19; for Mr Burling and Mrs Conix payments for pension contribution

⁴ If contractually agreed cap for overall remuneration is exceeded, LTIP-payout is reduced proportionally

The following overview of the total remuneration awarded to the members of the Executive Board In FY 2020 illustrates the distribution of the individual remuneration components in relation to each other. It has to be emphasised that the share of variable components of the total remuneration awarded is quite considerable: The LTIP accounts for 41 % of the total remuneration awarded, the JEV accounts for 21 %. It can be stated that variable components account for 62 % of the total remuneration awarded to the members of the Executive Board.

5.2 “REMUNERATION AWARDED AND OWED” WITHIN THE MEANING OF SECTION 162 (1) SENTENCE 1 AKTG

Pursuant to section 162 (1) sentence 1, sentence 2 no. 1 AktG, all fixed and variable remuneration components should be specified that were ‘awarded and owed’ to the individual members of the Executive Board in FY 2020. This information largely corresponds to the information previously reported as ‘inflow’ within the meaning of the former version of the GCGC.

Remuneration paid in accordance with the former version of the DCGK and “awarded and owed remuneration” pursuant to section 162 (1) sentence 1 AktG

€ '000	Friedrich Jousen CEO since 14 February 2013 ¹				David Burling Member of the Executive Board since 1 June 2015				Birgit Conix Member of the Executive Board since 15 July 2018			
	2019	2019 ²	2020	2020 ²	2019	2019 ²	2020	2020 ²	2019	2019 ²	2020	2020 ²
Fixed remuneration ³	1,100.0	61.5%	1,045.0	61.1%	680.0	72.8%	611.9 ⁴	70.9% ⁴	680.0	73.1%	646.0	72.2%
Fringe benefits ⁵	52.8	3.0%	36.3	2.0%	29.1	3.1%	26.1	3.0%	20.1	2.2%	18.2	2.0%
Total	1,152.8	64.5%	1,081.3	63.1%	709.1	75.9%	638.0	73.9%	700.1	75.3%	664.2	74.3%
JEV	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
LTIP												
LTIP (2016-2019)	0.0	0.0%	0.0		0.0	0.0%	0.0		0.0	0.0%	0.0	
LTIP (2017-2020)	0.0		0.0	0.0%	0.0		0.0	0.0%	0.0		0.0	0.0%
Others	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Claw Back according to § 162 para. 1 sen. 2 no. 4 AktG ⁶	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total	1,152.8	64.5%	1,081.3	63.2%	709.1	75.9%	638.0	73.9%	700.1	75.3%	664.2	74.3%
Pension/service costs ⁷	635.7	35.5%	628.3	36.8%	225.0	24.1%	225.0	26.1%	230.0	24.7%	230.0	25.7%
Total remuneration	1,788.5	100%	1,709.6	100%	934.1	100%	863.0	100%	930.1	100%	894.2	100%

¹ Joint-CEO until 9 February 2016; member of the Executive Board since 15 October 2012

² The percentages specified here refer to the ‘awarded and owed’ remuneration components in the respective financial year acc. to section 162 (1) sentence 1 AktG. They thus include all remuneration components actually paid in the respective financial year, regardless for which financial year they have been paid to the members of the Executive Board. The percentages specified here are therefore not comparable to the percentages in the description of the remuneration system acc. to section 87a (1) No3 AktG which will be presented to the Annual General Meeting together with this remuneration report. The percentages indicated in the remuneration system correspond to the respective target values

³ Taking into account the voluntary waiver of 30 % of fixed remuneration for the months April and May 2020

⁴ David Burling. Taking into account the additional voluntary waiver of 30 % of fixed remuneration for the months June and July 2020 due to national measures in UK

⁵ Without insurance from group contracts

⁶ The service contracts of the members of the Executive Board include – in accordance with the remuneration system adopted by the Supervisory Board in December 2019 – a malus and clawback provision. In FY 2020 TUI AG has not made use of this provision.

⁷ For Mr Jousen, Mr Ebel, Dr Eller and Mr Rosenberger service costs acc. to IAS 19 and therefor not ‘awarded and owed’ remuneration’ within the meaning of section 162 (1) sentence 1 AktG. For Mr Burling and Mrs Conix payments for pension contribution and therefor part of ‘awarded and owed’ remuneration in the meaning of section 162 (1) sentence 1 AktG

Remuneration paid in accordance with the former version of the DCGK and “awarded and owed remuneration” pursuant to section 162 (1) sentence 1 AktG

	Sebastian Ebel Member of the Executive Board since 12 December 2014				Dr Elke Eller Member of the Executive Board/ Labour Director since 15 October 2015				Frank Rosenberger Member of the Executive Board since 1 January 2017			
€ '000	2019	2019 ²	2020	2020 ²	2019	2019 ²	2020	2020 ²	2019	2019 ²	2020	2020 ²
Fixed remuneration ³	680.0	68.9%	646.0	68.0%	680.0	62.0%	646.0	62.3%	600.0	54.4%	570.0	57.2%
Fringe benefits ⁵	18.0	1.8%	18.0	1.8%	55.4	5.1%	34.4	3.3%	87.4	7.9%	18.0	1.8%
Total	698.0	70.7%	664.0	69.9%	735.4	67.1%	680.4	65.6%	687.4	62.3%	588.0	59.0%
JEV	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
LTIP												
LTIP (2016-2019)	0.0	0.0%	0.0		0.0	0.0%	0.0		0.0	0.0%	0.0	
LTIP (2017-2020)	0.0		0.0	0.0%	0.0		0.0	0.0%	0.0		0.0	0.0%
Others	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Claw Back according to § 162 para. 1 sen. 2 no. 4 AktG ⁶	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total	698.0	70.7%	664.0	69.9%	735.4	67.1%	680.4	65.6%	687.4	62.3%	588.0	59.0%
Pension/service costs ⁷	288.9	29.3%	285.9	30.1%	360.6	32.9%	356.7	34.4%	416.5	37.7%	408.8	41.0%
Total remuneration	986.9	100%	949.9	100%	1,096.0	100%	1,037.1	100%	1,103.9	100%	996.8	100%

¹ Joint-CEO until 9 February 2016; member of the Executive Board since 15 October 2012.

² The percentages specified here refer to the ‘awarded and owed’ remuneration components in the respective financial year acc. to section 162 (1) sentence 1 AktG. They thus include all remuneration components actually paid in the respective financial year, regardless for which financial year they have been paid to the members of the Executive Board. The percentages specified here are therefore not comparable to the percentages in the description of the remuneration system acc. to section 87a (1) No3 AktG which will be presented to the Annual General Meeting together with this remuneration report. The percentages indicated in the remuneration system correspond to the respective target values.

³ Taking into account the voluntary waiver of 30 % of fixed remuneration for the months April and May 2020.

⁴ David Burling: Taking into account the additional voluntary waiver of 30 % of fixed remuneration for the months June to September 2020 due to national measures in UK.

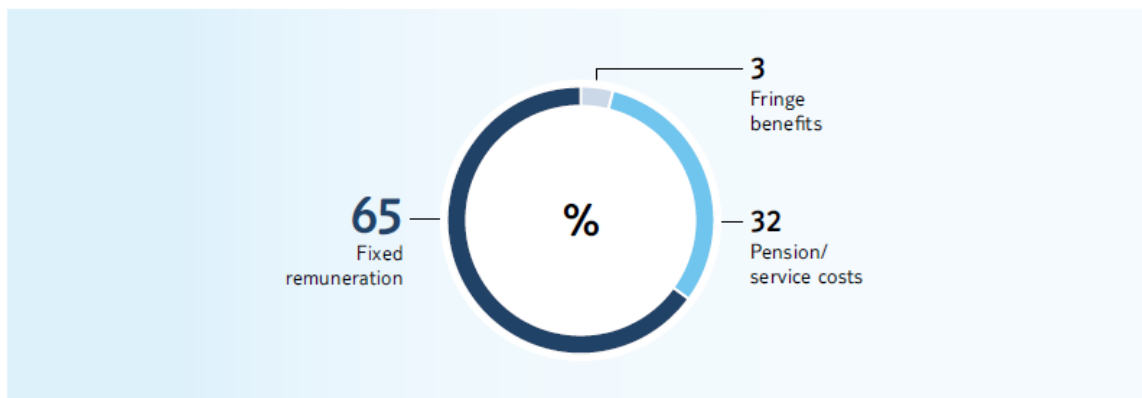
⁵ Without insurance from group contracts.

⁶ The service contracts of the members of the Executive Board include – in accordance with the remuneration system adopted by the Supervisory Board in December 2019 – a malus and clawback provision. In FY 2020 TUI AG has not made use of this provision.

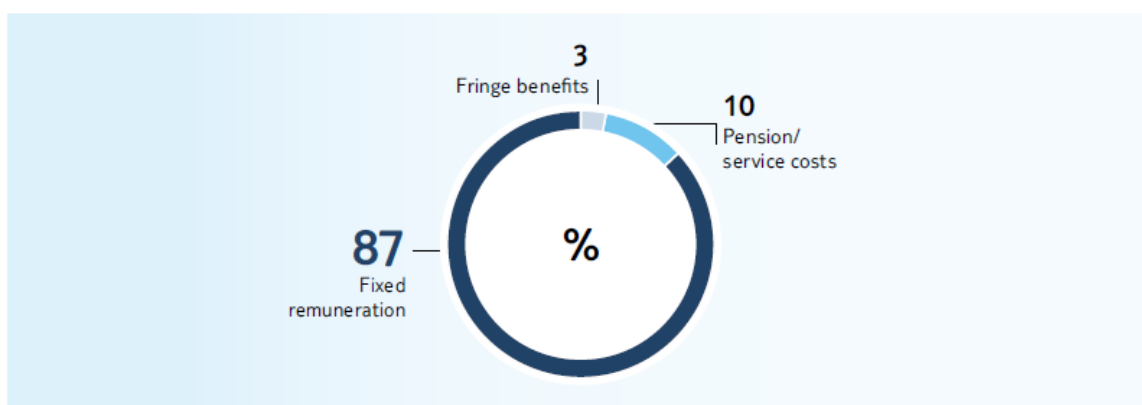
⁷ For Mr Joussen, Mr Ebel, Dr Eller and Mr Rosenberger service costs acc. to IAS 19 and therefor not ‘awarded and owed’ remuneration’ within the meaning of section 162 (1) sentence 1 AktG. For Mr Burling and Mrs Conix payments for pension contribution and therefor part of ‘awarded and owed’ remuneration in the meaning of section 162 (1) sentence 1 AktG.

Looking at the remuneration paid in accordance with former version of the DCGK as well as the “awarded and owed remuneration” in the meaning of section 161 (1) sentence 1 AktG” it becomes clear that there is no inflow from variable remuneration components for the current 1 members of the Executive Board:

Remuneration paid in accordance with the former version of the DCGK of the Executive Board as a whole



“Awarded and owed remuneration” pursuant to section 162 (1) sentence 1 AktG



5.3 OTHER PAYMENTS / BENEFITS FOR PAST MEMBERS OF THE EXECUTIVE BOARD

Mr Baier, who left the Executive Board of TUI AG on 30 September 2018, is entitled to a payout from the LTIP tranche from financial year 2017 that expired as of 30 September 2020. The entitlement amount to € 47k² and will be paid in December 2020.

5.4 COMPARATIVE VIEW OF THE ANNUAL CHANGES TO THE REMUNERATION OF THE MEMBERS OF THE EXECUTIVE BOARD WITH EARNINGS PERFORMANCE AND THE AVERAGE REMUNERATION OF TUI AG EMPLOYEES³

The following table shows a comparison of the percentage change of the remuneration of the members of the Executive Board with the earnings performance of TUI AG and the average remuneration of the employees on FTE basis over the last five financial years. The remuneration of the members of the Executive Board contained in the table depicts the amounts actually received in the respective financial year. For current members of the Executive Board for FY 2020, these values correspond to values presented in the table 'Awarded and owed remuneration pursuant to section 162 (1) sentence 1 AktG' (page 133 – 134 of the Annual Report). Where members of the Executive Board only received pro rata remuneration in the individual financial years, e. g. due to starting during the year, the remuneration for this financial year shall be projected for the full year in order to ensure comparability.

¹ See page 128 of the Annual Report for details on past members.

² Further, in FY 2020 Mr Baier received pension payments totalling € 910.3 k. Thereafter the relative share of the LTIP will total approx. 4.9 % of the remuneration granted to him in FY 2020.

³ The following section is a mandatory disclosure in accordance with section 162 (1) sentence 2 no. 2 AktG in connection with section 26j (2) sentence 2 EGAktG and is in accordance with section 162 (3) sentence 2 AktG not subject to the financial report audit.

The earnings performance is generally depicted using the performance of the annual result of TUI AG pursuant to section 275 (2) no. 17 HGB. Because the remuneration of the members of the Executive Board is also substantially dependent on the performance of Group indicators, the performance of the underlying EBITA reported in the consolidated accounts of the TUI Group is also specified.

The comparison of the development of the average remuneration of the employees is based on the average remuneration of the staff of TUI AG. As the employee and remuneration structures are varied within the subsidiaries, in particular in terms of overseas employees, it is expedient to rely solely on the staff of TUI AG for the comparison of the development of the average remuneration. This comparison group was also used for the review of the appropriateness of the remuneration of the members of the Executive Board. This took into account the remuneration of all employees, including managerial employees within the meaning of section 5 (3) German Works Constitution Act (BetrVG). Any additional remuneration received by employees as members of the Supervisory Board of TUI AG was disregarded.

To ensure comparability, the remuneration of part-time employees was rounded up to FTE.

Comparison of annual change to Executive Board remuneration according to section 162 (1) no. 2 AktG

Annual change (in %)	2020 vs. 2019
Executive Board remuneration¹	
Friedrich Joussen	-5%
David Burling	-15%
Birgit Conix	-5%
Sebastian Ebel	-5%
Dr. Elke Eller	-5%
Frank Rosenberger	-5%
Horst Baier (CFO until 30 September 2018) ²	10%
Michael Frenzel (CEO until 31 March 2014) ³	1%
Earnings performance	
Annual result (TUI AG) ⁴	-1,994%
EBITA (Group) ⁵	-440%
Average employee remuneration on FTE basis	
Company employees	-2%

¹ “Remuneration awarded and owed” within the meaning of section 162 (1) sentence 1 AktG (fixed remuneration, JEV, LTIP, fringe benefits and fixed annual pension payment for Ms Conix and Mr Burling; “received values”)

² In FY 2019 Mr Baier received a payment from his pension plan, in FY 2020 he received a payment from his pension plan and from the LTIP tranche 2017– 2020.

³ In FY 2019 and 2020 Mr Frenzel received payments from his pension plan.

⁴ Annual result within the meaning of section 275 (2) no. 17 HGB

⁵ Underlying EBITA of the TUI Group

REVIEW OF APPROPRIATENESS OF THE REMUNERATION AND PENSIONS OF MEMBERS OF THE EXECUTIVE BOARD

Following the end of FY 2020, the Supervisory Board carried out the annual review of the remuneration and pensions of Members of the Executive Board for FY 2020. It concluded that the level of the Executive Board remuneration and pensions are appropriate from a legal point of view within the meaning of section 87 (1) German Stock Corporation Act.

The Supervisory Board also regularly makes use of external advisors when assessing the appropriateness of the remuneration and pensions of Members of the Executive Board. This involves assessing the level and structure of the remuneration of Members of the Executive Board in relation to the remuneration of senior management and the workforce as a whole (vertical comparison) from an outside perspective. In addition to a status quo review, the vertical comparison also takes into account how this relationship changes over time. Secondly, the remuneration level and structure are assessed based on the position of TUI AG in a peer market (horizontal comparison). The peer market consists of a combination of DAX and MDAX companies that are within the scope of the German Stock Corporation Act (AktG), that are companies of similar sectors or that have similar core attributes and that are similar in terms of size (horizontal comparison). In addition to the fixed remuneration, the horizontal comparison also covers the short- and long-term remuneration components as well as the amount of company pension.

Companies for the assessment of the appropriateness of Executive Board remuneration*

Company	Stock market segment	Company	Stock market segment
Adidas AG	Dax	Hugo Boss AG	MDax
alstria office REIT-AG	Mdax	Infineon Technologies AG	Dax
Aurubis AG	Mdax	innogy SE	MDax
BASF SE	Dax	K+S AG	MDax
Bayer AG	Dax	KION GROUP AG	MDax
Bechtle AG	MDax	LANXESS AG	MDax
Beiersdorf AG	Dax	LEG Immobilien AG	MDax
Brenntag AG	Dax	Merck KGaA	Dax
Carl Zeiss Meditec AG	MDax	METRO AG	MDax
Continental AG	Dax	MorphoSys AG	MDax
Covestro AG	Dax	MTU Aero Engines AG	MDax
Daimler AG	Dax	Nemetschek SE	MDax
Delivery Hero AG	Dax	NORMA Group SE	MDax
Deutsche Euroshop AG	MDax	OSRAM Licht AG	MDax
Deutsche Lufthansa AG	Dax	ProSiebenSat.1 Media SE	MDax
Deutsche Post AG	Dax	Rheinmetall AG	MDax
Deutsche Telekom AG	MDax	RWE AG	Dax
Deutsche Wohnen AG	MDax	SAP SE	Dax
Drillisch AG	MDax	Sartorius AG	MDax
Dürr AG	MDax	Scout24 AG	MDax
E.ON SE	Dax	Siemens AG	Dax
Evonik Industries AG	MDax	Siltronic AG	MDax
Evotec AG	MDax	Software AG	MDax
Fielmann AG	MDax	Symrise AG	MDax
Fraport AG	MDax	TAG Immobilien AG	MDax
freenet AG	MDax	Telefónica Deutschland Holding AG	MDax
Fresenius Medical Care AG & Co KGaA	Dax	ThyssenKrupp AG	Dax
Fresenius SE & Co KGaA	Dax	Uniper SE	MDax
Fuchs Petrolub SE	MDax	United Internet AG	MDax
GEA Group AG	MDax	Volkswagen AG	Dax
Gerresheimer AG	MDax	Vonovia SE	Dax
HeidelbergCement AG	Dax	Wacker Chemie AG	MDax
Henkel AG & Co KGaA	Dax	Wirecard AG	Dax
HOCHTIEF AG	MDax	Zalando SE	MDax

* This date-related table is a disclosure in accordance with section G.3 of the GCGC in the version dated 16 December 2019 and is not subject to the financial report audit.

Against the background of the voluntary waiver of parts of the fixed remuneration as well as all variable remuneration components, no corresponding expert opinion was commissioned on the appropriateness of the level of remuneration for members of the Executive Board for FY 2020. As in FY 2019 the remuneration was significantly below that of FY 2018, the appropriateness of which was in turn also examined and confirmed. The amount of the remuneration received, which for FY 2020 consists of fixed remuneration, fringe benefits and pension contributions only, was largely known after the Annual General Meeting, which voted on the remuneration system in FY 2020.

Remuneration of the Supervisory Board

The provisions and remuneration of members of the Supervisory Board are derived from section 18 of TUI AG's Articles of Association, which have been made permanently accessible to the public on the internet. The remuneration of the Supervisory Board is reviewed at appropriate intervals. In this regard the expected time required for the relevant duties and experience in companies of a similar size, industry and complexity are taken into account.

Objective and reference to the corporate strategy

Highly-qualified Supervisory Board members are to be acquired and retained. This will foster the efficiency of the work of the Supervisory Board and the long-term performance of TUI AG.

Procedure

Besides reimbursement of their expenses, which include the revenue tax due on their emoluments, the members of the Supervisory Board receive a fixed remuneration of € 90.0 k per financial year, payable upon completion of the financial year. The chairman shall receive three times, and his deputies twice, the fixed remuneration of a Supervisory Board member.

An additional fixed remuneration of € 42.0 k is paid for membership of committees (e. g. the presiding committee, the audit committee and the strategy committee, but not the nomination committee). As a result of the successful completion of the integration of TUI AG and the former TUI Travel PLC, the integration committee was dissolved as planned in December 2016, which has already been described in the Annual Report 2017. The chairman of the audit committee shall receive three times, and the chairman of the strategy committee twice, this remuneration. This remuneration is also paid out at the end of the respective financial year.

The members of the Supervisory Board receive no further remuneration components and no fringe benefits. In all cases the remuneration relates to a full financial year. For parts of a financial year and for short financial years the remuneration shall be paid on a pro-rata basis.

The members of the Supervisory Board and the committees receive an attendance fee of € 1.0 k per meeting, regardless of the form the meeting takes.

Moreover, the members of the Supervisory Board are included in a financial liability insurance policy (D&O insurance) taken out in an appropriate amount by the company in its own interests. The relevant insurance premiums are paid by the company. There is a deductible for which the Supervisory Board members can take out their own private insurance.

Cap

There is no need to set a cap for the remuneration of the Supervisory Board because the remuneration for the Supervisory Board members does not consist of variable but solely of fixed components. This also applies under the new stipulations of the AktG in the version incorporating ARUG II. These new stipulations provide for the determination of a maximum remuneration expressly only for the Members of the Executive Board, but not the members of the Supervisory Board.

1. REMUNERATION OF THE SUPERVISORY BOARD AS A WHOLE

Against the background of the impact of the COVID-19-pandemic and the economic implications on the business of the company, the members of the Supervisory Board voluntarily waived 30 % of their fixed remuneration pursuant to section 18 para 1 of the Articles of Association in the version of 11 February 2020 for the months April to September.

Remuneration of the Supervisory Board as a whole

€ '000	2020	2019
Fixed remuneration	1,853.4	2,158.1
Long-term variable remuneration	0.0	252.9
Remuneration for committee memberships	1,064.0	1,084.4
Attendance fees	418.0	354.0
Remuneration for TUI AG Supervisory Board mandate	3,335.4	3,849.4
Remuneration for Supervisory Board mandates in the Group	37.3	40.6
Total	3,372.7	3,890.0

In addition, travel and other expenses totalling € 182.8 k (previous year: € 188.4 k) were reimbursed. Total remuneration of the Supervisory Board members, including reimbursement of travel and other expenses, thus amounted to € 3,555.5 k (previous year: € 4,078.4 k).

2. REMUNERATION OF INDIVIDUAL SUPERVISORY BOARD MEMBERS FOR FY 2020

Individual remuneration of Supervisory Board in FY 2020

€ '000	Fixed remuneration ¹		Remuneration for committee		Attendance fee		Remuneration for Supervisory Board mandates in the Group		Total
	€ '000	in %	€ '000	in %	€ '000	in %	€ '000	in %	
Dr. Dieter Zetsche (Chairman)	229.5 ²	58.9	126.0	32.3	34.0	8.7			389.5
Frank Jakobi (Deputy Chairman)	166.5	57.6	93.8 ³	32.4	29.0	10.0			289.3
Peter Long (Deputy Chairman)	153.0 ²	50.0	126.0	41.2	27.0	8.8			306.0
Ingrid-Helen Arnold ⁴	44.0	81.5			10.0	18.5			54.0
Andreas Barczewski	76.5	47.4	42.0	26.0	21.0	13.0	21.8	13.5	161.3
Peter Bremme	76.5	54.8	42.0	30.1	21.0	15.1			139.5
Prof. Dr Edgar Ernst	76.5	28.4	168.0	62.3	25.0	9.3			269.5
Wolfgang Flintermann	76.5	84.5			14.0	15.5			90.5
Maria Garaña Corces ⁴	44.0	83.0			9.0	17.0			53.0
Angelika Gifford	76.5	41.0	84.0	45.0	26.0	13.9			186.5
Valerie Gooding ⁴	32.8	59.5	15.3	27.8	7.0	12.7			55.1
Stefan Heinemann ⁷	12.3	86.0			2.0	14.0			14.3
Dr. Dierk Hirschel	76.5	54.8	42.0	30.1	21.0	15.1			139.5
Janis Kong ⁵	32.8	59.5	15.3	27.8	7.0	12.7			55.1
Vladimir Lukin	76.5	63.1	26.8 ⁶	22.1	18.0	14.8			121.3
Coline McConville	76.5	55.2	42.0	30.3	20.0	14.4			138.5
Alexey Mordashov	76.5	42.6	84.0	46.8	19.0	10.6			179.5
Michael Pönipp	76.5	45.6	51.8 ³	30.9	24.0	14.3	15.5	9.2	167.8
Carola Schwirn	76.5	84.5			14.0	15.5			90.5
Anette Stempel	76.5	54.4	42.0	29.9	22.0	15.7			140.5
Ortwin Strubelt ⁸	67.5	44.9	63.0	41.9	20.0	13.3			150.5
Joan Trián Riu	76.5	84.5			14.0	15.5			90.5
Stefan Weinhofer	76.5	84.5			14.0	15.5			90.5
Total	1,853.4		1,064.0		418.0		37.3		3,372.7

¹ Taking account of a voluntary waiver of 30 % of the fixed remuneration for the months April to September 2020² Fixed remuneration: taking account of an additional voluntary waiver of 30 % of the remuneration as Chairman / deputy Chairman for the months April to September 2020³ Pro rated view of the committee remuneration from 7 July 2020⁴ Pro rated view of all remuneration components from 11 February 2020⁵ Pro rated view of all remuneration components up to 11 February 2020⁶ Pro rated view of the committee remuneration from 11 February 2020⁷ Pro rated view of all committee remuneration from 21 July 2020⁸ Pro rated view of all remuneration components up to 30 June 2020

3. COMPARATIVE VIEW OF THE ANNUAL CHANGES TO THE REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD WITH EARNINGS PERFORMANCE AND THE AVERAGE REMUNERATION OF TUI AG EMPLOYEES¹

The following table shows a comparison of the percentage change of the remuneration of the members of the Supervisory Board with the earnings performance of TUI AG and the average remuneration of the employees on FTE basis over the last five financial years. The remuneration of the members of the Supervisory Board contained in the table depicts the amounts actually received in the respective financial year. For current members of the Supervisory Board for FY 2020, these values correspond to values presented in the table 'Awarded and owed remuneration pursuant to section 162 (1) sentence 1 AktG' (page 135 of the Management Report). Where members of the Supervisory Board only received pro rata remuneration in the individual financial years, e. g. due to starting during the year, the remuneration for this financial year shall be projected for the full year in order to ensure comparability. If any members of the Supervisory Board previously belonged to the Executive Board of TUI AG and received remuneration as a result, this is not taken into account in the comparative view.

¹ The following section is a mandatory disclosure in accordance with section 162 (1) sentence 2 no. 2 AktG and is in accordance with section 162 (3) sentence 2 AktG not subject to the financial report audit.

The earnings performance is generally depicted using the performance of the annual result of TUI AG pursuant to section 275 (2) no. 17 HGB. Because the remuneration of the members of the Supervisory Board is also substantially dependent on the performance of Group indicators, the performance of the underlying EBITA reported in the consolidated accounts of the TUI Group is also specified.

The comparison of the development of the average remuneration of the employees is based on the average remuneration of the staff of TUI AG. As the employee and remuneration structures are varied within the subsidiaries, in particular in terms of overseas employees, it is expedient to rely solely on the staff of TUI AG for the comparison of the development of the average remuneration. This comparison group was also used for the review of the appropriateness of the remuneration of the members of the Executive Board. This took into account the remuneration of all employees, including managerial employees within the meaning of section 5 (3) German Works Constitution Act (BetrVG). Any additional remuneration received by employees as members of the Supervisory Board of TUI AG was disregarded. To ensure comparability, the remuneration of part-time employees was rounded up to FTE.

Comparison of annual change to Executive Board remuneration according to section 162 (1) no. 2 AktG

Annual change (in %)	2020 vs. 2019
Supervisory Board remuneration²	
Dr. Dieter Zetsche ³	71%
Frank Jakobi	0%
Peter Long	-8%
Ingrid-Helen Arnold ⁴	n.a.
Andreas Barczewski	-15%
Peter Bremme	-5%
Prof. Dr. Edgar Ernst	-6%
Wolfgang Flintermann	-10%
Maria Garaña Corces ⁴	n.a.
Angelika Gifford ⁵	12%
Valerie Gooding ⁶	-8%
Stefan Heinemann ⁴	n.a.
Dr. Dierk Hirschel	-15%
Janis Kong ⁶	-6%
Vladimir Lukin ⁷	21%
Coline McConville	-16%
Alexey Mordashov	-8%
Michael Pönipp	-7%
Carola Schwirn	-21%
Anette Stempel	-14%
Ortwin Strubelt ⁶	-11%
Joan Trián Riu ⁸	-10%
Stefan Weinhofer	-10%
Earnings performance	
Annual result (TUI AG) ⁹	-1,994%
EBITA (Group) ¹⁰	-440%
Average employee remuneration on FTE basis	
Company employees	-2%

² “Remuneration awarded and owed” within the meaning of section 162 (1) sentence 1 AktG (fixed remuneration and variable remuneration in FY 2019 where applicable; “received values”)

³ Only Chairman of the Supervisory Board from 23 May 2019 in FY 2019, therefor increased remuneration only as of 23 May 2019.

⁴ No entry as appointed as a new member of the Supervisory Board in FY 2020

⁵ Only a member of the Presiding Committee since 23 May 2019 in FY 2019, thus increased remuneration as of 23 May 2019.

⁶ Rounded up to full-year values for FY 2020 due to departure during the year

⁷ Rounded up to full-year values for FY 2019 due to appointment during the year, since 12 Feb. 2020 member of the Audit Committee and thus higher remuneration as of 12 Feb. 2020

⁸ Rounded up to full-year values for FY 2019 due to appointment during the year

⁹ Annual result within the meaning of section 275 (2) no. 17 HGB 2019: € 120 k; 2020: € – 2,272.6 k

¹⁰ Underlying EBITA of the TUI Group 2019: € 893.3 k; 2020: € – 3,032.8 k

Apart from the work performed by the employees’ representatives pursuant to their contracts, none of the members of the Supervisory Board provided any personal services such as consultation or agency services for TUI AG or its subsidiaries in FY 2020 and thus did not receive any additional remuneration arising out of this.

**REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION REPORT IN
ACCORDANCE WITH
SEC. 162 (3) GERMAN STOCK CORPORATION ACT (AKTG)**

To TUI AG, Berlin and Hanover/Germany

Audit opinion

We have formally audited the remuneration report of TUI AG, Berlin and Hanover/Germany, for the financial year from 1 October 2019 until 30 September 2020 whether the disclosures pursuant to Sec. 162 (1) and (2) AktG were made in the remuneration report. In line with Sec. 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the remuneration report contains all the information required by Sec. 162 (1) and (2) AktG in all material respects. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Sec. 162 (3) AktG and in compliance with the draft IDW Auditing Standard: The Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW EPS 870). Our responsibility under that provision and standard is further described in the section “Responsibilities of the Auditor” of our report. As an auditing practice, we have complied with the requirements of the IDW Quality Assurance Standard: Requirements for Quality Assurance in Audit Practices (IDW QS 1). We have complied with the professional duties pursuant to the German Public Auditor Act (WPO) and the Professional Code of Conduct for German Public Auditors and Sworn Auditors (including the requirements for independence).

Responsibilities of the Management Board and the Supervisory Board

The management board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, which complies with the requirements of Sec. 162 AktG. They are further responsible for such internal control as they determine is necessary to enable the preparation of the remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Responsibilities of the Auditor

Our objective is to obtain reasonable assurance about whether the information required by Sec. 162 (1) and (2) AktG has been disclosed in all material respects in the remuneration report and to express an opinion thereon in an auditor's report.

We planned and performed our audit to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Sec. 162 (1) and (2) AktG. In accordance with Sec. 162 (3) AktG, we did not audit the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

Hanover/Germany, 18 February 2021

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Christoph B. Schenk
Wirtschaftsprüfer
(German Public Auditor)

Signed:

Dr Hendrik Nardmann
Wirtschaftsprüfer
(German Public Auditor)

VI. FURTHER INFORMATION AND INSTRUCTIONS

On the basis of section 1 (2) and (6) COVID-19 Act, the Executive Board has decided with the consent of the Supervisory Board to hold the General Meeting as a virtual General Meeting without physical presence of the shareholders or their proxies. The General Meeting will be held in the physical presence of the chairman of the meeting, members of the Executive Board and the notary instructed to keep the record of the meeting as well as the Company-appointed proxies at the registered office of TUI AG, Karl-Wiechert-Allee 4, 30625 Hanover, Germany. Upon a resolution passed by the Executive Board with the consent of the Supervisory Board, the members of the Supervisory Board will, if appropriate, participate in the virtual General Meeting only by means of video and audio transmission, in line with the statutory provisions of the COVID-19 Act, with the exception of the Supervisory Board member chairing the meeting.

As holding the General Meeting in the form of a virtual meeting under the COVID-19 Act results in certain modifications to meeting procedures and the rights of shareholders, we would like to ask our shareholders to pay particular attention to the following information.

1. Registration and exercise of voting rights

Pursuant to Article 21 (1) of the Charter, all shareholders of the Company who are entered in the Company's share register on the day of the General Meeting and in respect of whose shareholdings the shareholders themselves or their proxies have registered for the exercise of voting rights by the end of the registration period on 18 March 2021, 24:00 hours (CET), are entitled to exercise their voting rights.

Pursuant to section 67 (2) sentence 1 AktG, rights and obligations in relation to the Company arising from shares only exist for and against the persons entered in the share register.

Pursuant to Article 21 (2) sentence 2 of the Charter, no entries will be deleted from and no new entries made in the share register on the day of the General Meeting and in the six days prior to it. We will send a personal cover letter with reference to the agenda, to all shareholders who are entered in the share register by the beginning of 13 March 2021 at the latest and such shareholders may then register themselves or their proxies in the following ways:

In writing to the following postal address:	By fax to:
TUI AG Aktionärsservice Postfach 1460 61365 Friedrichsdorf Germany	+49 (0) 69 22 22 34 29 4
Electronically via the following internet address (from 5 March 2021) (password-protected GM online-service)	
www.tuigroup.com/en-en/investors/agm	

Shareholders of TUI AG will have the opportunity at this General Meeting to register themselves or a proxy, exercise their voting rights by absentee vote or give authorisation and instructions to the Company-appointed proxies electronically via the internet.

This password-protected GM online-service will be available from 5 March 2021 at www.tuigroup.com/en-en/investors/aggm. The shareholder number and individual access number required for access to the password-protected GM online-service are printed on the reverse of the personal cover letter. Shareholders who have registered for e-mail correspondence should use their chosen user ID and password to access the password-protected GM online-service.

Shareholders who have not already been entered in the share register by the beginning of 13 March 2021 (CET), but by 18 March 2021, 24:00 hours (CET), at the latest, can only register themselves or their proxies for the General Meeting in writing or by fax to the postal address or fax number specified above (such orders must be received by 18 March 2021, 24:00 hours (CET), at the latest). Registration prior to receipt of the personal cover letter is also only possible in writing or by fax to the postal address or fax number specified above, unless the shareholder has registered for e-mail correspondence.

If an intermediary is registered in the share register, such intermediary may exercise voting rights attached to shares which it does not own only on the basis of an authorisation of that shareholder.

2. Video and audio transmission of the General Meeting

Shareholders who are registered in the share register can follow the entire General Meeting via video and audio transmission on the internet by using the password-protected GM online-service for shareholders of TUI AG. The password-protected GM online-service for shareholders can be accessed at the following internet address:

www.tuigroup.com/en-en/investors/aggm

Shareholders who are registered in the share register will be able to log in on this website by using their access data, consisting of their shareholder number and their individual access number or, for shareholders that have already registered for e-mail correspondence, consisting of their chosen user ID and password, and access the video and audio transmission of the General Meeting on the date of the General Meeting from 12:00 hours (CET).

The virtual General Meeting does not allow for participation in the General Meeting within the meaning of section 118 (1) sentence 2 AktG (participation by way of electronic communication).

3. Submitting absentee votes (*Briefwahl*)

Shareholders may exercise their voting rights by way of absentee voting. In this case registration of the registered shares in the share register by 18 March 2021, 24:00 hours (CET) and timely registration to the General Meeting, i.e. by no later than 18 March 2021, 24:00 hours (CET), are required.

Shareholders may exercise their voting rights by absentee voting either in written form (by letter or fax) or by way of electronic communication (by entering their vote in the password-protected GM online-service).

Voting rights must be exercised, if in written form, by using the form provided to the shareholders together with the invitation and by sending it to the postal address or fax number specified in section VI.1 above by no later than 18 March 2021, 24:00 hours (CET).

Voting rights must be exercised, if by way of electronic communication, by using the password-protected GM online-service under www.tuigroup.com/en-en/investors/agm.

If shareholders register for the General Meeting via the password-protected GM online-service by way of absentee voting without exercising their voting rights, this will be deemed an abstention as long as and to the extent that such shareholders do not exercise their voting rights. The initial submission and any change of votes via the password-protected GM online-service remain possible after registration and choice of the form of voting in compliance with applicable deadlines at any time until the chairman of the meeting on the day of the General Meeting – after prior announcement – begins with the voting on the agenda items.

Intermediaries, shareholders' associations, proxy advisors or other persons specified in section 135 (8) AktG that have been authorised by shareholders may also make use of absentee voting in accordance with the rules specified above and in compliance with the deadlines stated.

4. Exercise of voting rights by proxies

Shareholders who are registered in the share register and have registered themselves or a proxy in respect of their shareholdings in time have the option to have their voting rights exercised by an intermediary, a shareholders' association, a proxy advisor, the Company-appointed proxies or another proxy of their choice. Intermediaries, shareholders' associations or proxy advisors, too, may exercise their voting rights exclusively on the basis of proxy authorisations and instructions to the Company-appointed proxies or by way of absentee voting.

The proxy authorisation must be granted or revoked and the proof of authorisation to be provided to the Company must be provided in text form and must be sent to the postal address or fax number specified above in section VI.1 by no later than 18 March 2021, 24:00 hours (CET). A change in the form of voting to a personal absentee vote or to the authorisation of the Company-appointed proxies can only be executed by the shareholder by no later than 22 March 2021, 24:00 hours (CET).

Authorisation forms can be found in the personal cover letter and on the internet at www.tuigroup.com/en-en/investors/agm. If shareholders' proxies are required to prove their authorisation to the Company, i.e. if they do not fall under the exemption that applies to intermediaries, commercial agents and shareholders' associations pursuant to section 135 AktG, the proof of a proxy's appointment may also be provided to the Company electronically by sending an e-mail to tui.hv@linkmarketservices.de. The special rules contained in section 135 AktG apply, in derogation from the above sentences, to the authorisation of and exercise of voting rights by intermediaries, commercial agents, shareholders' associations, proxy advisors and equivalent persons or entities.

Those intermediaries, shareholders' associations, proxy advisors or equivalent persons or entities which participate in the password-protected GM online-service of the Company can also be authorised by making use of the procedure specified by the Company at www.tuigroup.com/en-en/investors/agm.

Use of the password-protected GM online-service by a proxy is predicated on the proxy having received the access data from the principal. Use of the personal access data by the proxy simultaneously qualifies as proof of authorisation.

The following special provisions apply to the authorisation of the proxies appointed by the Company.

Shareholders of TUI AG, who timely register for the General Meeting, have the opportunity to have their voting rights represented by employees of the Company who are bound to comply with their instructions. Shareholders may grant authorisation and issue instructions to the Company-appointed proxies in writing using the response form included in the personal cover letter or alternatively using the authorisation and instruction form available at www.tuigroup.com/en-en/investors/agm, in writing or by fax using the postal address or fax number specified above (see section VI.1). Authorisations and instructions issued in writing or by fax to the Company-appointed proxies must be received by the Company by no later than 18 March 2021, 24:00 hours (CET), at the postal address or fax number specified in section VI.1. A change in the form of voting from an authorisation of the Company-appointed proxies to a personal absentee vote or to an authorisation of a third party can only be performed by the shareholder by no later than 22 March 2021, 24:00 hours (CET).

Authorisations and instructions may be issued after timely registration by no later than 18 March 2021, 24:00 hours (CET) to the proxies appointed by the Company via the password-protected GM online-service at www.tuigroup.com/en-en/investors/agm (as described in section VI.1). Instructions or changes to instructions to the Company-appointed proxies may be electronically issued both in advance and during the General Meeting on 25 March 2021 at any time until the chairman of the meeting on the day of the General Meeting – after prior announcement – begins with the voting on the agenda items. For this purpose, shareholders must have duly registered for the General Meeting.

The Company-appointed proxies are obliged to vote in accordance with the instructions issued. If no instructions have been issued, the authorisation will not be exercised; this will be deemed an abstention. If instructions are not clear, the Company-appointed proxies will abstain from voting on the corresponding agenda items. Should any agenda item require individual voting, any instruction issued in this respect will apply *mutatis mutandis* to each individual sub-item. The Company-appointed proxies will not accept any instructions to address the General Meeting, to object to resolutions passed by the General Meeting, to ask questions or to submit motions.

5. Counter-motions and election proposals pursuant to section 126 (1) and section 127 AktG, section 1 (2) sentence 3 COVID-19 Act

In view of the fact that the General Meeting is held as a virtual General Meeting without presence of the shareholders and their proxies, without participation of the shareholders by way of electronic communication, the right of shareholders to submit motions in the General Meeting is legally excluded in line with the concept stipulated by the COVID-19 Act. It will therefore not be possible to submit counter-motions and election proposals within the meaning of section 126 (1) and section 127 AktG as well as procedural motions during the General Meeting; neither are the Company-appointed proxies able to fulfil this role.

However, shareholders will have the opportunity to submit counter-motions and election proposals to the Company prior to the General Meeting in line with section 126 (1) and section 127 AktG. The Company will publish any counter-motions and election proposals on the Company's website provided the relevant statutory provisions are met. The Executive Board and the Supervisory Board reserve the right to comment during the General Meeting on counter-motions and election proposals that meet the requirements set out below.

If counter-motions to proposals of the Executive Board and the Supervisory Board to a specific agenda item and election proposals are to be published in advance by TUI AG in accordance with section 126 and section 127 AktG, they must be sent exclusively to the following postal address or fax number or e-mail address by no later than Wednesday, 10 March 2021, 24:00 hours (CET):

TUI AG
Board Office
Karl-Wiechert-Allee 4
30625 Hanover
Germany
Fax: + 49 (0)511 566-1996
E-mail: gegenantraege.hv@tui.com

Any motions or election proposals sent to other addresses will not be published pursuant to section 126 and section 127 AktG. All motions that are received from shareholders timely and properly that require publication will be published, together with the relevant shareholder's name, the grounds cited and any statement made by the management at www.tuigroup.com/en-en/investors/agm.

Pursuant to section 1 (2) sentence 3 COVID-19 Act, motions or election proposals from shareholders which have to be made available in accordance with section 126 or section 127 AktG are deemed to have been submitted in the meeting if the shareholder submitting the motion or the election proposal is duly legitimised and registered for the general meeting, that is if the requirements mentioned in section VI.1 for the registration and the exercise of voting rights are fulfilled. The right of the chairman of the meeting to vote first on the proposals made by the management remains unaffected. If the proposals made by the management are accepted with the necessary majority, the counter-proposals or (deviating) election proposals will be rendered obsolete.

6. Supplementary motions pursuant to section 122 (2) AktG

Shareholders whose combined stakes represent a total pro rata amount of EUR 500,000 of the Company's share capital may request, analogous to section 122 (1) AktG, that items are included in the agenda and published. Each new item must be accompanied by the pertinent grounds or a resolution proposal. The request for an addition to the agenda must be addressed to the Executive Board and must have been received in writing by the Company in accordance with section 1 (3) sentence 4 COVID-19 Act at least 14 days prior to the General Meeting, that is by Thursday, 11 March 2021, 24:00 hours (CET), at the latest. The applicants must prove that they have held the relevant shares for at least 90 days prior to the date on which the request was received by the Company and that they will continue to hold these shares until a decision on the request for an addition to the agenda has been taken by the Executive Board. If the request is denied, applicants may have recourse to the courts pursuant to section 122 (3) AktG.

Any request to have items added to the agenda is to be sent to the following address:

TUI AG
Executive Board
Karl-Wiechert-Allee 4
30625 Hanover
Germany

Any request to have items added to the agenda which have to be published – to the extent that they have not already been published together with the convening notice of the General Meeting – will be announced in the German Federal Gazette (*Bundesanzeiger*) without undue delay following receipt of such request. In addition, they will be published on the internet at www.tuigroup.com/en-en/investors/agm.

7. Right to ask questions pursuant to section 1 (2) sentence 1 no. 3 and sentence 2 COVID-19 Act

Shareholders are given the right to ask questions pursuant to section 1 (2) sentence 1 no. 3 COVID-19 Act. Based on section 1 (2) sentence 1 no. 3 and sentence 2 half-sentence 2 COVID-19 Act, the Executive Board has decided with the consent of the Supervisory Board that shareholders must submit their questions in German via the password-protected GM online-service for shareholders to the Company by no later than Tuesday, 23 March 2021, 24:00 hours (CET).

Only those shareholders who have duly registered for the General Meeting will be able to submit their questions via the password-protected GM online-service in line with the procedure laid down therein by TUI AG at www.tuigroup.com/en-en/investors/agm.

Where questions are answered during the General Meeting, the name of the shareholder submitting the question will be disclosed only (insofar as individual questions are answered) if the shareholder expressed his/her consent to and desire for a disclosure of his/her name when submitting the question. The same applies to any advance publication of questions and, if applicable, answers on the Company's website prior to the General Meeting. In this case, too, the name of the questioner will be disclosed only if he/she expressed his/her consent to and wish for a disclosure of his/her name when submitting the question.

8. Right of objection pursuant to section 1 (2) sentence 1 no. 4 COVID-19 Act

Shareholders exercising their voting rights by way of absentee voting (in writing or electronically) or by way of proxy authorisation may object to the resolutions passed by the General Meeting by submitting their objection to the notary instructed to keep the record of the General Meeting via the password-protected GM online-service for shareholders in line with the procedure laid down therein by TUI AG. Corresponding declarations may be submitted from the opening of the General Meeting up to its closing by the chairman of the meeting.

9. Information pursuant to section 124a AktG and other information on shareholder rights

The website of TUI AG via which information pursuant to section 124a AktG and further explanations relating to shareholder rights can be accessed is: www.tuigroup.com/en-en/investors/agm. For further information, the TUI shareholder service is available under (0800) 56 00 841 (from within Germany) or + 49 (0) 6196 8870 701 (from abroad) from 3 March 2021 to 25 March 2021 inclusive, Monday to Friday, between 8:00 a.m. and 6:00 p.m. (CET), except on public holidays.

10. Data privacy information for shareholders pursuant to the EU GDPR

Pursuant to the EU General Data Protection Regulation, new data privacy rules apply since 25 May 2018. Detailed information on how TUI AG processes your personal data and what your rights are under the applicable data privacy laws can be accessed here: www.tuigroup.com/en-en/investors/share/data-privacy.

11. Notes for holders of depositary interests

Holders of depositary interests (“DIs”) issued by Link Market Services Trustees Limited relating to TUI AG shares can, subject to certain conditions, themselves or via proxies exercise the voting rights corresponding to the number of TUI AG shares underlying their DIs. Detailed information, including the relevant conditions, is included in the invitation letter and short-version table along with the respective weblinks which holders of DIs (“DI Holders”) will receive from Link Market Services Trustees Limited printers or via e-mail depending on the DI holders' mailing preference.

DI Holders wishing to follow the virtual General Meeting via the webcast should contact Link Market Services Trustees Limited via the dedicated virtual meeting telephone number +44 (0) 371 277 1020 (during office hours Monday to Friday 8:30 a.m. to 5:30 p.m. (GMT) or by e-mail to Nominee.Enquiries@linkgroup.co.uk by no later than 4:30 p.m. (GMT) on Wednesday, 17 March 2021.

DI Holders who wish to submit counter-motions and/or election proposals are requested to contact Link Market Services Trustees Limited by post to Link Group, PXS, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom, or by e-mail to Nominee.Enquiries@Linkgroup.co.uk by 4:30 p.m. (GMT), on Wednesday, 10 March 2021, at the latest. DI Holders who wish to submit supplementary motions are requested to contact Link Market Services Trustees Limited at the postal address or e-mail address specified above by 4:30 p.m. (GMT), on Thursday, 11 March 2021, at the latest.

DI Holders wishing to submit questions for the General Meeting may do so by sending them directly by e-mail to Link Market Services Trustees Limited at Nominee.Enquiries@linkgroup.co.uk by no later than 4:30 p.m. (GMT) on Wednesday, 17 March 2021.

Should you have any questions relating to your DIs, please contact the Depositary, Link Market Services Trustees Limited at Link Group, PXS, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom, or by e-mail to Nominee.Enquiries@Linkgroup.co.uk by 4:30 p.m. (GMT) on Wednesday, 17 March 2021.

Berlin/Hanover, March 2021
The Executive Board