

## TUI AG

### INVITATION

We hereby invite our shareholders to the virtual Annual General Meeting on Tuesday, 14 February 2023 at 11:00 hours (CET).

The Executive Board, with the consent of the Supervisory Board, has decided in accordance with section 26n (1) of the Introductory Act to the German Stock Corporation Act that the Annual General Meeting will be held as a virtual Annual General Meeting in accordance with section 118a of the German Stock Corporation Act. This results in certain modifications to the meeting procedures.

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 and can speak and raise questions via video-communication. 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. Objections to items on the agenda of the Annual 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 1,785,205,853 no-par value shares carrying in principle the same number of votes. A ban of voting rights exists in relation to 551,791,672 shares. Hence, at the time of convocation, the total exercisable voting rights amount to 1,233,414,181. The Company does not hold any shares in treasury.

### **Securities identification numbers of voting and participating shares:**

ISIN-Code	WKN
DE 000 TUA G00 0	TUA G00

### **Securities identification numbers of voting shares only:**

ISIN-Code	WKN
DE 000 TUA G33 1	TUA G33

## **I. AGENDA**

for the Annual General Meeting of TUI AG on 14 February 2023

### **1. Presentation of the approved annual financial statements as of 30 September 2022, 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**

The Supervisory Board approved the annual financial statements for TUI AG as at 30 September 2022, which were presented to it by the Executive Board, on 13 December 2022. 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 2022 were also approved by the Supervisory Board on 13 December 2022. 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 General Meeting, without any resolution being required in this respect. They will be available from the date of convocation, and also during the General Meeting, via the internet address [www.tuigroup.com/en-en/investors/agm](http://www.tuigroup.com/en-en/investors/agm).

### **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 2022 be approved.

Due to the fact that TUI AG’s shares are listed on the London Stock Exchange (LSE) 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 until 30 September 2022), David Burling, Sebastian Ebel (CEO since 1 October 2022), Peter Krueger, Sybille Reiss 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 2022 be approved.

Due to the fact that TUI AG’s shares are listed on the London Stock Exchange (LSE) 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), Ingrid-Helen Arnold, Sonja Austermühle, Christian Baier, Andreas Barczewski, Peter Bremme, Dr Jutta A. Dönges, Prof. Dr Edgar Ernst, Wolfgang Flintermann, María Garaña Corces, Stefan Heinemann, Janina Kugel, Vladimir Lukin, Coline Lucille McConville, Helena Murano, Alexey Mordashov, Mark Muratovic, Carola Schwirn, Anette Strempe, Joan Trián Riu, Tanja Viehl 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 2023 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 2023 and on 30 September 2024 up to the next General Meeting.

#### **5. Resolution on the reduction of share capital by means of the redemption of three shares by the Company pursuant to section 237 (1) sentence 1, 2nd scenario in conjunction with section 237 (3) point 1 of the German Stock Corporation Act (AktG) in conjunction with section 7 (6) of the German Economic Stabilisation Acceleration Act (WStBG); amendment of the Company's Charter**

Under this item 5 of the agenda and pursuant to section 7 (6) of the German Economic Stabilisation Acceleration Act (WStBG) in connection with the recapitalisation of the Company for the purposes of section 22 of the German Stabilisation Fund Act (StFG), it is being proposed that the share capital and the number of no-par value shares of the Company be reduced by redeeming three no-par value shares; the three no-par value shares are fully paid up and are being provided to the Company by a shareholder without any consideration to be rendered in return. The capital reduction proposed under this agenda item 5 is a preliminary measure to enable the capital reduction proposed below under agenda item 6 on a clean consolidation ratio of ten to one and serves to implement the Repayment Agreement with the German Economic Stabilisation Fund (WSF) set out below. The redemption of the shares as per this agenda item 5 will create the situation that the Company has a share capital that is divisible by the intended consolidation ratio of ten to one for the capital reduction proposed under agenda item 6 without having fractional amounts.

**Therefore, the Executive Board and the Supervisory Board propose the following resolution:**

- a) The share capital of the Company in the amount of EUR 1,785,205,853.00, divided into 1,785,205,853 registered no-par value shares, each representing a pro rata amount of the share capital of EUR 1.00, shall be reduced by EUR 3.00 to EUR 1,785,205,850.00, divided into 1,785,205,850 registered no-par value shares, each representing a pro rata amount of the share capital of EUR 1.00, and thus by way of a capital reduction by redemption of shares pursuant to section 237 (1) sentence 1, 2nd scenario in conjunction with section 237 (3) point 1 of the German Stock Corporation Act (AktG) in conjunction with section 7 (6) of the German Economic Stabilisation Acceleration Act (WStBG).

The capital reduction shall be completed by redeeming three no-par value shares each representing a pro rata amount of the share capital of EUR 1.00 (thus a total of EUR 3.00), for which the issue price has been paid in full and which have been provided to the Company by a shareholder without any consideration being rendered in return and thus have been acquired by the Company. In accordance with section 237 (5) AktG in conjunction with section 7(6) sentence 5 WStBG, the amount of share capital attributable to the redeemed shares that comes to a total of EUR 3.00 shall be placed in the Company's capital reserve.

The capital reduction is being implemented in connection with a recapitalisation of the Company in accordance with section 22 of the German Stabilisation Fund Act (StFG) and serves the purpose of enabling a clean consolidation ratio (avoiding fractional amounts) for the capital reduction by consolidation of shares that is planned for resolution under agenda item 6.

The Executive Board shall be authorised to specify, with the approval of the Supervisory Board, the additional details of the capital decrease and its implementation.

b) Article 4(1) and 4(2) of the Company's Charter shall be amended as follows:

“(1) The share capital of the Company amounts to EUR 1,785,205,850.00 (in words: one billion, seven hundred and eighty-five million, two hundred and five thousand, eight hundred and fifty euros).”

“(2) The share capital is split into 1,785,205,850 no-par value shares.”

**6. Resolution on the reduction of the share capital for the purpose of allocating a portion of the share capital to the capital reserve in accordance with sections 222 et seqq. AktG in conjunction with section 7 (6) WStBG by consolidating shares; amendment to the Company's Charter**

Based on an Agreement on the Repayment of Stabilisation Measures (“Repayment Agreement”) entered into between the Economic Stabilisation Fund (WSF) and the Company on 13 December 2022, *inter alia*, the share capital of the Company is to be reduced in connection with a recapitalisation for the purposes of section 22 StFG pursuant to section 7 (6) WStBG in conjunction with sections 222 et seq. AktG by consolidating shares at a ratio of ten to one by allocating part of the Company's share capital to the Company's capital reserve in order to strengthen the Company's long-term financing capability.

*Existing Stabilisation Measures*

The background to the resolution under this agenda item 6 is the fact that the WSF agreed Stabilisation Measures with the Company following the impact of the COVID-19 pandemic:

The recapitalisation was carried out by means of, among other things, two silent interests in the Company with the WSF as a silent shareholder (section 22 (1) sentence 2, 4th scenario StFG in conjunction with section 10 WStBG) with contributions of EUR 420,000,000.00 (“Silent Participation I”) and EUR 671,000,000.00 (“Silent Participation II”), with the Company having already repaid the Silent Contribution II to the WSF in full as at 30 June 2022. At the Company's Annual General Meeting on 5 January 2021 its shareholders resolved to grant a conversion right to the WSF or its successor for the Silent Participation I, allowing it to convert up to 420,000,000 new registered no-par value shares in the Company representing a pro rata amount of the share capital of EUR 1.00 (“TUI Shares”) at any time and at a conversion ratio of one-to-one. The WSF has not yet availed of this conversion right.

Furthermore, in 2020, the Company issued to the WSF a warrant-linked bond running until 2026 in the original amount of EUR 150,000,000.00 (“Warrant Bond”) together with 58,674,899 detachable warrants (“Warrants”) (together with Silent Participation I also referred to as “Stabilisation Measures”). The Company has already repaid a part of the Warrant Bond to the WSF, so that the Warrant Bond still exists in the nominal amount of EUR 58,700,000.00. The Warrants entitle their holders (subject to adjustment of the subscription ratio and the option

price in accordance with the option terms and conditions) to subscribe for a current total of 58,674,899 new TUI Shares at an option price of currently EUR 1.00 each, whereby the option price can also be paid by contributing the Warrant Bond. The Warrant Bond and all Warrants are still held by the WSF, which has not exercised any option rights to date.

In addition, the Company was granted, in particular, a number of credit lines by Kreditanstalt für Wiederaufbau ("KfW"), which are currently still available in the amount of EUR 2,100,300,000 ("KfW Lines of Credit"). According to the contractual agreements, the KfW Lines of Credit are to be repaid at least in part in the event of a capital increase being carried out by the Company.

#### *Purpose of the Repayment Agreement*

The Repayment Agreement gives the Company the right until 31 December 2023 (i) to terminate and repay the Silent Participation I in full and (ii) to repurchase the Warrant Bond and the Warrants in full from the WSF at a repayment price totalling EUR 730,113,240.00 plus interest accruing until repayment under the Stabilisation Measures. In economic terms, this price takes into account the existing conversion and subscription rights of the WSF. If the weighted average stock exchange price of the TUI Shares during the last fifteen calendar days prior to the date of the public announcement of the Refinancing Capital Increase referred to below, net of the increase effect of the reverse stock split proposed under this agenda item 6 ("Adjusted Average Price"), is higher than EUR 1.6816 per TUI Share, the Repurchase Price will be increased in accordance with the Repurchase Agreement as follows: The Adjusted Average Price less a market placement discount of 9.3% will be multiplied by the total nominal amount of the Stabilisation Measures of EUR 478,700,000.00, whereby the repurchase price may be increased to a maximum of EUR 957,400,000.00.

The WSF undertakes not to exercise its conversion and option rights under the Silent Participation I and the Warrants until 31 December 2023. The Company undertakes to exercise its repayment and repurchase right under the Repurchase Agreement in the event of a successful implementation of the Refinancing Capital Increase referred to below. If the Stabilisation Measures are not completely ended by 31 December 2023, the Company will pay the WSF a standstill premium in line with market conditions.

Against this backdrop, the WSF and the Company agreed on the following transaction structure for the implementation of the complete end of the Stabilisation Measures:

According to the terms of the Repayment Agreement, the first step is to sustainably improve the Company's financing capability on the capital markets by means of the capital reduction proposed under this agenda item 6. By consolidating the TUI Shares at a ratio of ten to one, the difference between the stock exchange price of the TUI Shares expected after the implementation of the capital reduction and the lowest pro rata amount of the share capital per no-par value share of EUR 1.00 will be significantly increased. This measure thus sustainably enables the issuance of new TUI Shares at market conditions in the context of future capital increases, specifically in the context of and for the purpose of completely repaying and ending the existing Stabilisation Measures. Accordingly, the capital reduction proposed under this agenda item 6 will be carried out by applying the WStBG.

As a second step, the Repayment Agreement places an obligation on the Company to the extent permitted by law to use its best efforts to complete rights issues using the Authorised Capital 2022/I (in the amount of EUR 162,291,441.00) under Article 4 (5) of the Company's Charter and, if applicable, the Authorised Capital 2022/II pursuant to section 4 para. 7 of the Company's Charter (in the amount of EUR 626,907,236.00) in the period from the effective date of the

capital reduction proposed under this agenda item 6 to 31 December 2023 with the proceeds being used primarily for the complete end of the Stabilisation Measures (i.e., for the repayment of the Silent Participation I, for the repurchase of the Warrant Bond and for the repurchase of the Warrants) in accordance with the Repayment Agreement ("Refinancing Capital Increase"), and not to carry out any other capital increase beforehand; the obligation to carry out the Refinancing Capital Increase is, in particular, subject to a positive assessment of the relevant conditions prevailing on the capital markets by the Executive Board and the Supervisory Board.

The existing Authorised Capital 2022/I in the amount of EUR 162,291,441.00 is expected to be sufficient to generate proceeds to end the Stabilisation Measures after the implementation of the capital reduction. This is because the ten-to-one consolidation ratio reduces the number of TUI Shares in circulation by a factor of ten, meaning that a significant increase in the stock market price per TUI Share can be expected as a direct result. The Company assumes to be able to achieve a significantly higher subscription price per new TUI Share for the issue of new TUI Shares in the course of future capital increases, based on the stock market price (taking account of customary market discounts).

Accordingly, the Company has also undertaken in the Repayment Agreement, to the extent legally permissible, to use the existing Authorised Capital 2022/I from the time the capital reduction to be resolved under this agenda item 6 becomes effective in accordance with the aforementioned purpose in line with the Repayment Agreement, *i.e.*, primarily for the full end of the Stabilisation Measures.

The implementation of the Repayment Agreement is still subject to the condition precedent of sufficient confirmation by the European Commission that it is unobjectionable under state aid law.

The Company intends to use the proceeds from an exercise of Authorised Capital 2022/I exclusively for the primary full repayment of the WSF and the proceeds from an exercise of Authorised Capital 2022/II predominantly for a substantial reduction of KfW Lines of Credit, with both capital increases to be carried out simultaneously in one rights offering.

#### *Other documents*

In order to provide more information to shareholders, the Executive Board has also voluntarily submitted a report on the reasons for the capital reduction proposed under this agenda item 6, which is attached to the invitation to the Annual General Meeting in section II.2 below. In addition, the Executive Board has submitted the "Declaration of commitment on the use of the existing Authorised Capital 2022/I" set out in section II.1 below and which is available on the Company's website.

#### *Proposed resolution*

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

- a) The share capital of the Company existing after the preceding redemption of three shares (under item 5 of the agenda for the Company's Annual General Meeting on 14 February 2023) in the amount of EUR 1,785,205,850.00.00, divided into 1,785,205,850 registered no-par value shares, each representing a pro rata amount of the share capital of EUR 1.00, shall be reduced by EUR 1,606,685,265.00 to EUR 178,520,585.00 in accordance with the provisions regarding capital reduction pursuant to sections 222 et

seqq. AktG in conjunction with section 7(6) WStBG for the purpose of allocating a portion of the share capital to the Company's capital reserve.

The reduction shall be completed by consolidating shares. The capital reduction shall be completed at a ratio of ten to one, meaning that in each case ten registered no-par value shares are combined to form one registered no-par value share.

The capital reduction is in connection with a recapitalisation of the Company for the purposes of section 22 StFG. In accordance with section 7 (6) sentence 5 WStBG, the amount of the reduction, i.e. EUR 1.606.685.265,00.00, shall be allocated to the Company's non-distributable capital reserve.

In the event that any fractional amounts arise from the fact that a shareholder holds a number of shares that is not divisible by ten, the Company shall arrange for the consolidation of these fractional amounts with other fractional amounts, which will then be sold by the Company for the account of the shareholders concerned.

The Executive Board shall be authorised to specify, with the approval of the Supervisory Board, the additional details of the capital decrease and its implementation.

b) Article 4(1) and 4(2) of the Company's Charter shall be amended as follows:

“(1) The share capital of the Company amounts to EUR 178,520,585.00 (in words: one hundred and seventy-eight million, five hundred and twenty thousand and five hundred and eighty-five euros).”

“(2) The share capital is split into 178,520,585 no-par value shares.”

c) The Executive Board is instructed to apply for registration of the capital reduction in the Commercial Register (*Handelsregister*) in such a way that the capital reduction is not entered in the Commercial Register until after the other capital reduction pursuant to agenda item 5 has first been entered in the Commercial Register and the redemption of the three shares has been completed.

## **7. Resolution on the election of Supervisory Board members**

After Mr Alexey A. Mordashov and Mr Vladimir Lukin resigned from their offices in March 2022, Ms Helena Murano and Mr Christian Baier were appointed as Supervisory Board members of TUI AG by order of Hanover Local Court dated 31 May 2022. The Executive Board's applications for appointment by the Court were limited to the period until the next Annual General Meeting in accordance with recommendation C.15, sentence 2 of the German Corporate Governance Code. Ms Helena Murano and Mr Christian Baier are now to be elected by the Annual General Meeting.

The term of office of the Supervisory Board member and Chairman elected by the Annual General Meeting, Dr Dieter Zetsche, will also end at the close of the Annual General Meeting on 14 February 2023.

In accordance with sections 96(1), 101(1) German Stock Corporation Act and section 7(1), sentence 3, sentence 1, no. 3 German Codetermination Act 1976 in conjunction with Article 11(1), sentence 1 of the Articles of Association of TUI AG, the Supervisory Board of the Company is made up of ten shareholder representatives and ten employee representatives. In accordance with section 96(2), sentence 1 German Stock Corporation Act, the Supervisory

Board is moreover made up of at least 30% women and at least 30% men. The overall fulfilment pursuant to section 96(2), sentence 3 German Stock Corporation Act, according to which the minimum proportion of 30% women and 30% men is to be fulfilled by the Supervisory Board overall, has not been objected to. Therefore, the Supervisory Board must be filled with a total of at least six women and at least six men in order to fulfil the required minimum proportion. This is currently the case.

**Based on corresponding proposals of the nomination committee and taking into account its aims published in the Declaration on Corporate Governance regarding its composition, the profile of required skills and expertise as well as the diversity concept, the Supervisory Board proposes that the following be elected to the Supervisory Board as shareholder representatives:**

- a) **Dr Dieter Zetsche**, Chairman of the Supervisory Board, TUI AG, residing in Stuttgart (Germany), for the period from the end of the 2023 Annual General Meeting 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 2026, i.e. until 2027.
- b) **Ms Helena Murano**, Senior Advisor to Arcano Partners, residing in Palma de Mallorca (Spain), for the period from the end of the 2023 Annual General Meeting 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 2026, i.e. until 2027.
- c) **Mr Christian Baier**, member of the Executive Board (CFO), METRO AG, residing in Düsseldorf (Germany), for the period from the end of the 2023 Annual General Meeting 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 2026, i.e. until 2027.

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

**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 Dieter Zetsche has been a member of the Supervisory Board of TUI AG since his initial appointment on 13 February 2018 and Chairman since 23 May 2019. Apart from this, he is not a member of any other supervisory board required by law. Dr Zetsche is a member of a comparable supervisory body of the foreign commercial enterprise Veta Health LLC (not listed). In addition, Dr Zetsche is a member of the supervisory body of the Karlsruhe Institute of Technology (KIT), a public corporation (not listed) as well as member of the advisory board of Volocopter GmbH (not listed) and member of the advisory board of Aldi Süd Dienstleistungs-SE & Co. oHG (not listed).

After extensive consultation, the Supervisory Board has decided to nominate Dr Zetsche for re-election to the Supervisory Board even though he is older than the standard retirement age of 68 years adopted for the Supervisory Board of TUI AG. Dr Zetsche has a wealth of knowledge and experience valuable for the work of TUI AG's Supervisory Board, in particular in-depth knowledge and experience in the management of executive bodies of large companies. Moreover, from the Supervisory Board's perspective, the average age of the members of TUI



AG's Supervisory Board is relatively low at 52 years as at the end of the financial year that ended on 30 September 2022, even taking Dr Zetsche's age into account.

With regard to recommendation C.13(1) of the German Corporate Governance Code, it is stated that, in the opinion of the Supervisory Board, Dr Zetsche has no personal or business relationship with the Company, bodies of the Company or a shareholder with a material interest in the Company.

The shareholder representatives on the Supervisory Board consider Dr Zetsche to be independent within the meaning of recommendation C.6 of the German Corporate Governance Code; this also applies with regard to the UK Corporate Governance Code.

Ms Helena Murano has been a member of the Supervisory Board of TUI AG since her appointment by the Court on 31 May 2022. Apart from this, she is not a member of any other supervisory board required by law, nor is she a member of comparable German or foreign supervisory bodies of commercial enterprises.

With regard to recommendation C.13(1) of the German Corporate Governance Code, it is stated that, in the opinion of the Supervisory Board, Ms Murano has no personal or business relationship with the Company, bodies of the Company or a shareholder with a material interest in the Company.

The shareholder representatives on the Supervisory Board consider Ms Murano to be independent within the meaning of recommendation C.6 of the German Corporate Governance Code; this also applies with regard to the UK Corporate Governance Code.

Mr Christian Baier has been a member of the Supervisory Board of TUI AG since his appointment by the Court on 31 May 2022. In addition, he is a member of the legally required supervisory board of METRO Re AG (not listed). In the opinion of the Supervisory Board, Mr Baier fulfils the requirements of a financial expert pursuant to section 100(5) German Stock Corporation Act, in particular in view of his position as Chief Financial Officer at METRO AG.

Furthermore, Mr Baier is a member of comparable supervisory bodies of the following foreign commercial enterprises: METRO Cash & Carry International Holding GmbH (Austria) (not listed); METRO Holding France S.A. (not listed).

With regard to recommendation C.13(1) of the German Corporate Governance Code, it is stated that, in the opinion of the Supervisory Board, Mr Baier has no personal or business relationship with the Company, bodies of the Company or a shareholder with a material interest in the Company that may cause a substantial and not merely temporary conflict of interest.

The shareholder representatives on the Supervisory Board consider Mr Baier to be independent within the meaning of recommendation C.6 of the German Corporate Governance Code; this also applies with regard to the UK Corporate Governance Code.

Further information on the candidates, in particular their curricula vitae, can be found on the Company's website at [www.tuigroup.com/en-en/investors/agm](http://www.tuigroup.com/en-en/investors/agm). The curricula vitae also reflect, among other things, the extent to which the candidates contribute to fulfilling the Supervisory Board's profile of required skills and expertise. The Supervisory Board's profile of required skills and expertise is also published at [www.tuigroup.com/en-en/about-us/about-tui-group/management](http://www.tuigroup.com/en-en/about-us/about-tui-group/management).

**8. Resolution on the amendment of the Charter (inclusion of provisions on virtual general meetings and deletion of the paragraph concerning the Authorised Capital 2022/III)**

Following the Act on the Introduction of Virtual General Meetings of Stock Corporations and Amendment of Cooperative and Insolvency and Restructuring Law Provisions of 20 July 2022 (BGBl. dated 26 July 2022, page 1166 et seq., "Act on the Introduction of Virtual General Meetings of Stock Corporations"), section 118a was added to the AktG after the format of the virtual general meeting had, in the opinion of the legislator, proved its worth in the COVID 19 pandemic. According to section 118a (1) AktG, the Charter may stipulate or authorise the Executive Board to decide that the Annual General Meeting will be held without the physical presence of the shareholders or their proxies at the location of the Annual General Meeting (virtual General Meeting).

The Executive Board and Supervisory Board are of the opinion that the Company should have the flexibility in the future to hold its General Meeting either in person or virtually. Sections 21 and 22 of the Charter are therefore to be amended, in particular also to allow virtual General Meetings to be held in the future within the meaning of section 118a AktG.

The Executive Board and the Supervisory Board will reassess and decide on the format of the General Meeting in the best interest of the company and the shareholders, also taking into account interaction with shareholders, before each General Meeting. The goal of efficient and comprehensive communication with shareholders, including the opportunity to ask questions, but also financial aspects and sustainability considerations shall be taken into account. Furthermore, participation shall also be facilitated for international investors.

In addition, section 4 (12) of the Charter is to be deleted as the purpose of the Authorised Capital 2022/III, the repayment of the capital provided to TUI AG by the German Economic Stabilization Fund (WSF) in the context of the Silent Participation II, has been achieved in the meantime by the repayment made in June 2022.

**a) Virtual General Meeting**

The Executive Board is to be authorised to hold General Meetings virtually in the future. For the Annual General Meeting on 14 February 2023, the Executive Board has made use of the statutory option (section 26n of the Introductory Act to the AktG) to decide, without a resolution by the General Meeting, to hold the Annual General Meeting as a virtual meeting. The Supervisory Board has approved this. In the future, an authorisation of the Executive Board in the Charter will be required for this. Under the German Stock Corporation Act (section 118a (5) no. 2 AktG), this authorisation can only be granted for a maximum period of five years after registration of the amendment to the Charter. Thereafter, a new authorisation would have to be resolved by the General Meeting.

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

Article 21 paragraph 8 shall be amended to read as follows (non-binding translation):

“(8) *The Executive Board is authorised until 28 February 2025 to decide that the meeting may be held without the physical presence of the shareholders or their proxies at the location of the General Meeting (virtual General Meeting). The requirements to be met when holding a virtual General Meeting and the more detailed provisions on the structure or the possibilities of the structure and their relevant requirements are set out in the law. Any use of this procedure*

*and the provisions made in this respect shall be announced when the General Meeting is convened."*

b) Right of follow-up questions

In order to ensure a proper conduct of the General Meeting, the Charter of the Company already sets forth, as is common practice nowadays, that the Chairman of the meeting may reasonably limit the right to ask questions (*Fragerecht*) during the General Meeting in terms of time. In a formal adjustment of the Charter, this right of the Chairman shall, in accordance with statutory provisions, be extended accordingly with respect to the right to ask follow-up questions (*Nachfragerecht*) provided for by law for the format of a virtual General Meeting with a pre-submission of questions.

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

Article 22 paragraph 2 shall be amended to read as follows (amendments underlined here only; non-binding translation):

*"(2) The chairperson within the meaning of paragraph 1 shall chair the discussions and determine the order of the items on the agenda and the manner of voting. He or she may impose reasonable time limits on the shareholder's right to ask questions, follow-up questions and to speak and, at the beginning of the General Meeting or during its course, set a reasonable time limit for the entire course of the General Meeting, for the individual item on the agenda or for individual statements and questions and follow-up questions."*

c) Participation of Supervisory Board Members

In accordance with the German Stock Corporation Act, Supervisory Board members shall be given the opportunity to participate electronically in the case of physical General Meetings if it is not possible for them to participate at the location of the General Meeting, and to participate electronically in virtual General Meetings as a matter of principle – without good cause (*ohne wichtigen Grund*) being required.

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

Article 21 paragraph 9 shall be amended to read as follows (non-binding translation):

*"(9) The members of the Executive Board and the Supervisory Board shall attend the General Meeting in person. If it is not possible for a member of the Supervisory Board to be present at the venue of the General Meeting, he or she may also participate by means of video and audio transmission. In the case of a virtual General Meeting, the members of the Supervisory Board may also participate by means of video and audio transmission; however, this does not apply to the chairperson of the General Meeting if he is a member of the Supervisory Board."*

d) Entrance tickets

Entrance tickets are not required in the case of virtual General Meetings.

The issue of entrance tickets in the case of physical General Meetings does not require a provision in the Charter. The provision in the Charter shall therefore be deleted.

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

The current Article 21 (3) of the Charter shall be deleted. Instead, the current paragraph 6 shall be incorporated into paragraph 3 with identical content.

e) Electronic participation

In the future, subject to the decision of the Executive Board, shareholders should also be able to participate in the General Meeting electronically, irrespective of whether a physical or virtual General Meeting is held:

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

Article 21 paragraph 6 shall be amended to read as follows (non-binding translation):

*"(6) The Executive Board is authorised to resolve that shareholders may participate in the General Meeting without being present at the venue and without a proxy and may exercise all or part of their rights in full or in part by means of electronic communication (electronic participation). Any use of this procedure and the provisions made in this respect shall be announced when the General Meeting is convened."*

The current paragraph 6 (remote data transmission) becomes paragraph 3 and its content is not changed.

f) Postal vote

The Executive Board is to be authorised to resolve that shareholders may cast their votes by postal vote irrespective of whether a physical or virtual General Meeting is held.

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

Article 21 paragraph 7 shall be amended to read as follows (non-binding translation):

*"(7) The Executive Board is authorised to resolve that shareholders may cast their votes in writing or by means of electronic communication without attending the General Meeting (postal vote)."*

g) Chairperson of General Meeting

It should also be possible for persons who are not members of the Supervisory Board but who are also professionally qualified and experienced to act as chairpersons of the General Meeting.

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

Article 22 paragraph 1 shall be amended to read as follows (amendments underlined here only; non-binding translation):

*"(1) The General Meeting shall be chaired by the chairperson of the Supervisory Board or by a member elected for this purpose by a majority of the members of the Supervisory Board representing the shareholders. The members of the Supervisory Board representing the shareholders may also elect by majority vote a person who is not a member of the Supervisory Board to chair the General Meeting."*

h) Deletion of Article 4 (12) of the Charter

As the purpose of Authorised Capital 2022/III has been achieved, Article 4 (12) of the Charter shall be deleted.

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

Article 4 (12) of the Charter shall be deleted without replacement.

On the website of the company at <https://www.tuigroup.com/en-en/investors/agm>, a reading version of the Charter is available which shows all of the suggested amendments.

**9. Resolution on the approval of the remuneration report for the financial year that ended on 30 September 2022 prepared and audited pursuant to section 162 AktG**

In accordance with the Act Implementing the Second Shareholders' Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie* - "ARUG II") the Executive Board and the Supervisory Board must prepare an annual remuneration report that complies with certain requirements (section 162 AktG). The auditor is required to audit if the remuneration report contains all the information required by law and to issue an audit report on this. Pursuant to section 120a (4) AktG the audited remuneration report needs to be submitted to the General Meeting for approval by shareholders. The decision of the General Meeting relating to the approval of the remuneration report is non-binding.

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 General Meeting's resolution on the approval of the remuneration report for the previous financial year.

The Executive Board and the Supervisory Board propose to the General Meeting to approve the remuneration report for the financial year that ended on 30 September 2022 which can be found together with the audit report in Section III. "Remuneration report pursuant to section 162 AktG – Regarding item 9 of the agenda" following this agenda.

## **II. DECLARATION OF COMMITMENT AND REPORT OF THE EXECUTIVE BOARD CONCERNING AGENDA ITEMS 5 AND 6**

### **1. Declaration of commitment by the Executive Board on the use of authorised capitals**

Dear Shareholders,  
To Whom It May Concern:

Under item 6 of the agenda for the Annual General Meeting, the Supervisory Board and the Executive Board have submitted proposed resolutions on the reduction of the Company's share capital and the amendment of Article 4 (1) and Article 4 (2) of the Company's Charter. A preceding capital reduction solely for the purpose of producing a clean consolidation ratio (avoiding fractional amounts) with a corresponding amendment to the Charter is proposed under item 5 of the agenda for this Annual General Meeting. These proposed resolutions are aimed at promptly giving the Company the long-term ability to operate in the financial markets and financing capability. They are in connection with the recapitalisation of the Company for the purposes of section 22 of the German Stabilisation Fund Act.

At the time of publication of the invitation to the 2023 Annual General Meeting, the Company is still availing of government support. This primarily consists of (i) capital provided by the Economic Stabilisation Fund ("WSF") and in the form of a silent participation of EUR 420,000,000.00 ("Silent Participation I") and a warrant bond 2020/2026 ("Warrant Bond") still existing in the amount of EUR 58,700,000.00 and the related 58,674,899 warrants with subscription rights to currently 58,674,899 TUI Shares at an option price of currently EUR 1.00 per share ("Warrants" and together with Silent Participation I and the Warrant Bond the "Stabilisation Measures") and (ii) credit lines from Kreditanstalt für Wiederaufbau ("KfW") of EUR 2,100,300,000.00.

On 13 December 2022, the Company and the WSF entered into an Agreement on the Repayment of Stabilisation Measures ("Repayment Agreement"). This agreement stipulates the intended complete end of the Stabilisation Measures granted by the WSF through a right of the Company to repay the Silent Participation I and to repurchase the Warrant Bond and all Warrants. Furthermore, the Repayment Agreement governs the implementation of capital measures for the purpose of refinancing the Stabilisation Measures. The basis for this is the existing Authorised Capital 2022/I pursuant to Article 4 para. 5 of the Company's Charter in the amount of EUR 162,291,441.00 and, if applicable, the existing Authorised Capital 2022/II pursuant to Article 4 para. 7 of the Company's Charter in the amount of EUR 626,907,236.00, each of which has a term until 7 February 2027 (Authorised Capital 2022/II).

In order to finance the full repayment of the capital provided by the WSF, the Company is obliged under the Repayment Agreement, to the extent permitted by law, to use its best efforts to implement rights issues from Authorised Capital 2022/I and, if applicable, Authorised Capital 2022/II, with the proceeds to be used primarily for the complete end of the Stabilisation Measures in accordance with the Repayment Agreement ("Refinancing Capital Increase"). The obligation shall apply in the period from the effective date of the capital reduction to be resolved under agenda item 6 of the Annual General Meeting 2023 until 31 December 2023 - subject to the positive assessment of the respective conditions of the capital market by the Executive Board and the Supervisory Board. The proceeds from this Refinancing Capital Increase are to be used primarily for a repayment of Silent Participation I and a repurchase of the Warrant Bond including the Warrants.

The WSF undertakes not to exercise its conversion and option rights from Silent Participation I and the Warrants until 31 December 2023. In the event of a successful implementation of the Refinancing Capital Increase, the Company is obliged to exercise its repayment and repurchase right under the Repayment Agreement. If the Stabilisation Measures are not completely ended by 31 December 2023, the Company will pay to the WSF a market-oriented standstill premium.

The Company has accordingly undertaken in the Repayment Agreement to use the existing Authorised Capital 2022/I from the effective date of the capital reduction to be resolved upon under agenda item 6 primarily for the purpose of completely ending the Stabilisation Measures (*i.e.*, to a full repayment of the capital provided by the WSF through the repayment of Silent Participation I and repurchase of the Warrant Bond and all Warrants). The purpose of the capital reduction is to be able to issue new shares at market conditions in the course of the Refinancing Capital Increase.

The Company intends to use the proceeds from an exercise of the Authorised Capital 2022/I exclusively for the primary complete repayment to the WSF and the proceeds from an exercise of Authorised Capital 2022/II predominantly for a substantial reduction of KfW credit lines, with both capital increases to be carried out simultaneously in one rights offering.

Against this backdrop, the Executive Board of the Company has passed the following resolution in connection with the formation of the Repayment Agreement and has entered into a corresponding agreement with the WSF:

“In the event that the Annual General Meeting of TUI AG, Berlin/Hanover, should pass, by the required majority, the resolutions proposed by the Executive Board and the Supervisory Board regarding items 5 and 6 of the agenda at the Annual General Meeting on 14 February 2023, the Executive Board of TUI AG hereby issues the following legally binding declaration of commitment for the remaining term of the powers granted under Article 4 (5) of the Company’s Charter (Authorised Capital 2022/I) and Article 4 (7) of the Company’s Charter (Authorised Capital 2022/II), which will be made permanently available to the public on the Company’s website in the “Investor Relations” section:

- (1) To the extent legally permissible, the Executive Board will only make use of the authorisation pursuant to Article 4 para. 5 of the Company’s Charter (Authorised Capital 2022/I) for the purpose of using the proceeds from the utilisation of the Authorised Capital 2022/I primarily for the full repayment of the capital made available by the WSF by means of Silent Participation I and the Warrant Bond (through termination and repayment of the Silent Participation I and repurchase of the Warrant Bond and the Warrants) including related costs - and thus for ending the Stabilisation Measures.
- (2) To the extent legally permissible, the Executive Board shall also only exercise the power granted under Article 4 (7) of the Company’s Charter (Authorised Capital 2022/II) for the purpose of using the majority of the proceeds from utilising the Authorised Capital 2022/II to reduce the KfW credit lines.

The Executive Board will also disclose and explain this legally binding voluntary commitment to you in more detail at the Annual General Meeting on 14 February 2023.

We would ask for your support with the proposed resolutions for agenda items 5 and 6 and thus also with the steps required to bring the Company's Stabilisation Measures to an end.

Hanover, 5 January 2023

TUI AG

The Executive Board

## **2. Report by the Executive Board to the Annual General Meeting regarding agenda item 6**

With respect to item 6 of the agenda for the Annual General Meeting (Resolution on the reduction of the share capital for the purpose of allocating a portion of the share capital to the capital reserve in accordance with sections 222 et seqq. of the German Stock Corporation Act (AktG) in conjunction with section 7 (6) WStBG by consolidating shares; amendment to the Company's Charter), the Executive Board has prepared the following voluntary report on the

### **Reasons for the Reduction of Capital.**

The report will be available on the Company's website at [www.tuigroup.com/en-en/investors/agm](http://www.tuigroup.com/en-en/investors/agm) from the date the Annual General Meeting is convened and will also be available during the Annual General Meeting itself.

Under agenda item 6 the shareholders are asked to approve a reduction of the share capital at a ratio of ten to one of EUR 1,785,205,850.00 by EUR 1,606.685,265.00 to EUR 178,520,585.00. The capital reduction is to be carried out in accordance with capital reduction rules pursuant to section 7 (6) of the German Economic Stabilisation Acceleration Act (WStBG) in conjunction with sections 222 et seq. of the German Stock Corporation Act (AktG) by allocating a portion of the share capital to the Company's capital reserve by means of a corresponding consolidation of shares at a ratio of ten to one. A preceding capital reduction solely for the purpose of producing a clean consolidation ratio (avoiding fractional amounts) with a corresponding amendment to the Charter is proposed under item 5 of the agenda for this Annual General Meeting.

The law permits a capital reduction to the extent proposed and such a reduction is reasonable and necessary in the interests of the Company for the following reasons:

#### *Existing Stabilisation Measures*

In 2021 the WSF participated in the recapitalisation of the Company in order to further stabilise and strengthen the Company's liquidity and capital base pursuant to section 22 (2) sentence 1 of the German Stabilisation Fund Act (StFG). The recapitalisation formed a key element of a financing package agreed with several parties in the amount of approximately EUR 1,800,000,000.00. The recapitalisation covered two silent shareholdings in the Company by the WSF as a silent shareholder with a total contribution of up to EUR 1,091,000,000.00 (pursuant to section 22 (1) sentence 2, 4th scenario StFG in conjunction with section 10 WStBG).

In this context, on the basis of resolutions passed at the Annual General Meeting of the Company on 5 January 2021, the share capital of the Company was first reduced in accordance with section 7 (6) WStBG in conjunction with sections 222 et seq. AktG and then increased again immediately afterwards in accordance with section 7 WStBG. In addition, agreements were made with the WSF in particular concerning its silent interests in the Company (Silent Participation I and Silent Participation II). On 30 June 2022, the Company fully repaid Silent Participation II in the amount of EUR 671,000,000.00 plus interest due, thus totalling EUR 725,404,945.53, to the WSF. Silent Participation I is still in place in the amount of EUR



420,000,000.00. It may be converted into up to 420,000,000 new shares in the Company ("TUI Shares") at a conversion ratio of ten to one. The WSF has not exercised this right to date.

Prior to this, in 2020, the Company had already issued a warrant bond in the original amount of EUR 150,000,000.00 ("Warrant Bond"), which runs until 2026, together with 58,674,899 warrants ("Warrants"), which can be (and have since been) separated from the Warrant Bond (the Silent Participation I, the Warrant Bond and the Warrants together hereinafter also referred to as "Stabilisation Measures"). After partial repayment, the Warrant Bond currently still has a nominal value of EUR 58,700,000.00. The Warrants currently entitle the holder (subject to an adjustment of the subscription ratio and the warrant price in accordance with the warrant terms and conditions) to subscribe for a total of 58,674,899 new TUI shares at a warrant price of EUR 1.00 each, which may also be paid by contributing the Warrant Bond. The Warrant Bond and all Warrants are still held by the WSF, which has not exercised any option rights to date.

The Company also agreed for liquidity support a line of credit with the KfW from the year 2020, which currently amounts to EUR 2,100,300,000.00.

#### *Purpose of the Repayment Agreement*

The Company entered into an agreement on the repayment of Stabilisation Measures with the WSF on 13 December 2022 (the "Repayment Agreement"). Pursuant to this Repayment Agreement, until 31 December 2023, the Company may (i) terminate Silent Participation I and (ii) repurchase the Warrant Bond and Warrants from the WSF by paying a repayment price in the aggregate amount of EUR 730,113,240.00, which – depending on the future share price of the Company – may increase to a maximum of EUR 957,400,000.00. Furthermore, the Company shall, by 31 December 2023, (i) subject to the positive assessment of the respective conditions of the capital market by the Executive Board and the Supervisory Board, implement one or more rights issues from the Authorised Capital 2022/I and, if applicable, the Authorised Capital 2022/II and (ii) use the proceeds therefrom primarily for the complete end of the Stabilisation Measures ("Refinancing Capital Increase"). In the event of a successful implementation of the Refinancing Capital Increase, the Company is obliged to exercise its repayment and repurchase right under the Repayment Agreement (for the subject matter of the Repayment Agreement, see also the explanations preceding the proposed resolution under agenda item 6).

The Company intends to use the proceeds from an exercise of the Authorised Capital 2022/I exclusively for the primary complete repayment to the WSF and the proceeds from an exercise of the Authorised Capital 2022/II predominantly for a substantial reduction of KfW credit lines, with both capital increases to be carried out simultaneously in the context of one rights offering.

#### *Function and appropriateness of the proposed capital reduction*

In keeping with section 7f in conjunction with section 7 (6) WStBG, the capital reduction proposed under agenda item 6 is in connection with the recapitalisation of the Company for the purposes of section 22 StFG. This is because, according to the Repayment Agreement with the WSF and the corresponding voluntary commitment of the Executive Board, depending on the market situation, a Refinancing Capital Increase is to be carried out by 31 December 2023, the proceeds of which are to be used primarily to end the Stabilisation Measures. This Refinancing Capital Increase, which the Company will strive for to the best of its ability, will only be made possible economically by the proposed capital reduction:

At present, the Company's low stock market price is jeopardising its long-term ability to finance itself by issuing new shares. Under section 9 (1) of the German Stock Corporation Act

(AktG), no-par value shares may not be issued for an amount less than the pro rata amount of share capital attributable to each individual no-par value share (i.e., in this case EUR 1.00). In particular, in the case of capital increases with subscription rights for shareholders, significant discounts are typically applied to the issue price per new share when compared to the stock market price. Accordingly, in the Company's experience and in the opinion of experts, a capital increase would have no prospects of economic success on the capital markets where the stock market price is below the lowest issue price or only slightly above it, as the standard market discounts are not possible. However, the Company can be promptly given the long-term ability to operate in the (equity) capital markets by means of a capital reduction. Conversely, a capital increase without a preceding capital reduction does not currently have sufficient prospects of success and is unlikely to have them in the future, and there is not enough certainty to be able to make such preparations.

The Repayment Agreement with the WSF serves as the connection required for the purposes of section 7 (6) sentence 1 WStBG. Accordingly, the Company has to use its best efforts to implement one or more rights issues from the Authorised Capital 2022/I and, if applicable, the Authorised Capital 2022/II, the total proceeds of which are to be used primarily for the full repayment of the capital provided by the WSF by means of Silent Participation I and the Warrant Bond together with the related costs – and thus for the end of the Stabilisation Measures. In accordance with the Repayment Agreement, the Executive Board has also issued a declaration of commitment, whereby the use of the Authorised Capital 2022/I is geared towards the termination of the Stabilisation Measures. In addition, the Repayment Agreement contains the obligation on the Company to carry out the proposed capital reduction in order to economically enable a subsequent capital increase for the complete repayment and thus termination of the Stabilisation Measures through the short-term establishment of the long-term capital market capability of the Company.

Based on the Company's experience and on other market practice, the successful placement of a major capital measure with subscription rights typically requires the grant of an appropriate discount on the stock market price, taking account of market conditions, in order to incentivise market participants to subscribe to the new shares. The price of the Company's shares has for some time been in the range of between EUR 1.80 and EUR 1.20 per share and thus close to the mandatory minimum issue price under company law (section 9 AktG) in the amount of EUR 1.00.

If the stock market price of the shares does not improve in the long term, the Company may have no scope to grant the necessary incentive discount and the Company's ability to attract financing on the (equity) capital markets would likely be significantly jeopardised. This would mean that there would be a risk that the Company would no longer be able to place new shares with the necessary certainty and raise the funds required to repay the financing instruments granted in connection with the Company's recapitalisation – and thus the funds required to end the Stabilisation Measures. The capital reduction is therefore a necessary prerequisite for promptly giving the Company the ability to operate on the (equity) capital markets and thus to provide economic protection to the Company's ability to repay the state aid granted by the WSF. If a direct capital increase were to be resolved at this Annual General Meeting, this could deprive the Company of the timing-related flexibility that may be necessary in the current market environment. The Company would then have to implement the resolution to carry out a capital increase at short notice, irrespective of the general prevailing conditions.

In accounting terms, the capital reduction will result in a transfer of an amount on the liabilities side of the Company's commercial balance sheet from the "subscribed capital" to the "non-distributable capital reserve". The equity structure and value of the Company will not be

changed as a result; there will not be any distribution to shareholders. The number of issued Company shares will be reduced by consolidation at a ratio of ten to one from 1,785,205,850 to 178,520,585. The proposed consolidation of shares is intended to secure a stock market price that is sustainably above the minimum issue price for new shares of EUR 1.00 (see section 9 (1) AktG) in order to enable the implementation of future (equity) capital measures planned in connection with the recapitalisation of the Company or agreed with the WSF. Company law would not allow a capital reduction to be carried out by reducing the pro rata amount of share capital per no-par value share, as the law does not permit the pro rata amount of share capital attributable to each share to be less than EUR 1.00 (section 9 (1) and section 8 (3) sentence 3 AktG).

The Executive Board expects that the capital reduction and consolidation of shares at a ratio of ten to one will result in a significant increase in the Company's share price, as the value of the Company will be represented by a smaller number of shares. This increase in the share price is likely to significantly widen the gap between the expected stock market price per share after implementation and the lowest minimum issue price of EUR 1.00 required under company law. This will improve the Company's financing capability. Therefore, the proposed capital reduction is in the Company's interests.

Pursuant to section 7 (6) sentence 5 WStBG, the creditors are not entitled to demand the provision of security under section 225 AktG. Instead, the difference between the amount of share capital before the capital reduction minus the amount of share capital after the capital reduction is then allocated to the capital reserve to protect creditors.

The amount of the capital reduction and the reduction ratio was set at EUR 1,606,685,265.00 or ten to one, in order to (i) be able to promptly give the Company (equity capital) financing capability in the interests of the Company and, in the interest of the shareholders, (ii) have the smallest possible number of fractional amounts, which could have an impact on shareholders' individual participation. In order to minimise the economic impact on shareholders of unavoidable fractional amounts in individual cases, the Company will take standard precautions to ensure that the custodian banks endeavour to compensate for fractional amounts by buying or selling fractional entitlements. Any remaining fractional shares following the consolidation of the fractional entitlements are to be sold as full entitlements for the account of the relevant holders of the fractional entitlements.

The declaration of commitment by the Executive Board regarding the scope of the authorised capital (Authorised Capital 2022/I and Authorised Capital 2022/II) also protects the shareholders of the Company against the excessive dilution of their shareholding.

In this context, it has to be taken into account that the intended repayment of the capital provided by the WSF and the end of the Stabilisation Measures are in the interest of the shareholders. This will eliminate the risk of a not insignificant dilution for the shareholders, which currently exists as a result of the conversion and option rights to which the WSF is entitled, which currently allow it to subscribe to up to 478,674,899 new shares in the Company at a current price of EUR 1.00. The averting of this risk through the repayment of the capital made available by the WSF is, for the reasons stated, only made possible economically by the capital reduction to be resolved under agenda item 6.

In conclusion, the proposed capital reduction is thus in the interests of the Company and its shareholders.

### **III. REMUNERATION REPORT PURSUANT TO SECTION 162 AKTG - REGARDING ITEM 9 OF THE AGENDA**

#### **REMUNERATION REPORT**

The Remuneration Report mainly explains the remuneration of the members of TUI AG's Executive Board and the remuneration of the members of the Supervisory Board in accordance with the Articles of Association. The underlying remuneration systems are based in particular on the recommendations of the German Corporate Governance Code (GCGC), the requirements of the German Stock Corporation Act (Aktiengesetz – AktG) and, where possible, the recommendations of the UK Corporate Governance Code (UK CGC). In addition, the Remuneration Report includes the disclosures required by Section 162 of the German Stock Corporation Act (AktG) as amended by the Act implementing the Second Shareholders' Rights Directive (SRD II). TUI AG thus also implements the requirements on the Remuneration Report resulting from the second framework agreement on the granting of stabilisation measures, which it concluded with the Economic Stabilisation Fund on 4 January 2021 (Framework Agreement II).

As a German stock corporation, TUI AG is also listed on the London Stock Exchange (LSE). Where mandatory rules on the governance structure and legal requirements of a German stock corporation are affected, these are presented accordingly in this report and, where appropriate, placed in the context of the UK CGC.

#### **Executive Board and Executive Board Remuneration**

#### **CONFIRMATION OF THE REMUNERATION SYSTEM BY THE SHAREHOLDERS**

Following preparatory work in financial year 2019, the Supervisory Board of TUI AG adopted a revised remuneration system for the members of the Executive Board in December 2019 with retroactive effect from the beginning of financial year 2020, i. e. 1 October 2019. The revision of the remuneration system included different performance targets for the short-term variable remuneration (STI). Furthermore, the Total Shareholder Return (TSR) performance target was removed from the calculation of the long-term variable remuneration (LTIP). In addition, the revised remuneration system now includes compliance malus and clawback rules, thus taking into account the requirements of UK-based stakeholders and the recommendations of the GCGC in particular. The remuneration system in its revised form was approved by TUI AG shareholders at the Annual General Meeting on 11 February 2020, also with retrospective effect from the beginning of financial year 2020. In addition to the statutory requirements, the revision of the remuneration system took into account the recommendations of the GCGC as amended on 7 February 2017 and the draft of the new version of the GCGC as of 16 December 2019. In addition, the recommendations of the UK CGC and a different market practice in the United Kingdom were also taken into account in the revision. Against the background of changes in market practice and further developments in the structure of Executive Board remuneration since the last fundamental revision of the remuneration system, the remuneration system for TUI AG's Executive Board was revised to include and take account of the aforementioned perspectives and approved by TUI AG's shareholders: The defined performance indicators are designed to take account of the interests of all stakeholders and create value for our equity and debt providers. In revising the Executive Board remuneration system, the Supervisory Board was supported by renowned, independent external remuneration consultants PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC).

According to the German Stock Corporation Act in the version of SRD II, the Supervisory Board must in future submit the remuneration system for approval whenever there is a

significant change, but at least every four years. The Supervisory Board had to make such a submission for the first time at the first ordinary Annual General Meeting following 31 December 2020. TUI AG's previous voluntary procedure in line with the UK CGC already largely complied with these new requirements. In the context of the resolution adopted on 25 March 2021, the Annual General Meeting approved and thus adopted the remuneration system for the members of the Executive Board by 95.8 %. Pursuant to the German Stock Corporation Act in the version of SRD II, the Executive Board and Supervisory Board must also prepare an annual Remuneration Report, which must comply with certain requirements (Section 162 AktG). The auditor has to check whether the Remuneration Report pursuant to Section 162 AktG contains all legally required information and, in addition, to issue an audit opinion. Pursuant to Section 120a (4) AktG, the audited Remuneration Report must be submitted to the Annual General Meeting for a decision on its approval. Under the applicable transitional law, the new provisions of the AktG on the Remuneration Report had to be applied for the first time for the first financial year beginning after 31 December 2020. Accordingly, the Remuneration Report for financial year 2022 would in principle have had to be submitted to the Annual General Meeting of TUI AG for approval for the first time in 2023. However, the Executive Board and Supervisory Board of TUI AG have made use of the option to voluntarily apply the new provisions of the German Stock Corporation Act on the Remuneration Report earlier. They thus also comply with a contractual obligation TUI AG has assumed vis-à-vis the Economic Stabilisation Fund in the framework of the granting of stabilisation measures in accordance with the Economic Stabilisation Fund Act. The Remuneration Report prepared and audited within the meaning of Section 162 AktG for financial year ended 30 September 2021 was approved by the shareholders of TUI AG on 08 February 2022 with 98.72 %. The decision of the Annual General Meeting on the approval of the Remuneration Report is of recommendatory nature.

## **COMPOSITION OF THE EXECUTIVE BOARD**

In the financial year 2022, the Executive Board consisted of a total of six members.

- Friedrich Joussen: CEO
- David Burling: CEO Markets & Airlines
- Sebastian Ebel: CFO
- Peter Krueger: CSO
- Sybille Reiss: CPO / Labour Director
- Frank Rosenberger: CIO

## **GENERAL PRINCIPLES**

Upon recommendation of the Presiding Committee, the Supervisory Board determines the remuneration of the individual members of the Executive Board in accordance with Section 87 (1) sentence 1 AktG. In addition, the Supervisory Board regularly reviews the remuneration system for the Executive Board.

In particular, the following principles are taken into account:

- Comprehensibility and transparency
- Economic situation, success and sustainable development of the Company

- Linking the shareholder interest in value enhancement and profit distribution with corresponding performance incentives for the members of the Executive Board
- Competitiveness in the market for highly qualified managers
- Appropriateness and orientation towards tasks, responsibility and success of each individual member of the Executive Board, also in a relevant environment of comparable international companies, taking into account the typical practice in other large German companies
- Linking a significant part of the total remuneration to the achievement of demanding long-term performance targets
- Appropriate relationship between the amount of the fixed remuneration and the performance-related remuneration
- Adequacy in horizontal and vertical comparison

The remuneration system and the service contracts of the members of the Executive Board stipulate in particular,

- how the target total remuneration is determined for the individual members of the Executive Board and what amount the total remuneration may not exceed (maximum remuneration),
- the relative share of fixed remuneration on the one hand and short-term variable and long-term variable remuneration components on the other hand in the target total remuneration,
- which financial and non-financial performance criteria are decisive for the granting of variable remuneration components,
- what the relationship is between the achievement of the previously agreed performance criteria and the variable remuneration,
- in which form and when the member of the Executive Board can dispose of the variable remuneration amounts.

The remuneration system adopted by the Supervisory Board at the end of 2019 and approved by the 2020 and 2021 Annual General Meetings also contains a compliance malus and clawback provision. Accordingly, in the event of a serious breach by the beneficiary of the principles contained in the Company's Code of Conduct or of due diligence in the management of the Company during the assessment period of the corresponding variable remuneration components, the Company may reduce or cancel the payment amounts in full or demand their return in full or in part after payment. The Supervisory Board shall decide on this in each individual case at its due discretion and shall take into account in its decision in particular the severity of the violation as well as the amount of the financial or reputational damage caused thereby.

## **I. REMUNERATION OF THE EXECUTIVE BOARD IN FINANCIAL YEAR 2022**

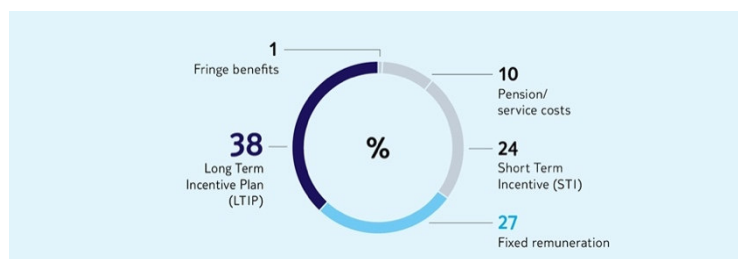
In financial year 2022, the remuneration of the Executive Board members consisted of: (1) a fixed remuneration, (2) a performance-related annual bonus as short-term incentive (STI), (3) virtual shares in TUI AG under the long-term incentive plan (LTIP), (4) fringe benefits and

(5) pension benefits. The following table provides an overview of the individual components of the remuneration system for Executive Board members in effect and approved by the Annual General Meeting as well as the structure of the individual remuneration components. All information in the table is subject to the remuneration restrictions outlined under 'Remuneration Restrictions based on the Framework Agreement with the Economic Stabilisation Fund'.

## Target total remuneration

**TARGET** The target total remuneration of the members of the Executive Board was determined subject to the application of the remuneration restrictions arising from Framework Agreement II.

COMPOSITION OF THE  
TARGET TOTAL  
REMUNERATION  
OF ALL MEMBERS OF THE  
EXECUTIVE BOARD



€ '000	Fixed remuneration*	STI	LTIP
Friedrich Jousen	1,100.0	1,270.0	1,830.0
David Burling	680.0	500.0	920.0
Sebastian Ebel	680.0	500.0	920.0
Peter Krueger	600.0	465.0	765.0
Syille Reiss	600.0	465.0	765.0
Frank Rosenberger	600.0	465.0	765.0

\* Fixed amount, no cap applied.

## (1) Fixed remuneration

**TARGET** Fixed remuneration paid in twelve equal monthly instalments in arrears at the end of a month, taking into account the applicable tax and social security regulations.

Together with the other remuneration components, the fixed remuneration forms the basis for attracting and retaining the highly qualified members required for the development and implementation of the corporate strategy for the Executive Board.

**INTRA-GROUP MANDATES** No separate remuneration / offset against fixed remuneration

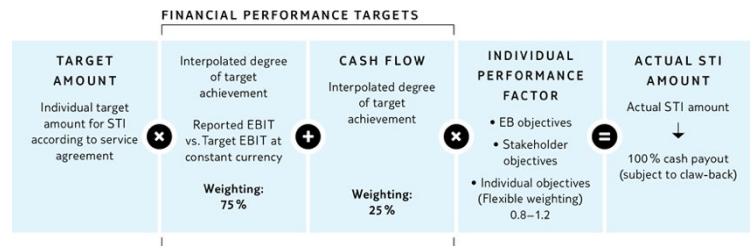
**EXTRA-GROUP MANDATES** No offsetting against fixed remuneration, subject to approval by the Supervisory Board



(2) STI

**TARGET** STI is designed to motivate members of the Executive Board to achieve demanding and challenging financial, operational and strategic goals during a financial year. The targets reflect the corporate strategy and are aimed at increasing the value of the Company. In particular, through the link to EBIT (reported), the one-year variable remuneration is linked to the achievement of a key Group performance indicator in the respective financial year.

DESCRIPTION STI



**TARGET AMOUNT** Contractually agreed, individual target amount

- OVERALL TARGET ACHIEVEMENT**
- Total target achievement of the financial ratios
  - Interpolation: 0 % to 180 %
  - Individual power: 0.8 to 1.2
  - Adjustment element pursuant to section G.11 DCGK
  - Compliance Claw-back

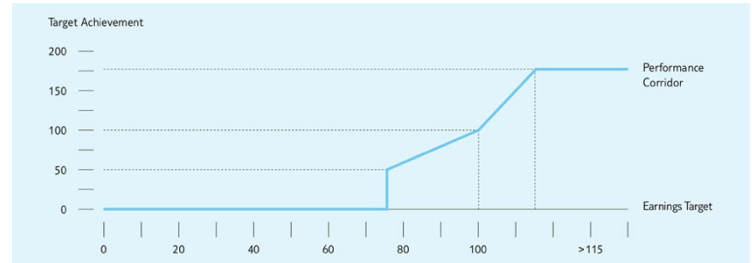
Group key figure 1

GROUP KEY FIGURE EBIT (Reported)

TARGET ACHIEVEMENT Actual vs. target value at constant currency

TARGET ACHIEVEMENT CORRIDOR 75 % to 115 %

PERFORMANCE CORRIDOR EBIT IN %



WEIGHTING 75 %

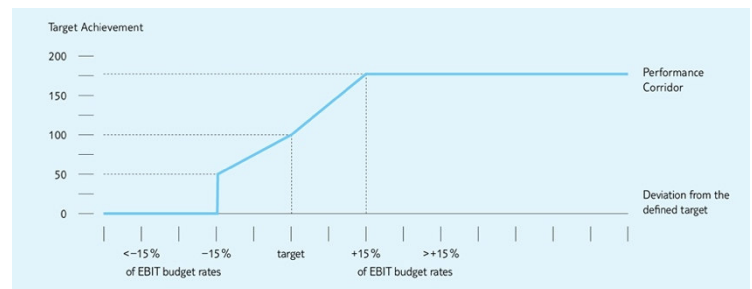
Group key figure 2

GROUP KEY FIGURE Cash flow before dividends

TARGET ACHIEVEMENT Target value against + / - 15 % of EBIT to budget rates

TARGET ACHIEVEMENT CORRIDOR 85 % to 115 %

PERFORMANCE CORRIDOR CASH FLOW IN %



WEIGHTING 25 %

Individual performance

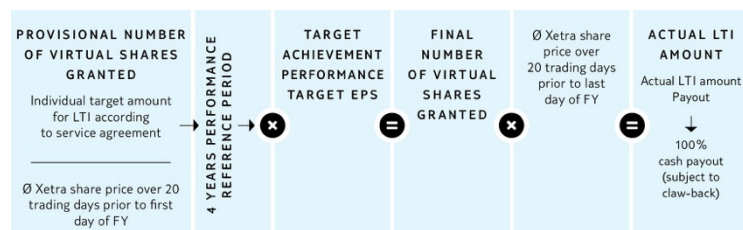
TARGET For each financial year, the Supervisory Board sets performance criteria for the individual performance of the beneficiary, the performance of the entire Executive Board and the achievement of stakeholder goals, as well as their weighting in relation to each other. ESG goals are always taken into account here.

TARGET ACHIEVEMENT CORRIDOR 0.8 to 1.2

### (3) LTIP

**TARGET** The Company's value and the value for the shareholders (shareholder value) are to be increased in the long term by setting ambitious targets that are closely linked to the Company's earnings, the share price development and the dividend. By linking earnings per share and share price performance, congruence is established between the interests and expectations of shareholders and the remuneration of the Executive Board. The performance period of four years helps to ensure that the actions of the Executive Board in the current financial year are also aligned with the long-term development of the Company.

#### DESCRIPTION LTIP



**TARGET AMOUNT** Contractually agreed, individual target amount

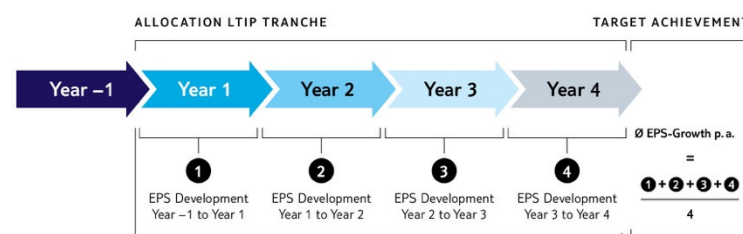
- OVERALL TARGET ACHIEVEMENT**
- Interpolation: 0 % to 175 %
  - Adjustment: EPS < 0.50 €
  - Compliance Malus and Clawback

Group key figure

**GROUP KEY FIGURE** EPS

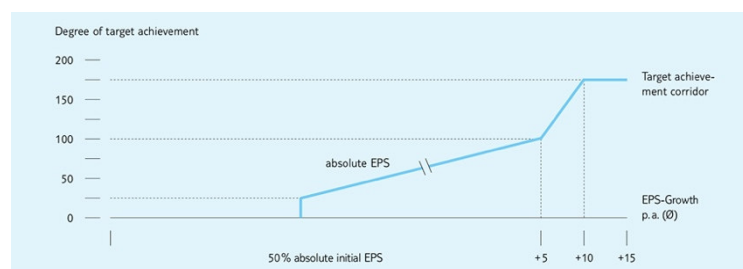
**TARGET ACHIEVEMENT** EPS p. a. based on four weighted annual amounts

#### ALLOCATION OF VIRTUAL SHARES



**TARGET ACHIEVEMENT CORRIDOR** Ø 50 % Start EPS to Ø 10 % p. a.

**TARGET ACHIEVEMENT CORRIDOR EPS IN %**



Shares

- Allocation of a provisional number of virtual shares calculated from the quotient of the agreed individual target amount and

	<p>the average Xetra share price of TUI AG for the twenty trading days prior to the first day of financial year.</p> <ul style="list-style-type: none"><li>• The final number of virtual shares is calculated from the product of the preliminary number of virtual shares and the degree of target achievement of the key figures.</li></ul>
Payment	Multiplication of the final number of virtual shares by the average Xetra share price of TUI AG of the last twenty trading days in the respective performance period.

**(4) Fringe benefits**

**TARGET** The fringe benefits should be competitive in the market for highly qualified members of the Executive Board in order to attract and retain suitable candidates for the Company in the long term. Furthermore, an attractive working environment shall be created for the members of the Executive Board.

- For business trips, reimbursement of travel expenses
- Twice per financial year reimbursement of costs of a trip or individual travel components from programmes of tour operators in which TUI holds a majority stake (incl. discount for family members); only applies to the service agreements of Mr Joussem, Mr Burling, Mr Ebel and Mr Rosenberger; does not apply to the service agreements of Mr Krueger and Ms Reiss
- Discount of 75 % on flights with a TUI airline. Applies only to the service agreements of Mr Joussem, Mr Burling, Mr Ebel and Mr Rosenberger; does not apply to the service agreements of Mr Krueger and Ms Reiss
- Accident insurance
- Subsidy for health and long-term care insurance
- Criminal law protection and D&O insurance
- Company car / car allowance

**(5) Maximum remuneration**

**TARGET**

- CEO: € 7,500 k
- Other Executive Board: € 3,500 k
- Contractually defined upper limit for total remuneration (incl. fixed remuneration, STI, LTIP, Company pension scheme (bAV) and fringe benefits). If the contractually defined upper limit of the total remuneration is exceeded, the LTIP is reduced proportionately in the inflow. The contractually defined upper limit of the total remuneration corresponds to the respective maximum total remuneration for the members of the Executive Board determined by the Supervisory Board.

**MAXIMUM REMUNERATION**

€ '000	Fixed remuneration*	STI	LTIP	Maximum total remuneration
Friedrich Joussem	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
Sebastian Ebel	680.0	1,080.0	2,208.0	3,500.0
Peter Krueger	600.0	1,004.4	1,836.0	3,500.0
Sybille Reiss	600.0	1,004.4	1,836.0	3,500.0
Frank Rosenberger	600.0	1,004.4	1,836.0	3,500.0

\* Fixed amount, no cap applied.

**(6) Severance payment cap in the event of early termination of contract**

**TARGET**

- CEO: Severance payment limited to the value of two years' remuneration
- Other Executive Board members: Severance payment limited to the value of one year's remuneration
- No change of control clauses agreed

<b>(7) Pension benefits</b>	<b>TARGET</b>	The aim is to attract and retain the highly qualified members of the Executive Board necessary for the development and implementation of the corporate strategy. The pension benefits or the pension subsidy should be competitive in the market for highly qualified members of the Executive Board and offer them an appropriate level of benefits in retirement.
Contributions to the company pension scheme		<ul style="list-style-type: none"> <li>• Mr Joussen: € 454.5 k per year. In the case of Mr Joussen, the resulting pension can be paid out when he reaches the age of 62.</li> <li>• Mr Ebel: € 207.0 k per year. In the case of Mr Ebel, the resulting pension can be paid out when he reaches the age of 62.</li> <li>• Mr Rosenberger: € 230.0 k per year. In the case of Mr Rosenberger, the resulting pension can be paid out when he reaches the age of 63.</li> </ul>
Fixed annual payout amounts for the purpose of retirement benefits		<ul style="list-style-type: none"> <li>• Mr Burling: € 225.0 k per year</li> <li>• Mr Krueger: € 230.0 k per year</li> <li>• Ms Reiss: € 230.0 k per year</li> </ul>

## **I.1 PENSION PROVISIONS FOR THE CURRENT MEMBERS OF THE EXECUTIVE BOARD UNDER TUI AG'S PENSION SCHEME**

Pension obligations for active members of the Executive Board in accordance with IAS 19 totalled € 13,235.3 k as at 30 September 2022 (previous year € 15,984.5 k). Of this amount, € 4,210.9 k (previous year € 5,762.4 k) related to entitlements earned by Mr Ebel in the framework of his work for TUI Group until 31 August 2006. The remaining entitlements were distributed as follows:

### **Pensions and the amounts spent or accrued for this purpose by the current members of the Executive Board under TUI AG's pension plan**

	Addition to / reversal from pension provisions		Net present value	
€ '000	<b>2022</b>	2021	<b>30 Sep 2022</b>	30 Sep 2021
Friedrich Joussen	- 694.7	497.2	4,751.1	5,445.8
Sebastian Ebel	- 140.2	235.4	2,279.0	2,419.2
Frank Rosenberger	- 362.7	342.8	1,994.3	2,357.0
<b>Total</b>	<b>-1,197.6</b>	<b>1,075.4</b>	<b>9,024.4</b>	<b>10,222.0</b>

For the pension obligations of Mr Ebel 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 them in case of a security event.

No changes to these commitments were made in financial year 2022.

## **I.2 BENEFITS IN THE EVENT OF PREMATURE TERMINATION OF BOARD MEMBERSHIP**

The payments to be made to a member of the Executive Board in the event of premature termination of his employment contract without good cause are limited in principle in Mr Joussen's service agreement to the value of two years' remuneration (severance payment cap).

In the service agreements of Mr Burling, Mr Ebel, Mr Krueger, Ms Reiss and Mr Rosenberger, it is agreed that payments in the event of premature termination of their Executive Board activities without good cause may not exceed the value of one year's remuneration (severance payment cap).

For all members of the Executive Board, no more than the remaining term of the service agreement is compensated. For the calculation of the severance payment cap, the target direct remuneration (fixed remuneration, target amount of the STI and target amount of the LTIP) of the past financial year and, if applicable, also the expected target direct remuneration for the current financial year are taken into account. If the service contract is terminated for cause, the members of the Executive Board do not receive any benefits.

If the appointment of a member of the Executive Board is revoked, the respective service agreement shall also end. If the revocation is not based on a reason which at the same time constitutes an important reason for termination of the service agreement without notice, the service agreement shall end upon expiry of a period of expiry. This expiry period is generally twelve months. An expiry period of 24 months was agreed with Mr Joussen.

In the event of premature termination of the service contract, the STI and the payments from the LTIP are regulated as follows:

- STI:
  - If the service agreement is terminated by the Company before the end of the one-year performance period for good cause for which the member of the Executive Board is responsible, or if the member of the Executive Board resigns without good cause, the entitlement to an annual bonus for the performance period in question shall lapse without replacement or compensation.
  - In all other cases of early termination of the service agreement before the end of the one-year performance period, the STI shall be paid pro rata temporis.
- LTIP:
  - Claims under the LTIP shall lapse without replacement or compensation for all tranches not yet disbursed if the service agreement is terminated by TUI AG before the end of the performance period for cause for which the Executive Board member is responsible or by the Executive Board member without cause.
  - If the service agreement ends before the end of the performance period for other reasons, the entitlements under the LTIP for tranches not yet paid out are retained. The tranche for the current financial year is reduced pro rata temporis. The amount to be paid out is determined in the same way as in the case of a continuation of the service agreement.

It was agreed with Mr Joussen and Mr Burling that they may unilaterally resign from their positions as members of the Executive Board from 1 June 2022 with three months' notice to 30 September 2022, whereby the STI and LTIP would be paid out in accordance with the service agreement and would not lapse. In the event of Mr Joussen or Mr Burling exercising this right of resignation, an expiry period of 24 and 9 months respectively was agreed for the respective service agreement. On 24 June 2022, Mr Joussen exercised his right of resignation from his office as member of the Executive Board of TUI AG ahead of schedule as per 30 September 2022. During the expiry period of 24 months, TUI AG has agreed to process the service agreement in accordance with the service agreement until the termination date. Mr Burling did not exercise his right of resignation.

TUI AG shall be entitled to release the members of the Executive Board in connection with a termination of the service agreement, in particular following a termination of this service agreement, irrespective of the party declaring which such termination, or following the conclusion of a termination agreement, in whole or in part from the obligation to perform work with continued payment of remuneration. The release shall initially be irrevocable for the duration of any outstanding holiday entitlements, which are thereby settled. Subsequently, the release shall be maintained until the termination of the service agreement. It is revocable if there are questions in connection with the settlement of the employment relationship or if a temporary activity becomes necessary for operational reasons.

The rest of the service agreement is not affected by this. The service agreements of the members of the Executive Board do not contain any change of control clauses.



### **I.3 BENEFITS AND BENEFIT COMMITMENTS TO MEMBERS OF THE EXECUTIVE BOARD WHO HAVE LEFT THE EXECUTIVE BOARD IN FINANCIAL YEAR 2022**

In financial year 2022, no members resigned from TUI AG's Executive Board.

## **II REMUNERATION RESTRICTIONS BASED ON THE FRAMEWORK AGREEMENT WITH THE ECONOMIC STABILISATION FUND**

### **Principle**

On 4 January 2021, TUI AG concluded a framework agreement with the Economic Stabilisation Fund (Wirtschaftsstabilisierungsfonds – WSF) on the granting of stabilisation measures, which sets out various requirements for the remuneration of Executive Board members during the utilisation of stabilisation measures (Framework Agreement II). According to this agreement, any member of the Executive Board already appointed on 31 December 2019 may not receive any remuneration in excess of the basic remuneration of this member of the Executive Board as at 31 December 2019 (including any Group remuneration in the event of dual employment at another Group Company), as long as at least 75 % of the stabilisation measure has not been repaid. The framework agreement also stipulates that, as long as TUI AG makes use of the stabilisation measure, it will not grant and thus not constitute any bonuses, other variable or comparable remuneration components or special payments in the form of share packages, bonuses or other separate remuneration in addition to the fixed salary, other remuneration components and benefits at the discretion of the Company or severance payments not required by law to members of the Executive Board 'including any Group remuneration'.

For members of the Executive Board who are appointed as members of the Executive Board at the time the stabilisation measure is granted or thereafter, the upper limit shall be the basic remuneration of members of the Executive Board with the same level of responsibility as at 31 December 2019.

### **Procedure**

TUI AG has agreed corresponding amendments to the service agreements with all Executive Board members, adjusting the benefits generally promised under the remuneration system to the remuneration restrictions agreed with the Economic Stabilisation Fund.

Due to the corresponding amendment of the service agreements and the waivers of the Executive Board members, TUI AG deviates from the remuneration system in place in financial year 2022 with regard to the Short Term Incentive (STI) and the Long Term Incentive Plan (LTIP). The deviation is in the interest of TUI AG and is a prerequisite for TUI AG to be able to take advantage of stabilisation measures in accordance with the Economic Stabilisation Fund Act, if required. Apart from that, there were no deviations from the current remuneration system in financial year 2022.

## **III OVERVIEW: INDIVIDUAL REMUNERATION OF THE MEMBERS OF THE EXECUTIVE BOARD**

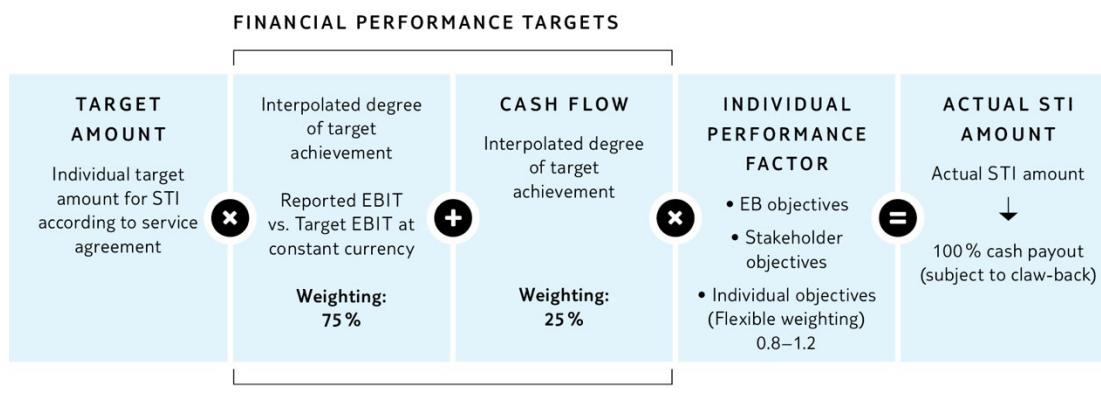
### **III.1 ACHIEVEMENT OF TARGETS**

The following describes how the performance criteria were applied and the targets for the variable remuneration components were achieved in financial year 2022.

### III.1.1 STI

The multiplication of the target amounts with the weighted target achievement levels for EBIT and cash flow and the individual performance factor results in the amount taken into account for the payment of the STI per member of the Executive Board.

#### Description STI



With regard to STI's individual performance factor for financial year 2022, the Supervisory Board decided before the start of financial year 2022 to defer the individual targets in favour of the overall Executive Board targets against the background of the Company-wide transformation process. Thus, the further implementation of the transformation through the simplification of the system landscape was a key target. Operationally, the focus was on expanding the range and variety of products, but also on the automation and analysis of processes.

In addition, the members of the Executive Board have been given ESG targets. These include the development of a pilot project to create a sustainable destination and the implementation of strategic targets of a new sustainability agenda. Due to remuneration restrictions, the Supervisory Board has refrained from determining target achievement for EBIT (reported) and cash flow. The effects of the COVID-19 pandemic, which in the meantime has led to significant restrictions in business operations and to far-reaching disruptions in air traffic, as well as the impact of the sustained increase in inflation, have led to the achievement of the two performance targets in financial year 2022 being impaired, despite a significant recovery in booking numbers compared to the previous year and restrictive cost management. In principle, around 74 % of the EBIT (reported) target for the financial year 2022 and 66 % of the cash flow target would have been achieved. As a result of the remuneration restrictions, there is no granted and owed remuneration within the meaning of Section 162 para. 1 sentence 1, sentence 2 no. 1 AktG from the STI for financial year 2022.<sup>1</sup>

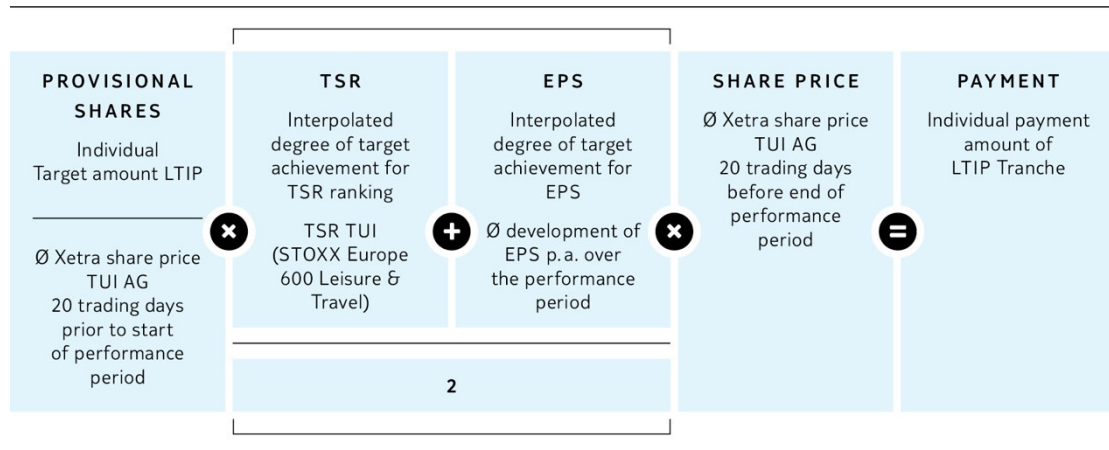
In applying the remuneration restrictions, the Supervisory Board accordingly waived the determination of the individual performance factor. With the immense amount of work of the Executive Board members once again had to deliver due to the extraordinary challenges of financial year 2022, they demonstrated above-average commitment and dedication, while remaining focused on the agreed targets. In its discussions, the Supervisory Board agreed that the entire Executive Board did an excellent job in financial year 2022 in a persistently

<sup>1</sup> The definition of the remuneration granted and owed within the meaning of Section 162 para. 1 sentence 1, sentence 2 no. 1 AktG can be found in Section III. 3.1.

challenging environment. The balance sheet was further stabilised through very stringent cash management, massive cost reductions and the development of extensive sources of financing. The Supervisory Board expressly acknowledges this extraordinary performance.

### III.1.2 LTIP

The payment of the LTIP tranche 2019 – 2022 is governed by the provisions of the remuneration system, which came into effect retroactively as of 1 October 2017.



The LTIP tranche was based on an average TUI AG share price of € 9.87 at the time of allocation. At the end of the performance period, TUI AG's average stock price was € 1.509. Due to the degree of target achievement of TUI AG's TSR rank compared with the TSR values of the companies in the STOXX Europe 600 Travel & Leisure over the performance period, the target achievement for LTIP was 0 %. EPS also failed to reach a level of target achievement that would generally lead to a payout. Although the EPS was below the € 0.50 mark for financial years 2020, 2021 and 2022, at which point the Supervisory Board is to set new absolute target values for the EPS as well as minimum and maximum values for determining the percentage target achievement in accordance with the relevant remuneration system. As a result, however, the remuneration restrictions of Framework Agreement II would not allow a payout. The Supervisory Board has therefore decided not to set any new absolute target values for the EPS and no minimum and maximum values for determining the percentage target achievement for the LTIP tranche 2019 – 2022. For the LTIP tranche 2019 – 2022, there is no remuneration granted and owed in December 2022 within the meaning of Section 162 para. 1 sentence 1, sentence 2 no. 1 AktG.<sup>2</sup>

<sup>2</sup> The definition of the remuneration granted and owed within the meaning of Section 162 para. 1 sentence 1, sentence 2 no. 1 AktG can be found in Section III. 3.1.

## **III.2 LOANS OR ADVANCES**

No loans or advances were granted to the members of the Executive Board in financial year 2022, as in the previous year and the previous years.

## **III.3 APPLICATIONS**

### **III.3.1 'REMUNERATION GRANTED AND OWED' WITHIN THE MEANING OF SECTION 162 (1) SENTENCE 1 AKTG IN FINANCIAL YEAR 2022**

Pursuant to Section 162 para. 1 sentence 1, sentence 2 no. 1 AktG, all fixed and variable remuneration components 'granted and owed' to the individual members of the Executive Board in financial year 2022 must be disclosed. The values stated for both the STI and the LTIP for financial year 2022 refer to the remuneration components 'granted and owed' in the respective financial year pursuant to Section 162 (1) sentence 1 AktG. They thus include all benefits earned in the respective financial year. The value of the STI therefore corresponds to the amount for the STI for financial year 2022, which would not be paid out until financial year 2023 in accordance with the service agreement. The value of the LTIP tranche 2019 – 2022 therefore corresponds in value to the amount for the LTIP whose four-year term ended on 30 September 2022, but which would not be paid out until the 2023 financial year in accordance with the service agreement.

In the previous year, the term 'remuneration granted and owed' within the meaning of Section 162 para. 1 sentence 1, sentence 2 no. 1 AktG was defined differently. According to this definition, the remuneration granted and owed included the benefits actually received in the respective financial year, regardless of financial year for which they would have been received by the members of the Executive Board. The value of the STI therefore corresponded to the amount for the STI from the 2020 financial year, which would not have been paid out until the 2021 financial year in accordance with the service agreements. The value of the 2017 – 2020 LTIP tranche therefore corresponded in terms of value to the amount for the LTIP whose four-year term ended on 30 September 2020, but which would not have been paid out until the 2021 financial year in accordance with the service agreements. The change in definition is based on the use of an option resulting from a clarification by the Institute of Public Auditors (Institut der Wirtschaftsprüfer). The change in definition had no effect on the disclosure of the amount of Executive Board remuneration, as no variable remuneration components were paid out due to the remuneration restrictions.

**Remuneration 'granted and owed remuneration' pursuant to section 162 (1) sentence 1 AktG**

	<b>Friedrich Joussen</b> CEO, since 14 February 2013 <sup>1</sup>				<b>David Burling</b> Member of the Executive Board, since 1 June 2015				<b>Sebastian Ebel</b> Member of the Executive Board, since 12 December 2014			
	€ '000 2021	in % <sup>2</sup>	€ '000 2022	in % <sup>2</sup>	€ '000 2021	in % <sup>2</sup>	€ '000 2022	in % <sup>2</sup>	€ '000 2021	in % <sup>2</sup>	€ '000 2022	in % <sup>2</sup>
Fixed remuneration	1,100.0	63.0	1,100.0	63.6	680.0	73.4	680.0	73.6	680.0	70.2	680.0	70.7
Fringe benefits <sup>3</sup>	52.1	3.0	57.6	3.3	21.1	2.3	19.2	2.1	18.0	1.9	18.0	1.9
<b>Total</b>	<b>1,152.1</b>	<b>66.0</b>	<b>1,157.6</b>	<b>66.9</b>	<b>701.1</b>	<b>75.7</b>	<b>699.2</b>	<b>75.7</b>	<b>698.0</b>	<b>72.0</b>	<b>698.0</b>	<b>72.6</b>
STI	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 Tranche (2018 – 2021)	0.0	0.0			0.0	0.0			0.0	0.0		
LTIP Tranche (2019 – 2022)			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 <sup>4</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>1,152.1</b>	<b>66.0</b>	<b>1,157.6</b>	<b>66.9</b>	<b>701.1</b>	<b>75.7</b>	<b>699.2</b>	<b>75.7</b>	<b>698.0</b>	<b>72.0</b>	<b>698.0</b>	<b>72.6</b>
Pension / service costs <sup>5</sup>	592.7	34.0	571.6	33.1	225.0	24.3	225.0	24.3	271.1	28.0	263.5	27.4
<b>Total remuneration</b>	<b>1,744.8</b>	<b>100.0</b>	<b>1,729.2</b>	<b>100.0</b>	<b>926.1</b>	<b>100.0</b>	<b>924.2</b>	<b>100.0</b>	<b>969.1</b>	<b>100.0</b>	<b>961.5</b>	<b>100.0</b>

<sup>1</sup> Member of the Executive Board since 15 October 2012 until 30 September 2022; Co-Chairman of the Executive Board from 9 December 2014 to 9 February 2016.

<sup>2</sup> The relative shares stated here refer to the remuneration components 'granted and owed' in the respective financial year in accordance with section 162 (1) sentence 1 AktG. They thus include all benefits actually granted in the respective financial year, irrespective of the financial year for which they were paid to the Executive Board members. The relative shares are therefore not comparable with the relative shares in the description of the remuneration system pursuant to section 87a (1) no. 3 AktG, which will be submitted to the Annual General Meeting together with this Remuneration Report. The shares stated in the remuneration system refer to the respective target values.

<sup>3</sup> Without insurance from group contracts.

<sup>4</sup> The service agreements of the members of the Executive Board include – in accordance with the remuneration system adopted by the Supervisory Board in December 2019 – a compliance malus and clawback provision. In financial year 2022 TUI AG did not use this provision.

<sup>5</sup> For Mr Joussen, Mr Ebel and Mr Rosenbeger service costs according to IAS 19, therefore not constituting 'awarded and owed' remuneration' within the meaning of section 162 (1) sentence 1 AktG. For Mr Burling, Mr Krueger and Mrs Reiss payments for pension contribution and therefor part of 'awarded and owed' remuneration within the meaning of Section 162 (1) sentence 1 AktG.

<sup>6</sup> Member of the Executive Board until 31 October 2022.

*Table continues on next page*

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Remuneration ‘granted and owed remuneration’ pursuant to section 162 (1) sentence 1 AktG												
	Peter Krueger Member of the Executive Board, since 1 January 2021				Sybille Reiss Member of the Executive Board, since 1 July 2021				Frank Rosenberger Member of the Executive Board, since 1 January 2017 <sup>6</sup>			
	€ '000 2021	in % <sup>2</sup>	€ '000 2022	in % <sup>2</sup>	€ '000 2021	in % <sup>2</sup>	€ '000 2022	in % <sup>2</sup>	€ '000 2021	in % <sup>2</sup>	€ '000 2022	in % <sup>2</sup>
Fixed remuneration	450.0	70.8	600.0	70.8	150.0	70.8	600.0	70.8	600.0	59.2	600.0	60.8
Fringe benefits <sup>3</sup>	13.5	2.1	18.0	2.1	4.5	2.1	18.0	2.1	30.5	3.0	25.2	2.6
<b>Total</b>	<b>463.5</b>	<b>72.9</b>	<b>618.0</b>	<b>72.9</b>	<b>154.5</b>	<b>72.9</b>	<b>618.0</b>	<b>72.9</b>	<b>630.5</b>	<b>62.3</b>	<b>625.2</b>	<b>63.3</b>
STI	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 Tranche (2018 – 2021)									0.0	0.0		
LTIP Tranche (2019 – 2022)											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 <sup>4</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>463.5</b>	<b>72.9</b>	<b>618.0</b>	<b>72.9</b>	<b>154.5</b>	<b>72.9</b>	<b>618.0</b>	<b>72.9</b>	<b>630.5</b>	<b>62.3</b>	<b>625.2</b>	<b>63.3</b>
Pension / service costs <sup>5</sup>	172.5	27.1	230.0	27.1	57.5	27.1	230.0	27.1	382.2	37.7	362.3	36.7
<b>Total remuneration</b>	<b>636.0</b>	<b>100.0</b>	<b>848.0</b>	<b>100.0</b>	<b>212.0</b>	<b>100.0</b>	<b>848.0</b>	<b>100.0</b>	<b>1,012.7</b>	<b>100.0</b>	<b>987.5</b>	<b>100.0</b>

<sup>1</sup> Member of the Executive Board since 15 October 2012 until 30 September 2022; Co-Chairman of the Executive Board from 9 December 2014 to 9 February 2016.

<sup>2</sup> The relative shares stated here refer to the remuneration components ‘granted and owed’ in the respective financial year in accordance with section 162 (1) sentence 1 AktG. They thus include all benefits actually granted in the respective financial year, irrespective of the financial year for which they were paid to the Executive Board members. The relative shares are therefore not comparable with the relative shares in the description of the remuneration system pursuant to section 87a (1) no. 3 AktG, which will be submitted to the Annual General Meeting together with this Remuneration Report. The shares stated in the remuneration system refer to the respective target values.

<sup>3</sup> Without insurance from group contracts.

<sup>4</sup> The service agreements of the members of the Executive Board include – in accordance with the remuneration system adopted by the Supervisory Board in December 2019 – a compliance malus and clawback provision. In financial year 2022 TUI AG did not use this provision.

<sup>5</sup> For Mr Jousen, Mr Ebel and Mr Rosenberger service costs according to IAS 19, therefore not constituting ‘awarded and owed’ remuneration’ within the meaning of section 162 (1) sentence 1 AktG. For Mr Burling, Mr Krueger and Mrs Reiss payments for pension contribution and therefore part of ‘awarded and owed’ remuneration within the meaning of Section 162 (1) sentence 1 AktG.

<sup>6</sup> Member of the Executive Board until 31 October 2022.

### **III.3.2 COMPLIANCE WITH THE MAXIMUM REMUNERATION AS REMUNERATION CAPS**

For financial year 2022, in addition to the maximum amounts for the one-year and multi-year variable remuneration, a maximum amount for the remuneration for financial year as a whole (including fringe benefits and pension commitment) is provided for in accordance with Section 87a para. 1 sentence 2 no. 1 AktG. This maximum remuneration is € 7.5 m for the Chairman of the Executive Board and € 3.5 m for an ordinary member of the Executive Board and relates to the remuneration granted for a financial year. If the remuneration for financial year 2022 exceeds the aforementioned maximum limit, the LTIP will be reduced accordingly. As the multi-year variable remuneration component is not available until the third year after the end of the reporting year due to the four-year performance period, compliance with the maximum remuneration for financial year 2022 can only be reported conclusively as part of the Remuneration Report for financial year 2025.

### **III.3.3 COMPARISON OF THE ANNUAL CHANGE IN THE REMUNERATION OF THE MEMBERS OF THE EXECUTIVE BOARD WITH THE DEVELOPMENT OF EARNINGS AND THE AVERAGE REMUNERATION OF EMPLOYEES OF TUI AG**

The following table shows a comparison of the percentage change in the remuneration of the Executive Board members with the development of TUI AG's earnings and with the average remuneration of employees on a full-time equivalent basis as against the previous financial year.<sup>3</sup> The remuneration of the Executive Board members included in the table reflects the benefits earned in the respective financial year. For active members of the Executive Board, these values for financial year 2022 correspond to the values stated in the table 'Remuneration granted and owed within the meaning of Section 162 (1) sentence 1 AktG'.

As a matter of principle, the development of earnings is presented on the basis of the development of TUI AG's net profit for the year in accordance with Section 275 (2) no 17 of the German Commercial Code (HGB). Since the remuneration of the Executive Board members also depends to a significant extent on the development of Group key figures, TUI Group's earnings trend also includes the development of TUI Group's underlying EBIT shown in the consolidated financial statements for financial years 2020, 2021 and 2022 and TUI Group's underlying EBITA shown in the consolidated financial statements for financial years 2017 to 2019.

The comparison with the development of average employee remuneration is based on the average remuneration of TUI AG's workforce. Since the employee and remuneration structures in the subsidiaries are diverse, in particular in the case of employees abroad, it is appropriate to base the comparison of the development of average remuneration only on TUI AG's workforce. This comparative group was also used to review the appropriateness of the remuneration of the Executive Board members. The remuneration of all employees, including executive employees within the meaning of Section 5 (3) German Works Council Constitution Act (Betriebsverfassungsgesetz – BetrVG), was taken into account. Where employees also received remuneration as members of TUI AG's Supervisory Board, this remuneration was not taken into account. In order to ensure comparability, the remuneration of part-time employees was extrapolated to full-time equivalents.

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<sup>3</sup> Pursuant to Section 26j, (2), sentence 2 of the Introductory Act to the Stock Corporation Act (EGAktG), a comparison of the average remuneration of employees on a full-time equivalent basis over the last five financial years pursuant to Section 162, (1), sentence 2, no. 2 of the German Stock Corporation Act (AktG) is not yet to be included in the Remuneration Report.

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

Annual change (in %)	2022 vs. 2021 <sup>6</sup>	2021 vs. 2020	2020 vs. 2019	2019 vs. 2018	2018 vs. 2017
<b>Executive Board remuneration<sup>1</sup></b>					
Friedrich Joussen	0	5	-1	-74	31
David Burling	0	7	-8	-55	14
Sebastian Ebel	0	4	-2	-58	30
Peter Krueger <sup>7</sup>	33				
Sybill Reiss <sup>7</sup>	300				
Frank Rosenberger	-1	5	-1	-45	36
Horst Baier (CFO until 30 September 2018) <sup>2</sup>	0	5	10	-73	8
Birgit Conix (CFO until 31 December 2020)	-100	-32	-4	144	
Dr Elke Eller (CHRO until 30 June 2021)	-97	-1	0	-48	9
<b>Earnings performance</b>					
TUI AG <sup>3</sup>	-177	30	-1,994	-88	33
TUI Group <sup>4</sup>	120	69	-435	-22	4
<b>Average employee remuneration on FTE basis</b>					
Company employees <sup>5</sup>	10	6	-2		

<sup>1</sup> Remuneration granted and owed within the meaning of section 162 (1) sentence 1 AktG (fixed remuneration, STI, LTIP, fringe benefits and fixed annual pension payment for Mr Burling, Mr Krueger and Ms Reiss). In addition to the active members of the Executive Board, those former Executive Board members were taken into account who still received remuneration from their active activities within the comparison period.

<sup>2</sup> Mr Baier received a payout from his pension plan in financial years 2019 to 2022. In financial year 2021, he received a final payout from the remuneration granted and owed from the 2017 – 2020 LTIP tranche.

<sup>3</sup> Annual result within the meaning of section 275 para 2 no. 17 HGB.

<sup>4</sup> Underlying EBIT of TUI Group for financial years 2022, 2021 and 2020. For financial years 2017 to 2019, underlying EBITA of TUI Group.

<sup>5</sup> Due to the achievement of the company's targets, a higher bonus is paid out this year than last year.

<sup>6</sup> The comparison for financial years 2021 and 2022 was based on the amended definition of remuneration granted and owed pursuant to section 162 (1) no. 2 AktG.

<sup>7</sup> Pro rata remuneration in financial year 2021.



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

The Supervisory Board conducted the annual review of the Executive Board remuneration and pensions for financial year 2022. It came to the conclusion that the amount of the Executive Board remuneration and the pensions are appropriate from a legal point of view pursuant to Section 87 (1) of the German Stock Corporation Act (AktG).

For the assessment of the appropriateness of the Executive Board remuneration and pensions, the Supervisory Board also regularly calls on external advice. This involves assessing the relationship between the amount and structure of Executive Board remuneration and the remuneration of senior management and the workforce as a whole from an external perspective (vertical comparison). In addition to a status quo analysis, the vertical comparison also takes into account the development of remuneration ratios over time. Secondly, the remuneration level and structure are assessed on the basis of TUI AG's positioning in a comparative market (horizontal comparison). The comparative market consists of a combination of DAX and MDAX companies falling within the scope of the German Stock Corporation Act (AktG), belonging to related sectors or having comparable core characteristics and being of a similar size. In addition to the fixed remuneration, the horizontal comparison also includes the short- and long-term remuneration components as well as the amount of the Company pension plan.

### Companies for the assessment of the appropriateness of Executive Board remuneration (as at 30 September 2022)

Company	Stock market segment	Company	Stock market segment
Adidas AG	DAX	Infineon Technologies AG	DAX
Aixtron SE	MDAX	K+S AG	MDAX
Aurubis AG	MDAX	KION GROUP AG	MDAX
BASF SE	DAX	LANXESS AG	MDAX
Bayer AG	DAX	LEG Immobilien AG	MDAX
Bechtle AG	MDAX	Mercedes-Benz AG	DAX
Beiersdorf AG	DAX	Merck KGaA	DAX
Brenntag AG	DAX	MTU Aero Engines AG	DAX
Carl Zeiss Meditec AG	MDAX	Nemetschek SE	MDAX
Continental AG	DAX	ProSiebenSat.1 Media SE	MDAX
Covestro AG	DAX	PUMA SE	DAX
CTS Eventim AG & Co. KGaA	MDAX	QIAGEN N.V.	DAX
Delivery Hero AG	MDAX	Rheinmetall AG	MDAX
Deutsche Lufthansa AG	MDAX	RTL Group SA	MDAX
Deutsche Post AG	DAX	RWE AG	DAX
Deutsche Telekom AG	DAX	SAP SE	DAX
Deutsche Wohnen AG	MDAX	Scout24 AG	MDAX
Dürr AG	MDAX	Siemens AG	DAX
ENCAVIS AG	MDAX	Siemens Healthineers AG	DAX
E.ON SE	DAX	Siltronic AG	MDAX
Evonik Industries AG	MDAX	Software AG	MDAX
Evotec AG	MDAX	Stabilus SE	MDAX
Fraport AG	MDAX	Ströer SE & Co. KGaA	MDAX
freenet AG	MDAX	Symrise AG	DAX
Fresenius Medical Care AG & Co KGaA	DAX	TAG Immobilien AG	MDAX
Fresenius SE & Co KGaA	DAX	TeamViewer AG	MDAX

Fuchs Petrolub SE	MDAX	Telefónica Deutschland Holding AG	MDAX
GEA Group AG	MDAX	ThyssenKrupp AG	MDAX
Gerresheimer AG	MDAX	United Internet AG	MDAX
HeidelbergCement AG	DAX	Volkswagen AG	DAX
HelloFresh SE	MDAX	Vonovia SE	DAX
Henkel AG & Co KGaA	DAX	Wacker Chemie AG	MDAX
Hugo Boss AG	MDAX	Zalando SE	DAX

Against the backdrop of the remuneration restrictions and the resulting elimination of the payment of variable remuneration components, the Supervisory Board did not commission a corresponding expert opinion on the appropriateness of the remuneration level for members of the Executive Board for financial year 2022. As in financial years 2019, 2020 and 2021, the remuneration was significantly below that of financial year 2018, the appropriateness of which was again assessed and confirmed. The amount of the remuneration granted and owed, which for financial year 2022 consists only of fringe benefits and pension contributions in addition to the fixed remuneration, was largely known to the Annual General Meeting which approved the remuneration system in financial year 2021 and the 2021 Remuneration Report in financial year 2022.

### III.3.4 BENEFITS TO FORMER MEMBERS OF THE EXECUTIVE BOARD

For former members of the Executive Board and their surviving dependents, total pension payments in financial year 2022 amounted to € 6,248.9 k (previous year € 6,074.2 k). Of this amount, € 917.5 k was attributable to Michael Frenzel, who left the Executive Board on 31 March 2014, and € 1,003.6 k to Horst Baier, who left the Executive Board on 30 September 2018, in financial year 2022. The remaining payments related to former members of the Executive Board who left TUI AG's Executive Board more than ten years ago.

At the balance sheet date, pension provisions for former members of the Executive Board and their surviving dependants totalled € 62,985.5 k (previous year € 71,766.5 k) measured in accordance with IAS 19 – excluding Mr Ebel's entitlements of € 4,210.9 k (previous year € 5,762.4 k) earned in the framework of his service for TUI Group before 31 August 2006.

TUI AG and Dr Eller agreed on the premature termination of the Executive Board mandate and the Labour Director mandate as per 30 June 2021. On the occasion of the termination, TUI AG concluded a termination agreement with Dr Eller. The subject matter of the termination agreement included the continuation of the employment contract until the end of the regular termination date, i. e. until 14 October 2021. TUI AG has agreed to Dr Eller that it would continue to pay her remuneration in accordance with the service agreement until the termination date of the service agreement. TUI AG also continued to make contributions to the Company pension scheme until that date. In financial year 2022, Dr Eller was thus entitled to a pro rata fixed remuneration of around € 26.4 k.

### Supervisory Board and Supervisory Board Remuneration

### CONFIRMATION OF THE REMUNERATION SYSTEM BY THE SHAREHOLDERS

According to the German Stock Corporation Act (AktG) in the version of the SRD II, the Annual General Meeting of a listed Company must resolve on the remuneration of the members of the Supervisory Board at least every four years. A resolution confirming the existing remuneration is also permissible. The resolution must comply with new formal requirements.

Such a resolution was passed by the Annual General Meeting on 25 March 2021. The remuneration system for the members of the Supervisory Board was approved by 99.7 % and thus adopted. In addition, the Remuneration Report prepared and audited in accordance with Section 162 of the German Stock Corporation Act (AktG) for financial year ended 30 September 2021 was approved by the shareholders of TUI AG on 08 February 2022 with 98.72 %.

## **COMPOSITION OF THE SUPERVISORY BOARD**

In accordance with the Articles of Association, the Supervisory Board of TUI AG comprises a total of

20 members. At the Annual General Meeting on 8 February 2022, there were no new or renewed mandates to be filled by shareholder representatives.

Ms Carola Schwirn resigned from the Supervisory Board at the end of 28 February 2022. By court appointment on 1 April 2022, Ms Sonja Austermühle was appointed as a member of the Supervisory Board as an employee representative.

On 2 March 2022, Mr Mordashov notified the Company that he was resigning from his mandate as a member of TUI AG's Supervisory Board with immediate effect. On 3 March 2022, Mr Vladimir Lukin also notified us that he was resigning from his mandate as shareholder representative on TUI AG's Supervisory Board with immediate effect. Ms Helena Murano and Mr Christian Baier were appointed as members of TUI AG's Supervisory Board by court order on 31 May 2022 to fill the vacancies. The applications for court appointment were each submitted until the next ordinary Annual General Meeting.

## Composition of the Supervisory Board

Dr Dieter Zetsche	Member since 13 February 2018 Chairman
Frank Jakobi*	Member since 15 August 2007 Vice-Chairman
Ingrid-Helen Arnold	Member since 11 February 2020
Sonja Austermühle*	Member since 1 April 2022
Christian Baier	Member since 31 May 2022
Andreas Barczweski*	Member since 10 May 2006
Peter Bremme*	Member since 2 July 2014
Dr Jutta Dönges	Member since 25 March 2021
Prof. Dr Edgar Ernst	Member since 9 February 2011
Wolfgang Flintermann*	Member since 13 June 2016
María Garaña Corces	Member since 11 February 2020
Stefan Heinemann*	Member since 21 July 2020
Janina Kugel	Member since 25 March 2021
Helena Murano	Member since 31 May 2022
Mark Muratovic*	Member since 25 March 2021
Vladimir Lukin	Member from 12 February 2014 to 28 October 2014 and from 5 June 2019 to 3 March 2022
Coline McConville	Member since 11 December 2014
Alexey Mordashov	Member since 9 February 2016 to 2 March 2022
Carola Schwirn*	Member since 1 August 2014 to 28 February 2022
Anette Stempel*	Member since 2 January 2009
Joan Trián Riu	Member since 12 February 2019
Tanja Viehl*	Member since 25 March 2021
Stefan Weinhofer*	Member since 9 February 2016

\* Employee representatives.

## I REMUNERATION OF THE SUPERVISORY BOARD IN FINANCIAL YEAR 2022

The rules and remuneration of the members of the Supervisory Board are set out in Section 18 of TUI AG's Articles of Association, permanently accessible to the public on the internet. Supervisory Board remuneration is reviewed at appropriate intervals. It takes account of the expected time commitment for the mandate and the practice in companies of a comparable size, industry and complexity.

<b>(1) Fixed remuneration Supervisory Board</b>	TARGET	<p>The aim is to attract and retain highly qualified members of the Supervisory Board. This will promote the efficiency of the Supervisory Board's work and the long-term development of TUI AG.</p> <ul style="list-style-type: none"><li>Chairman: € 270.0 k</li><li>Vice-Chairman: € 180.0 k</li><li>Member: € 90.0 k</li><li>In each case plus the value-added tax on the remuneration</li></ul> <p>In accordance with the provisions of TUI AG's Articles of Association, retired members of the Supervisory Board shall receive (pro rata temporis) fixed remuneration from TUI AG for the last time immediately after the end of financial year in which they resigned for the duration of their membership of TUI AG's Supervisory Board. After the final payment of the (pro rata temporis) fixed remuneration, retired members of the Supervisory Board shall no longer receive any remuneration from TUI AG for their former Supervisory Board activities.</p>
<b>(2) Fixed remuneration Committees</b>	<p>PRESIDING COMMITTEE</p> <p>AUDIT COMMITTEE</p> <p>STRATEGY COMMITTEE*</p> <p>NOMINATING COMMITTEE</p> <p>TRANSACTION COMMITTEES</p>	<ul style="list-style-type: none"><li>Chairman: € 42.0 k</li><li>Member: € 42.0 k</li></ul> <ul style="list-style-type: none"><li>Chairman: € 126.0 k</li><li>Member: € 42.0 k</li></ul> <ul style="list-style-type: none"><li>Chairman: € 84.0 k</li><li>Member: € 42.0 k</li></ul> <ul style="list-style-type: none"><li>None</li></ul> <ul style="list-style-type: none"><li>None</li></ul> <p>* The Strategy Committee was dissolved at the end of financial year 2022. Accordingly, the committee remuneration for the Strategy Committee will not be received for the following years.</p>
<b>(3) Attendance fees</b>		<ul style="list-style-type: none"><li>Supervisory Board: € 1.0 k per meeting</li><li>Presiding Committee: € 1.0 k per meeting</li><li>Audit Committee: € 1.0 k per meeting</li><li>Strategy Committee: € 1.0 k per meeting</li><li>Nomination Committee: € 1.0 k per meeting</li><li>Transaction Committees: none</li></ul>
<b>(4) Maximum remuneration</b>		<p>Since the remuneration of the members of the Supervisory Board does not consist of variable but exclusively of fixed components, there is no need to determine a maximum total remuneration for the members of the Supervisory Board. The provisions of the German Stock Corporation Act (AktG) in the version of the SRD II expressly provide for the determination of a maximum remuneration only for the members of the Executive Board, but not for the members of the Supervisory Board.</p>

**(5) D&O**

**OBJECTIVE** In addition, the members of the Supervisory Board are included in a pecuniary damage liability insurance policy (so-called D&O insurance) taken out by the Company in the interest of the Company at an appropriate amount. The premiums for this are paid by the Company. There is no deductible.

## **I.1 TOTAL REMUNERATION OF THE SUPERVISORY BOARD**

### **I.1.1 REMUNERATION ‘GRANTED AND OWED’ WITHIN THE MEANING OF SECTION 162 PARA. 1 SENTENCE 1 OF THE GERMAN STOCK CORPORATION ACT (AKTG) IN FINANCIAL YEAR 2022**

Pursuant to Section 162 (1) sentence 1, sentence 2 no. 1 AktG, all fixed and variable remuneration components ‘granted and owed’ to the individual members of the Supervisory Board in financial year 2022 must be disclosed. The values stated refer to the remuneration components ‘granted and owed’ in the respective financial year pursuant to Section 162 (1) sentence 1 AktG. They thus include all benefits earned in the respective financial year, regardless of whether they were received by the members of the Supervisory Board in the respective financial year. In terms of value, the amounts for financial year 2022 are therefore also taken into account, which, according to the Articles of Association, will only be paid out in financial year 2023. The remuneration granted and owed to the Supervisory Board includes the fixed remuneration earned for financial year 2022, but which, according to the Articles of Association, will only be paid in financial year 2023. The attendance fees, on the other hand, are usually paid immediately after the respective meetings, so that the attendance fees for the Supervisory Board meetings in 2022 were also paid in the financial year 2022.

In the previous year, the term of remuneration granted and owed within the meaning of Section 162 para. 1 sentence 1, sentence 2 no. 1 AktG was defined differently. According to this definition, the remuneration granted and owed included the benefits actually received in the respective financial year, regardless of financial year for which they would have been received by the members of the Supervisory Board. In terms of value, the amounts for the 2020 financial year were taken into account, which would not have been paid out until the 2021 financial year in accordance with the Articles of Association. The change in definition is based on the use of an option resulting from a clarification by the Institute of Public Auditors (Institut der Wirtschaftsprüfer).

#### **Total remuneration granted and owed to the Supervisory Board**

€ '000	2022	2021 adjusted*
Fixed remuneration	1,980.9	1,896.0
Remuneration for committee memberships	906.3	865.9
Attendance fees	245.0	372.0
Total remuneration for TUI AG Supervisory Board mandate	3,132.2	3,133.9
Remuneration for Supervisory Board mandates in the Group	50.7	26.5
<b>Total</b>	<b>3,182.9</b>	<b>3,160.4</b>

\* Financial year 2021 adjusted due to a change in the definition of the term ‘granted and owed’.

In addition, travel costs and expenses amounting to € 72.5 k (previous year € 0 k) were reimbursed. The remuneration of the Supervisory Board in financial year 2022, together with

the reimbursement of travel costs and expenses, amounted to € 3,255.4 k (previous year € 3,160.4 k).

## **I.2. REMUNERATION ‘GRANTED AND OWED’ WITHIN THE MEANING OF SECTION 162 PARA. 1 SENTENCE 1 OF THE GERMAN STOCK CORPORATION ACT (AKTG) IN FINANCIAL YEAR 2022**

Pursuant to Section 162 (1) sentence 1, sentence 2 no. 1 of the German Stock Corporation Act (AktG), all fixed and variable remuneration components ‘granted and owed’ to the individual members of the Supervisory Board in financial year 2022 must be disclosed. The values stated refer to the remuneration components ‘granted and owed’ in the respective financial year pursuant to Section 162 (1) sentence 1 AktG. They thus include all benefits earned in the respective financial year, regardless of whether they were received by the members of the Supervisory Board in the respective financial year. In terms of value, the amounts for financial year 2022 are therefore also taken into account, which, according to the Articles of Association, will only be paid out in financial year 2023.

## Granted and owed remuneration of the Supervisory Board (individual) in financial year 2022

	Fixed remuneration € '000	in %	Remuneration for committee € '000	in %	Attendance fee € '000	in %	Remuneration for Supervisory Board mandates in the Group € '000	in %	Total
Dr Dieter Zetsche (Chairman)	270.0	58.4	168.0	36.4	24.0	5.2			462.0
Frank Jakobi (Vice Chairman)	180.0	54.5	126.0	38.2	24.0	7.3			330.0
Ingrid-Helen Arnold	90.0	92.8		0.0	7.0	7.2			97.0
Sonja Austermühle <sup>1</sup>	45.0	74.1		0.0	2.0	3.3	13.7	22.6	60.7
Christian Baier <sup>2</sup>	30.3	61.3	14.1	28.5	5.0	10.1			49.4
Andreas Barczewski	90.0	75.9		0.0	7.0	5.9	21.5	18.1	118.5
Peter Bremme	90.0	62.1	42.0	29.0	13.0	9.0			145.0
Dr Jutta Dönges <sup>3</sup>	90.0	42.8	100.5	47.7	20.0	9.5			210.5
Prof. Dr Edgar Ernst	90.0	27.8	210.0	64.8	24.0	7.4			324.0
Wolfgang Flintermann	90.0	92.8		0.0	7.0	7.2			97.0
María Garaña Corces	90.0	92.8		0.0	7.0	7.2			97.0
Stefan Heinemann	90.0	61.6	42.0	28.8	14.0	9.6			146.0
Janina Kugel	90.0	92.8		0.0	7.0	7.2			97.0
Vladimir Lukin <sup>4</sup>	38.3	46.1	35.7	43.0	9.0	10.8			83.0
Coline McConville	90.0	64.3	42.0	30.0	8.0	5.7			140.0
Alexey Mordashov <sup>5</sup>	0.0	0.0	0.0	0.0	7.0	100.0			7.0
Helena Murano <sup>2</sup>	30.3	93.8		0.0	2.0	6.2			32.3
Mark Muratovic	90.0	55.7	42.0	26.0	14.0	8.7	15.5	9.6	161.5
Carola Schwirn <sup>6</sup>	37.0	92.5		0.0	3.0	7.5			40.0
Anette Strempel	90.0	62.1	42.0	29.0	13.0	9.0			145.0
Joan Trián Riu	90.0	92.8		0.0	7.0	7.2			97.0
Tanja Viehl	90.0	92.8		0.0	7.0	7.2			97.0
Stefan Weinhofer	90.0	61.6	42.0	28.8	14.0	9.6			146.0
<b>Total</b>	<b>1,980.9</b>	<b>62.2</b>	<b>906.3</b>	<b>28.5</b>	<b>245.0</b>	<b>7.7</b>	<b>50.7</b>	<b>1.6</b>	<b>3,182.9</b>

<sup>1</sup> Pro rata temporis view of all remuneration components as of 1 April 2022.

<sup>2</sup> Pro rata temporis view of all remuneration components as of 31 May 2022.

<sup>3</sup> Pro rata temporis view of committee remuneration from 10 May 2022.

<sup>4</sup> Pro rata temporis view of all remuneration components until 3 March 2022.

<sup>5</sup> Pro rata temporis view of all remuneration components until 2 March 2022. No pay-outs 28 February 2022 onwards, as Mr Mordashov is subject to EU sanctions since that date. Actual pay-outs in conjunction with the meeting of the Presiding Committee (4 February 2022) and the Supervisory Board (7 February 2022) have been made prior to listing on sanctions list on 16 February 2022. A pay-out in conjunction with the meeting of the Strategy Committee (21 February 2022) has not been paid out because of EU sanctions.

<sup>6</sup> Pro rata temporis view of all remuneration components until 28 February 2022.



### **I.3 COMPARISON OF THE ANNUAL CHANGE IN THE REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD WITH THE DEVELOPMENT OF EARNINGS AND THE AVERAGE REMUNERATION OF TUI AG EMPLOYEES**

The following table shows a comparison of the percentage change in the remuneration of the members of the Supervisory Board with the development of TUI AG's earnings and with the average remuneration of employees on a full-time equivalent basis as against the previous financial year<sup>4</sup>. The remuneration of the members of the Supervisory Board included in the table reflects the amounts earned in the respective financial year. For financial year 2022, these values correspond to the values stated in the table 'Remuneration granted and owed within the meaning of Section 162 (1) sentence 1 AktG'. Where members of the Supervisory Board had previously been members of TUI AG's Executive Board and had received remuneration for this, this would not be included in the comparative presentation. However, this does not apply to any member of the Supervisory Board.

The development of earnings is generally presented on the basis of the development of TUI AG's profit for the year in accordance with Section 275 (2) no 17 of the German Commercial Code (HGB).

The comparison with the development of average employee remuneration is based on the average remuneration of TUI AG's workforce. Since the employee and remuneration structures in the subsidiaries are diverse, in particular in the case of employees abroad, it is appropriate to base the comparison of the development of average remuneration only on the workforce of TUI AG. The remuneration of all employees, including executive staff as defined in Section 5 (3) of the German Works Constitution Act (BetrVG), was taken into account. Employee remuneration did not include remuneration received by employees as members of TUI AG's Supervisory Board. In order to ensure comparability, the remuneration of part-time employees was extrapolated to full-time equivalents.

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<sup>4</sup> Pursuant to Section 26j, paragraph 2, sentence 2 of the Introductory Act to the Stock Corporation Act (EgAktG), a comparison of the average remuneration of employees on a full-time equivalent basis over the last five financial years pursuant to Section 162, paragraph 1, sentence 2, no. 2 of the Stock Corporation Act (AktG) is not yet to be included in the Remuneration Report.

**Comparison of annual change to Supervisory Board remuneration according to section 162 para 1 no. 2 AktG**

Annual change (in %)	2022 vs. 2021 <sup>6</sup>	2021 vs. 2020	2020 vs. 2019	2019 vs. 2018	2018 vs. 2017
<b>Supervisory Board remuneration<sup>1</sup></b>					
Dr Dieter Zetsche	2	17	71	268	
Frank Jakobi	-3	18	0	-6	-3
Ingrid-Helen Arnold	-5	91			
Sonja Austermühle					
Christian Baier					
Andreas Barczewski	-22	-6	-13	5	-5
Peter Bremme	-5	9	-14	1	2
Dr Jutta Dönges	111				
Prof. Dr Edgar Ernst	4	15	-6	17	-5
Wolfgang Flintermann	-8	16	-10	1	1
María Garaña Corces	-6	96			
Angelika Gifford		-47	12	14	
Stefan Heinemann	12	914			
Dr Dierk Hirschel		-46	-15	3	9
Janina Kugel	81				
Peter Long		-46	-8	21	47
Vladimir Lukin	-54	47	279		
Coline McConville	-8	10	-16	3	3
Alexey Mordashov <sup>2</sup>	-96	8	-8	5	-4
Helena Murano					
Marc Muratovic	92				
Michael Pönipp		-34	-8	2	-2
Carola Schwirn	-62	16	-21	3	2
Anette Stempel	-5	8	-14	0	0
Joan Trián Riu	-8	16	41		
Tanja Viehl	78				
Stefan Weinhofer	12	44	-10	1	2
<b>Earnings performance</b>					
TUI AG <sup>3</sup>	-177	30	-1,994	-88	33
TUI Group <sup>4</sup>	120	69	-435	-22	4
<b>Average employee remuneration on FTE basis</b>					
Company employees <sup>5</sup>	10	6	-2		

<sup>1</sup> Changes result in particular from the date of entry into the Supervisory Board, committee membership and the respective date of resignation.

<sup>2</sup> No pay-outs from 28 February 2022 onwards, as Mr Mordashov has been subject to EU sanctions since that date. Actual pay-outs in conjunction with the meeting of the Presiding Committee (4 February 2022) and the Supervisory Board (7 February 2022) have been made prior to listing on sanctions list on 16 February 2022. A pay-out in conjunction with the meeting of the Strategy Committee (21 February 2022) has not been paid out because of EU sanctions.

<sup>3</sup> Annual result within the meaning of section 275 (2) no. 17 HGB.

<sup>4</sup> Underlying EBIT of the TUI Group for financial years 2022, 2021 and 2020. For financial years 2017 to 2019, underlying EBITA of the TUI Group.

<sup>5</sup> Due to the achievement of the company's targets, a higher bonus is paid out this year than last year.

<sup>6</sup> The comparison for 2021 and 2022 was based on the amended definition of remuneration granted and owed pursuant to Section 162 (1) no. 2 AktG.

Apart from the work performed by the employee representatives in the framework of their employment contracts, the members of the Supervisory Board did not provide any personal services, such as consultancy or agency services, for TUI AG or its subsidiaries in financial year 2022 and therefore did not receive any additional remuneration based on such services.

## **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 2021 until 30 September 2022 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 IDW Auditing Standard: The Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW PS 870 (08.2021)). Our responsibility under that provision and standard is further described in the section “Responsibilities of the Auditor” of our report. Our audit firm applies Quality Assurance Standard: Requirements for Quality Assurance in Audit Practices (IDW QS 1) promulgated by the Institut der Wirtschaftsprüfer (IDW). We have fulfilled the professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Code of Conduct for German Public Auditors and Sworn Auditors (BS WP/vBP) 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.

Hannover/Germany, 12 December 2022

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Christoph B. Schenk

Wirtschaftsprüfer

(German Public Auditor)

Signed:

Annika Deutsch

Wirtschaftsprüferin

(German Public Auditor)

**TRANSLATION**

– German version prevails –

#### IV. FURTHER INFORMATION AND INSTRUCTIONS

The Executive Board, with the consent of the Supervisory Board, has decided in accordance with section 26n (1) of the Introductory Act to the German Stock Corporation Act that the Annual General Meeting will be held as a virtual General Meeting in accordance with section 118a of the German Stock Corporation Act. This results in certain modifications to the meeting procedures.

The General Meeting will be held in the physical presence of the chairman of the meeting, the members of the Executive Board and the Supervisory 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. The physical presence of the shareholders or their proxies (with the exception of the Company-appointed proxies) at the venue of the General Meeting is excluded.

**As holding the General Meeting in the form of a virtual meeting on the basis of the Stock Corporation Acts as amended by the Act on the Introduction of Virtual General Meetings of Stock Corporations with effect from 27 July 2022 results in certain modifications to meeting procedures, we would like to ask our shareholders to pay particular attention to the following information.**

##### 1. **Registration and exercise of voting rights, Access to the password-protected GM online-service**

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 7 February 2023, 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 24 January 2023 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 Aktionärservice Postfach 1460 61365 Friedrichsdorf Germany	+49 (0) 69 22 22 34 29 4
Electronically via the following internet address (from 20 January 2023) (password-protected GM online-service)	
<a href="http://www.tuigroup.com/en-en/investors/agm">www.tuigroup.com/en-en/investors/agm</a>	

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 20 January 2023 at [www.tuigroup.com/en-en/investors/agm](http://www.tuigroup.com/en-en/investors/agm). 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 24 January 2023 (CET), but by 7 February 2023, 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 7 February 2023, 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, Dial-in**

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/agm](http://www.tuigroup.com/en-en/investors/agm)**

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 11:00 hours (CET).

It is a prerequisite for the use of the password-protected GM online-service by a proxy that the proxy receives the access data from the shareholder as the principal.

If shareholders of TUI AG use the password-protected GM online-service during the virtual General Meeting on 14 February 2023, i.e. if they have successfully logged in, the shareholders or their proxies will be electronically connected to the virtual General Meeting. The use of the GM online-service during the virtual General Meeting and thus also the connection to the meeting requires the satisfaction of the prerequisites described above in section IV.1.

## **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 7 February 2023, 24:00 hours (CET) and timely registration to the General Meeting, i.e. by no later than 7 February 2023, 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 IV.1 above by no later than 7 February 2023, 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](http://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 – concludes 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 IV.1 by no later than 7 February 2023, 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 11 February 2023, 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](http://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](mailto: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](http://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 have registered for the General Meeting by the applicable deadline, 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](http://www.tuigroup.com/en-en/investors/agm), in writing or by fax using the postal address or fax number specified above (see section IV.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 7 February 2023, 24:00 hours (CET), at the postal address or fax number specified in section IV.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 11 February 2023, 24:00 hours (CET).

Authorisations and instructions may be issued after timely registration by no later than 7 February 2023, 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](http://www.tuigroup.com/en-en/investors/agm) (as described in section IV.1). Instructions or changes to instructions to the Company-appointed proxies may be electronically issued both in advance and during the General Meeting on 14 February 2023 at any time until the chairman of the meeting on the day of the General Meeting – after prior announcement – closes 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 sections 118a (1) sentence 2 no. 3, 126 (1), 127, 130a (5) sentence 3, 130a (6) AktG**

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 30 January 2023, 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](mailto: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](http://www.tuigroup.com/en-en/investors/agm).

Pursuant to section 126 (4) AktG, motions or election proposals from shareholders which have to be made available in accordance with section 126 (1)-(3) or section 127 AktG are deemed to have been submitted at the time they are made available. The voting right can be exercised on such motion or election proposal via the password-protected GM online-service as soon as the shareholders can prove the satisfaction of the statutory requirements or requirements stipulated by the Charter for the exercise of the voting rights, i.e. once the prerequisites set forth in section IV.1 have been met. If the shareholder submitting the motion or the election proposal is not duly legitimized and registered for the General Meeting, the motion must not be addressed during the General Meeting.

In addition thereto, shareholders who are electronically connected to the General Meeting may submit motions and election proposals also by way of video-communication via the password-protected GM online-service during the General Meeting.

The right of the chairman of the meeting to put to the vote first the proposal 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 at least 30 days prior to the General Meeting, that is by 14 January 2023, 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](http://www.tuigroup.com/en-en/investors/agm).

## **7. Statements pursuant to section 130a (1)-(4) AktG**

Shareholders who have duly registered for the General Meeting, i.e. who have fulfilled the requirements for registration and exercise of voting rights set out in section IV.1, may submit statements in text form on the agenda items. A statement may not exceed 20,000 (including spaces) characters.

Statements must be submitted no later than 8 February 2023, 24:00 hours (CET), only via the GM online-service on the Company's website at

**[www.tuigroup.com/en-en/investors/agm](http://www.tuigroup.com/en-en/investors/agm).**

Statements will not be made available if they are not submitted by a shareholder duly registered for the virtual General Meeting, exceed 20,000 characters (including spaces) or in case an exception pursuant to section 130a (3) sentence 4 in conjunction with section 126 (2) sentence 1 no. 1, no. 3 or no. 6 AktG applies.

We will publish shareholders' statements received in due form and time that must be made available in the language of submission, including any potential statement by the management, on the GM online-service on the Company's website at [www.tuigroup.com/en-en/investors/agm](http://www.tuigroup.com/en-en/investors/agm) by no later than 9 February 2023, 24:00 hours (CET).

Motions and election proposals, questions and objections against resolutions of the General Meeting submitted within the framework of the statements submitted will not be considered in the General Meeting; the submission of motions or election proposals, the exercise of the right to information as well as the filing of objections against resolutions of the General Meeting is only possible via the channels described separately in this invitation.

## **8. Right to speak pursuant to sections 118a (1) sentence 2 no. 7, 130a (5) and (6) AktG**

Shareholders who are electronically connected to the meeting shall be granted the right to speak at the meeting by means of video-communication. An appropriate video and audio transmission must be ensured by the shareholder.

Statements may be registered via the password-protected GM online-service from the beginning of the General Meeting and may include motions and election proposals pursuant to section 118a (1) sentence 2 no. 3 AktG as well as requests for information pursuant to section 131 (1) AktG.

Shareholders who wish to register their statement (including any motions, election proposals or requests for information) require either a non-mobile electronic device (PC, notebook, laptop)

or a mobile device (smartphone) for the submission of their statement. A camera and a microphone must be available on the respective device in order to give a statement. It is not necessary to install software components or apps on the respective device. Further information (e.g. on compatible browsers) can be found on the GM online-service. Shareholders or their proxies who have registered to speak will receive an e-mail with a link through which they will be connected to the General Meeting and can give their statement.

The management reserves the right to check the functionality of the video-communication between the shareholder and the Company prior to the statement and to reject the statement if the functionality is not ensured.

**9. Right to information pursuant to sections 118a (1) sentence 2 no. 4, 131, 130a (5) sentence 3, (6) AktG**

Pursuant to sections 118a (1) sentence 2 no. 4, 131 AktG, each shareholder shall, upon request, be provided with information by the Executive Board at the General Meeting regarding the Company's affairs, to the extent that such information is necessary to permit a proper evaluation of the agenda items and to the extent that there is no right to refuse to provide such information. The duty to provide information also extends to TUI AG's legal and business relations with an affiliated company and the situation of the group and the companies included in the consolidated financial statements. The Executive Board has decided not to make use of the statutory right to determine pursuant to section 131 (1a) AktG that questions are to be submitted prior to the General Meeting.

Pursuant to section 22 (2) sentence 2 of the Company's Charter, the chairman may impose reasonable time limits on the shareholder's right to ask questions and speak at the General Meeting. Pursuant to section 131 (1)(f) AktG, the chairman may also determine that the right to information may only be exercised by means of video-communication.

The Executive Board may refuse to provide information for the reasons set forth in section 131 (3) AktG, in particular to the extent that the information is continuously accessible on the Company's website for at least seven days prior to the beginning and during the General Meeting. If a shareholder is refused information, he may, pursuant to section 131 (5) AktG, demand that the question and the reason for the refusal to provide information be recorded in the notarial record of the General Meeting and, if necessary, apply for a court ruling on the right to information pursuant to section 132 AktG.

If a shareholder has been provided with information outside the General Meeting due to his capacity as a shareholder, this information shall be provided to any other shareholder upon request at the General Meeting, even if it is not necessary for the proper assessment of the agenda items (cf. section 131 (4) sentence 1 AktG). Within the framework of the virtual General Meeting, it is ensured that shareholders or their proxies who are electronically connected to the General Meeting can submit their request pursuant to section 131 (4) sentence 1 AktG to the General Meeting by way of electronic communication via the password-protected GM online-service on the Company's website at [www.tuigroup.com/en-en/investors/agm](http://www.tuigroup.com/en-en/investors/agm) in accordance with the procedure provided for this purpose. For access to the GM online-service, the instructions in section IV.1 must be observed.

If a shareholder is refused information, he may request that his question and the reason for which the information was refused be recorded in the minutes of the general meeting (cf. section 131 (5) sentence 1 AktG). Shareholders electronically connected to the virtual General Meeting may request information by way of electronic communication via the password-protected internet service on the Company's website at [www.tuigroup.com/en-en/investors/agm](http://www.tuigroup.com/en-en/investors/agm) in

accordance with the procedure provided for this purpose during the Annual General Meeting to submit their request to the Company. For access to the AGM online service, the instructions in section IV.1 must be observed.

**10. Right of objection pursuant to section 118a (1) sentence 2 no. 8 AktG**

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.

For details on the access to the GM online-service, reference is made to the explanations set forth in section IV.1.

**11. 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](http://www.tuigroup.com/en-en/investors/agm). For further information, the TUI AG shareholder service is available under (0800) 56 00 841 (from within Germany) or + 49 (0) 6196 8870 701 (from abroad) from 5 January 2023 to 14 March 2023 inclusive, Monday to Friday, between 9:00 a.m. and 5:00 p.m. (CET), except on public holidays.

**12. Data privacy information for shareholders pursuant to the EU GDPR**

The EU General Data Protection Regulation applies 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](http://www.tuigroup.com/en-en/investors/share/data-privacy).

**13. 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 in printed form 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 (excluding public holidays) 8:30 a.m. to 5:30 p.m. (GMT) or by e-mail to [Nominee.Enquiries@linkgroup.co.uk](mailto:Nominee.Enquiries@linkgroup.co.uk) by no later than 4:30 p.m. (GMT) on 10 February 2023.**

DI Holders who wish to submit counter-motions and/or election proposals (acceptable in German only) are requested to contact Link Market Services Trustees Limited by post to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom, or by e-mail to [Nominee.Enquiries@linkgroup.co.uk](mailto:Nominee.Enquiries@linkgroup.co.uk) **by 4:30 p.m. (GMT), on 30 January 2023, at the latest.** DI Holders who wish to submit supplementary motions (acceptable in

German only) 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 13 January 2023, at the latest.**

Should you have any questions relating to your DIs, please contact the Depositary, Link Market Services Trustees Limited at Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom, or by e-mail to [Nominee.Enquiries@linkgroup.co.uk](mailto:Nominee.Enquiries@linkgroup.co.uk) **by 4:30 p.m. (GMT) on 10 February 2023.**

Berlin/Hanover, January 2023  
The Executive Board