

Remuneration Report

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

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

Remuneration of the Executive Board

SHAREHOLDERS' APPROVAL OF THE REMUNERATION SYSTEM

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

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

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

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

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

remuneration report, the targets to be achieved retroactively for the past FY 2020 are explained in more detail in order to enable stakeholders to gain an understanding of the underlying target achievements of the remuneration system.

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

GENERAL PRINCIPLES

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



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

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

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

Moreover, the remuneration system approved by the Supervisory Board at the end of 2019 contains a malus and clawback clause. Accordingly, in case of a serious violation on the part of the beneficiary of the principles contained in the Company's code of conduct or of the duty of care in the management of the Company during the assessment period of the respective variable remuneration components, the Company may reduce or completely cancel the amounts payable or recover these in whole or in part following payment. The Supervisory Board shall decide on this in each individual case at its due discretion and in particular take into account the severity of the violation and the amount of the resulting financial or reputational damage.

REMUNERATION SYSTEM OF THE EXECUTIVE BOARD IN FY 2020

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

Details are set out below:

1. FIXED REMUNERATION

Purpose and link to company strategy

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

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

Procedure

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

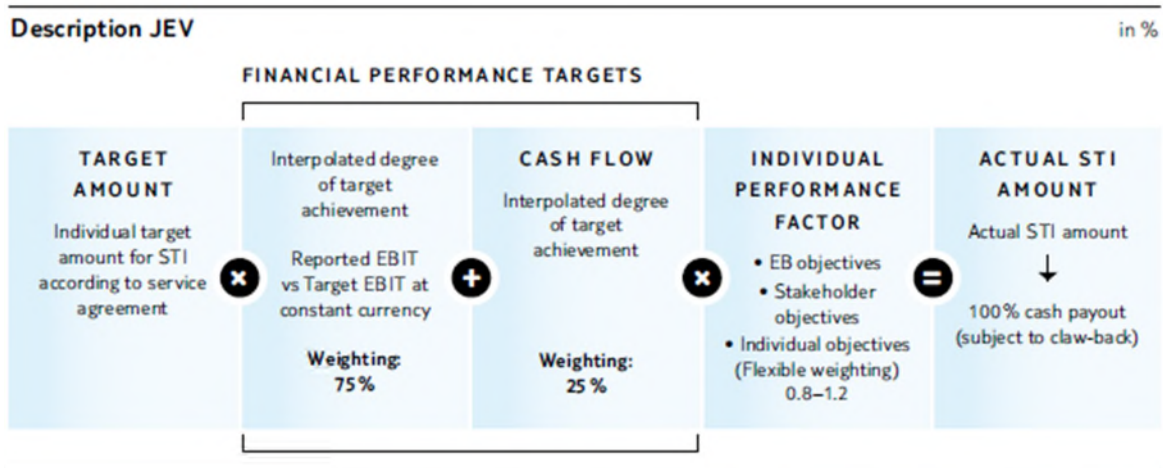
The fixed remuneration is paid in twelve equal instalments at the end of each month. If the service agreement begins or ends in the course of the financial year relevant for payment of the remuneration, the fixed annual remuneration will be paid pro rata for that year.

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

2. ANNUAL PERFORMANCE-BASED REMUNERATION (JEV)

Purpose and link to company strategy

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



Procedure

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

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

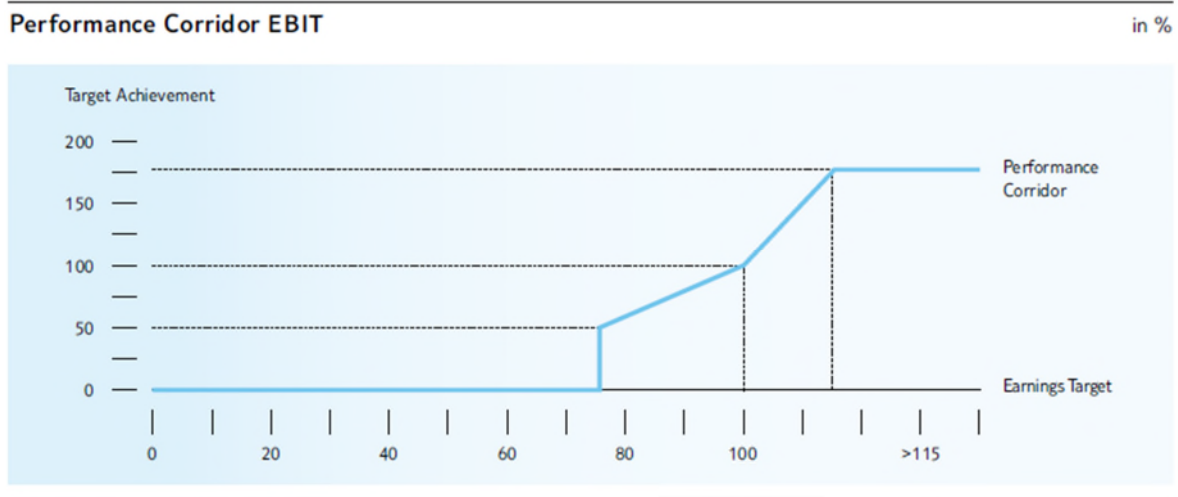
The target achievement is calculated as follows:

2.1 EARNINGS BEFORE INTEREST AND TAXES (EBIT)

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

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

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



2.2 CASH FLOW

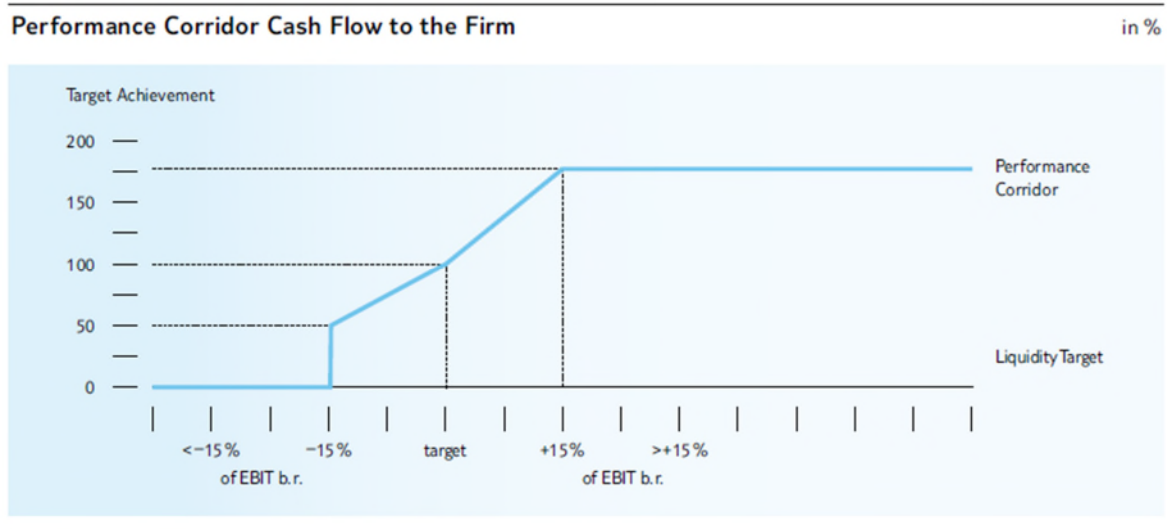
A cash flow is also included in the calculation as a second group performance indicator with a weighting of 25 %. For this purpose the free cash flow before dividends is calculated based on the unadjusted earnings before interest and taxes reported in the approved and audited consolidated accounts of the TUI Group (EBITA according to the approved and audited consolidated accounts of the TUI Group) on a constant currency basis plus the difference between amortisations and write-backs, plus the change to the so-called Working Capital, minus other non-cash earnings components, minus the earnings from companies measured according to the equity method, plus the dividends received by TUI AG from participating interests, minus taxes and interest paid, minus payments made to pension funds and minus net capex and investments.

Working Capital includes short-term assets and liabilities that are not cash or cash equivalents ('cash'), income tax receivables or liabilities or derivative financial instruments. Furthermore, interest-bearing assets and liabilities as well as short-term provisions for pensions are not included.

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

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

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



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

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

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

Cap

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

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

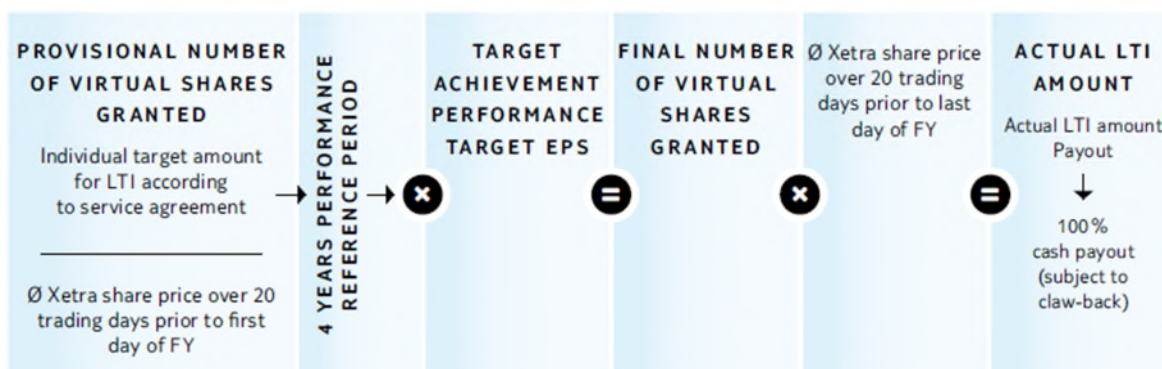
3. VIRTUAL SHARES ACCORDING TO THE LONG-TERM INCENTIVE PLAN (LTIP)

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

Purpose and link to company strategy

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

Description LTIP



Procedure

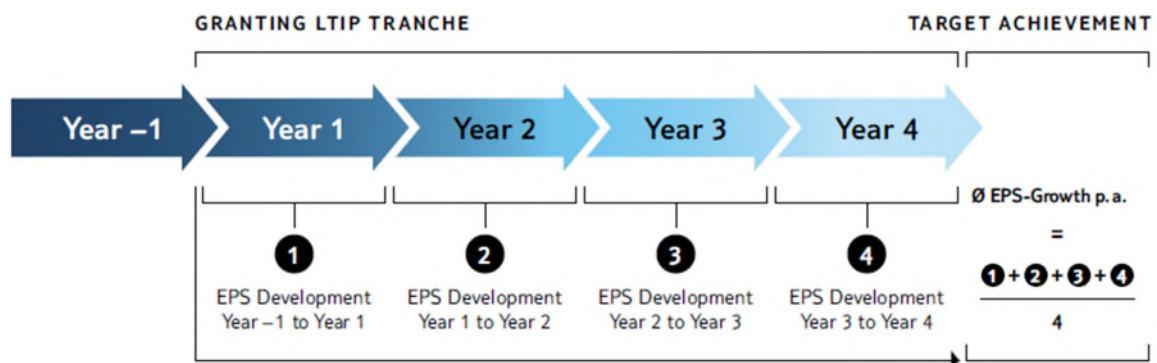
The LTIP is a performance share plan based on virtual shares and is assessed over a period of four years (Performance Reference Period). Virtual shares are granted in annual tranches.

For members of the Executive Board, an individual target amount (Target Amount) is agreed in the service agreement. At the beginning of each financial year a provisional number of virtual shares, commensurate with the target amount, will be allocated to each member of the Executive Board. This will constitute the basis for the determination of the final performance-based payment for the tranche in question at the end of the respective performance reference period. To set this number, the target amount will be divided by the

average Xetra price of TUI AG shares over the 20 trading days prior to the beginning of the performance reference period (1 October of each year). The claim to a payment only arises upon expiry of the performance reference period and depends on whether or not the respective performance target is achieved.

3.1.1 EARNINGS PER SHARE (EPS)

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



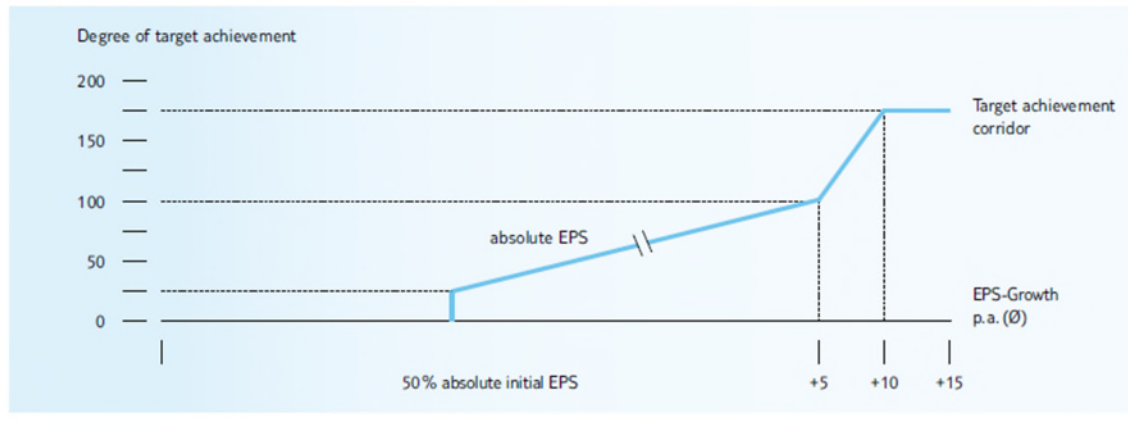
The target achievement for the average performance of the EPS p. a. based on the annual amounts is calculated as follows:

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

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

Target achievement corridor EPS

in %



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

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

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

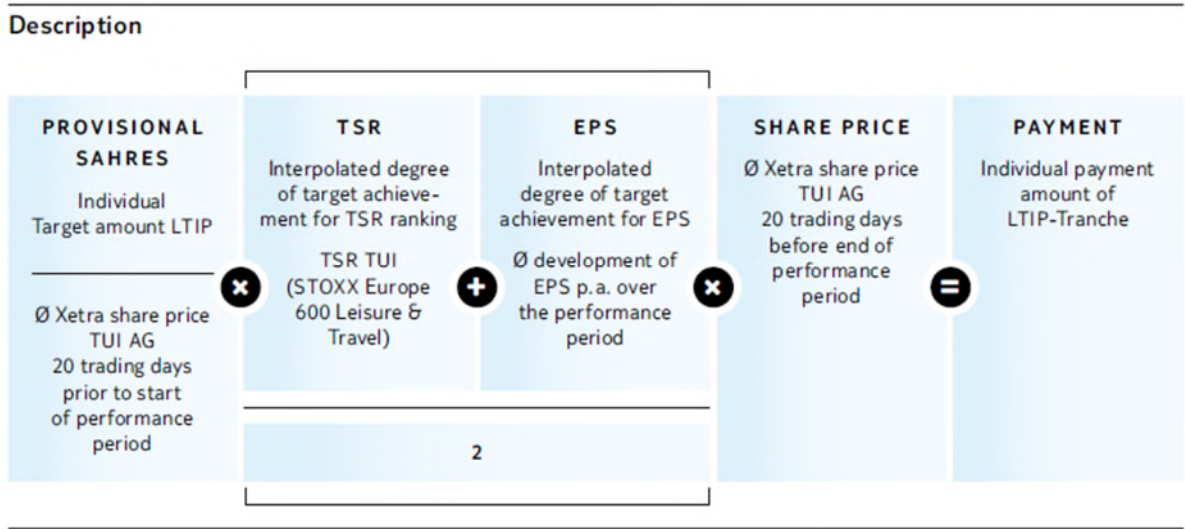
Cap

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

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

3.2.1 LTIP-TRANCHES FROM FY 2018 AND 2019

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



Procedure

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

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

3.2.1.1 TOTAL SHAREHOLDER RETURN (TSR)

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

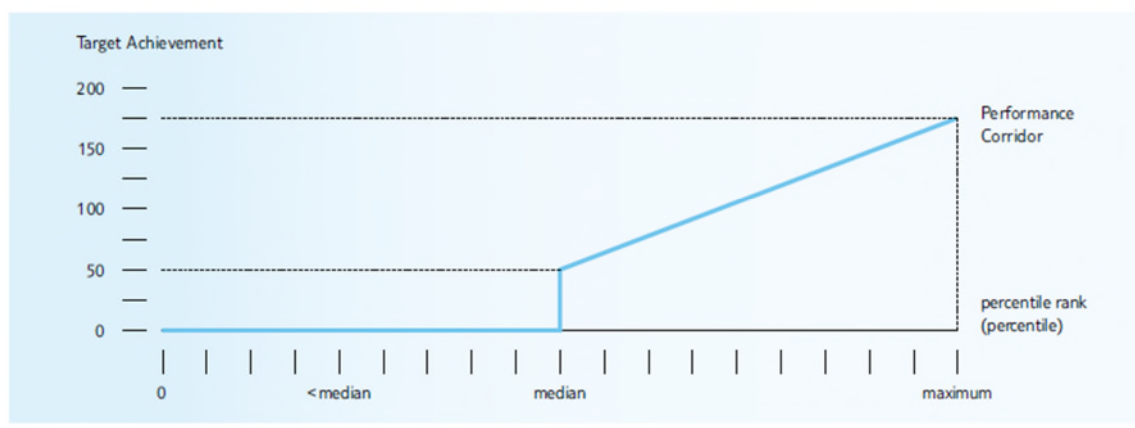
Thereby the TSR is the aggregate of all share price increases plus the gross dividends paid over the performance reference period. The data for the observation of the development of the TSR-values of TUI AG and the Index is provided by a reputable data provider (e. g. Bloomberg, Thomson Reuters). The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

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

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

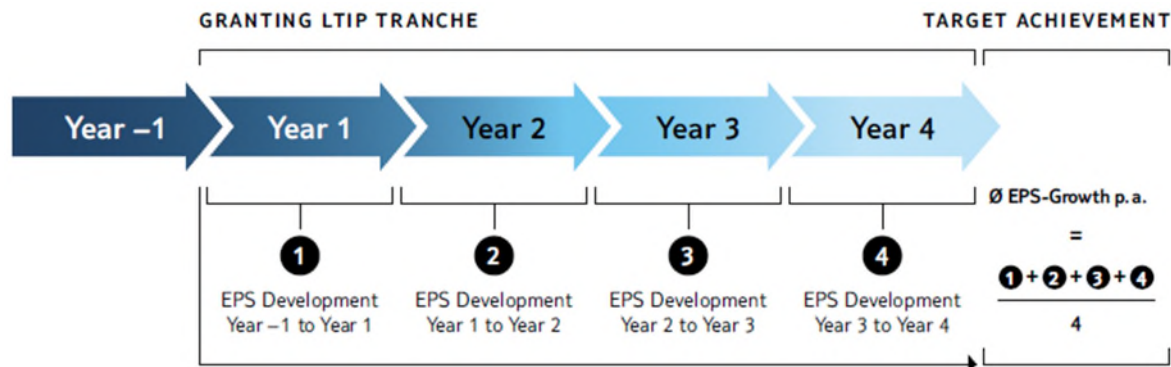
TSR target achievement corridor up to and including FY 2019

in %



3.2.1.2 EARNINGS PER SHARE (EPS)

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



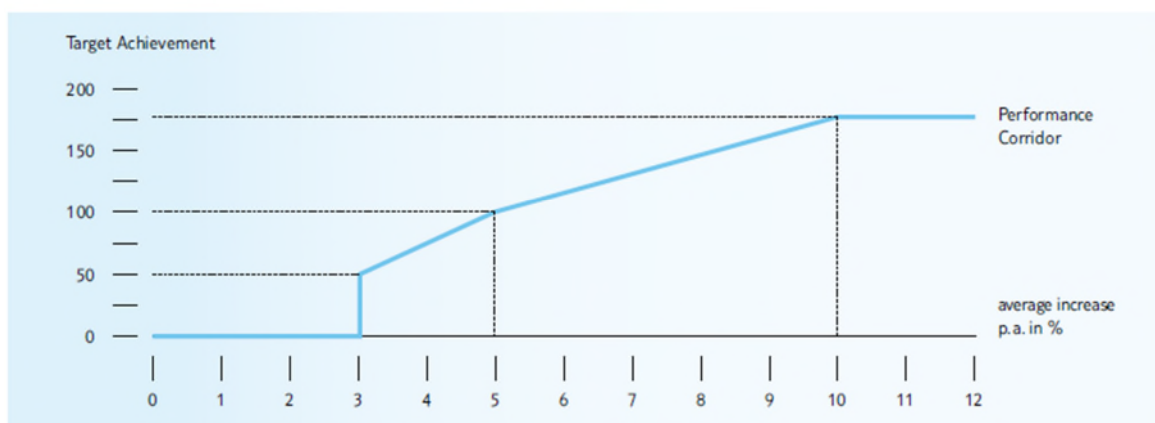
The target achievement for the average development of the EPS p. a. based on the annual amounts is calculated as follows:

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

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

Performance Corridor EPS up to and including FY 2019

in %



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

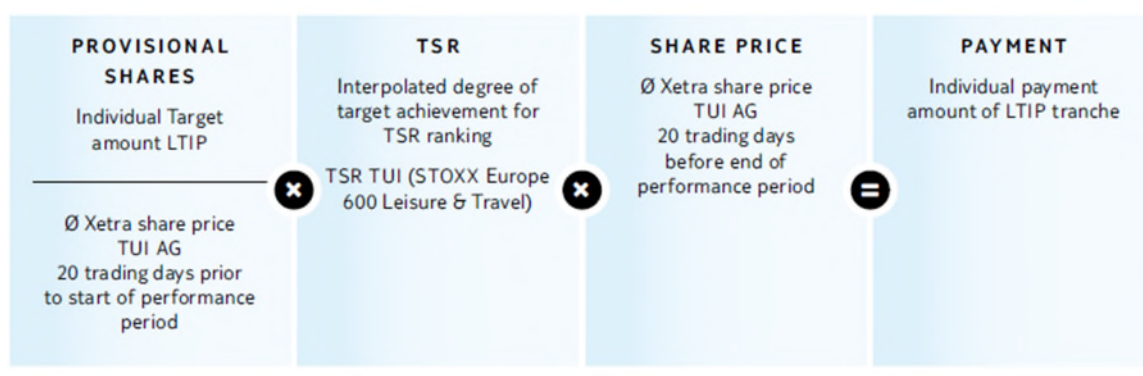
The degree of target achievement (in percent) is calculated as the average of the respective target achievements for the performance targets relative TSR of TUI AG and EPS. To determine the final number of virtual shares the degree of target achievement at the date of the expiry of the performance reference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

3.2.2 LTIP TRANCHE FROM FY 2017

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

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

Description



Procedure

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

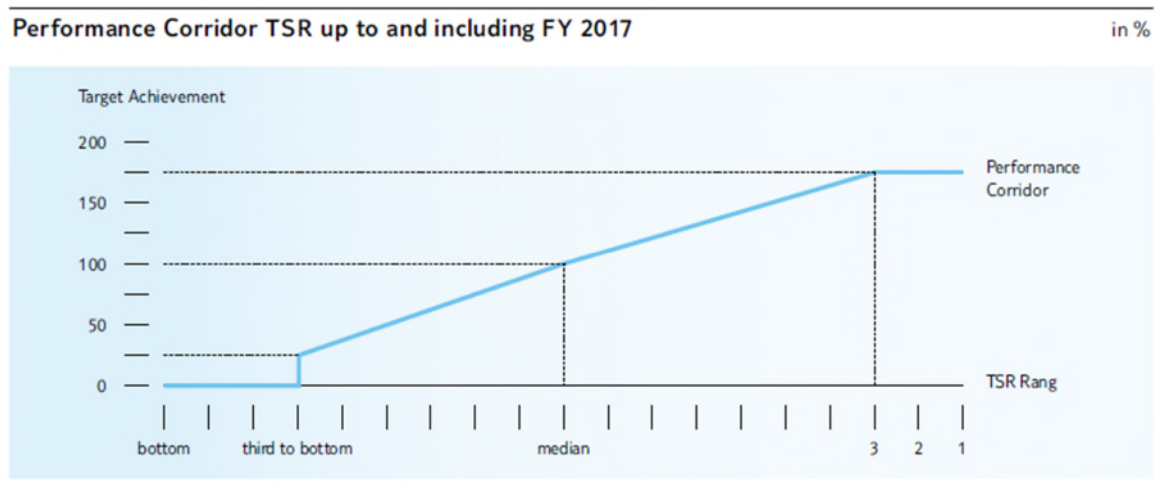
An individual target amount (Target Amount) was agreed for Members of the Executive Board in their service agreement. At the beginning of each financial year, a provisional number of virtual shares, commensu-

rate with the target amount, was set. This constituted the basis for the determination of the final performance-based payment for the tranche in question at the end of the respective performance reference period. To set this number, the target amount was divided by the average Xetra price of TUI AG shares over the 20 trading days prior to the beginning of the performance reference period (1 October of each year). The claim to a payment only arose upon expiry of the performance reference period and depended on whether or not the respective performance target was achieved.

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

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

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



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

agreement begins or ends in the course of the financial year relevant for the grant of the LTIP, the claims for payment of the same will generally be pro rata.

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

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

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

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

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

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

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

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

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

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

4. FRINGE BENEFITS

Purpose and link to company strategy

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

Procedure

Members of the Executive Board receive the following fringe benefits:

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

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

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

TUI AG also takes out criminal law protection insurance that provides cover for the members of the Executive Board regarding criminal and misdemeanour proceedings, if these proceedings are based on an act or a failure to act in the exercise of their duties for TUI AG. TUI AG also takes out a suitable financial liability insurance policy (D&O insurance) coverage for the members of the Executive Board to cover possible claims brought under private law on the basis of statutory liability provisions against one or more of the members of the Executive Board by a third party or the company for damages for a breach of duty committed in the exercise of their duties. The D&O insurance provides for a deductible of 10 % of the damage up to 150 % of the fixed annual remuneration.

Amount

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

5. PENSION BENEFITS

Purpose and link to company strategy

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

Procedure

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

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

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

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

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

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

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

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

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

The pension commitments for active members of the Executive Board pursuant to IAS 19 stood at € 16,649.6 k. as at 30 September 2020 (previous year: € 16,226.0 k). Thereof € 5,721.7 k (previous year: € 6,085.8 k) was attributable to claims that Mr Ebel had accrued in the course of his service for the TUI Group up to 31 August 2006. The remaining claims are allocated as follows:

Pension of current Executive Board members under TUI AG Pension scheme

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

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

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

5.2 PENSION PAYMENTS MADE TO PAST MEMBERS OF THE EXECUTIVE BOARD

In FY 2020, the total pension payments to former members of the Executive Board and their surviving dependents totalled € 6,055.3 k (previous year: € 6,016.0 k). In FY 2020, € 874.1 k thereof was allocated to Michael Frenzel, who stood down from the Executive Board on 31 March 2014, and € 910.3 k to Horst Baier, who left on 30 September 2018. ⁴ The remaining payments are allocated to past members of the Executive Board and their surviving dependents who left the Executive Board of TUI AG more than ten years ago. Pension provisions for former members of the Executive Board and their dependents amounted as at the balance sheet date to € 73,483.7 k (previous year: € 79,767.9 k) as measured in accordance with IAS 19, not including Mr Ebel's claims in the amount of € 5,721.7 k (previous year: € 6,085.8 k), which he accrued up to 31 August 2006 in the course of his service for the TUI Group.

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

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

6. REMUNERATION CAPS

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

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

¹ Fixed amount, no cap applied

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

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

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

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

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

For any member of the Executive Board, payments upon premature termination shall not cover more than the remaining term of the service agreement. The severance payment is calculated based on the target direct remuneration (fixed remuneration, target amount for JEV and target amount for LTIP) of the expired financial year and, if relevant, the expected target remuneration for the current financial year, provided that the application of 4.2.3. paragraph 4 sentence 3 GCGC in the version dated 7 February 2017 does not result in a lesser sum. If the service agreement is terminated extraordinarily without notice no payments will be made to the members of the Executive Board.

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

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

JEV

- If the company terminates the service agreement without notice before the end of the one-year performance reference period for good cause attributable to the beneficiary or if the beneficiary terminates

the service agreement without good cause, the claim to the JEV for the performance reference period in question will be forfeited and no alternative remuneration or compensation will be paid.

- In all other cases of premature termination of the service agreement before the end of the one-year performance reference period, the JEV will be paid on a pro rata basis.

LTIP:

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

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

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

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

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

Description

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

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

Procedure

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

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

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

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

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

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

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

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

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

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

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

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

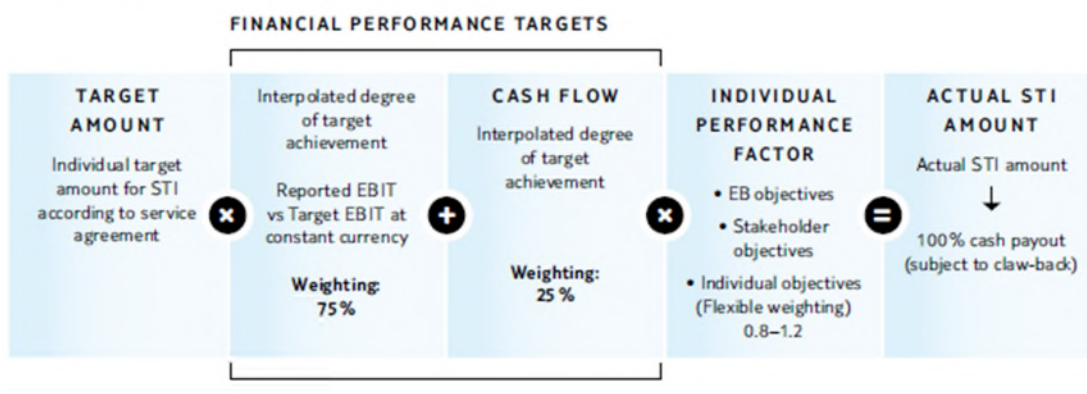
¹ Incl. fringe benefits (without insurances from group contracts, taking into account the voluntary waiver of all members of the Executive Board of 30% of their fixed remuneration for April and May as well as a further 30% for the months June to September for Mr Burling due to national measures in UK.

3. TARGET ACHIEVEMENT

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

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

Description JEV



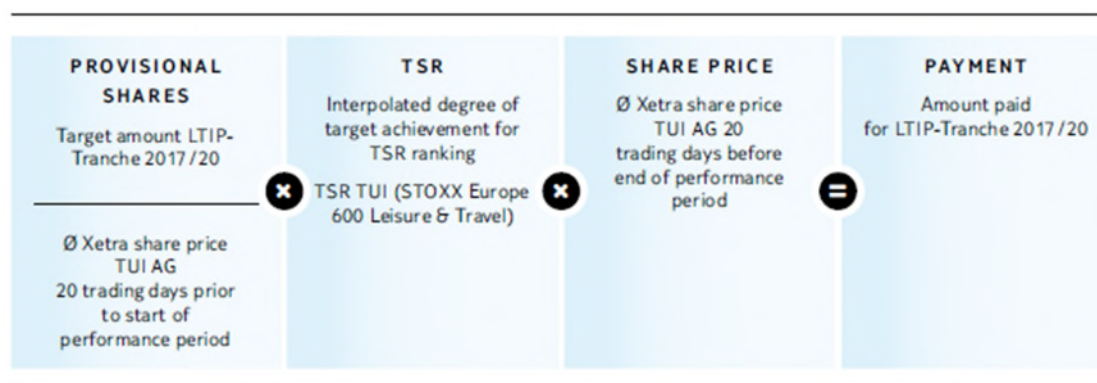
The targets set by the Supervisory Board for EBIT and Cash Flow are based on the annual operating plan and are in line with the financial communication.

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

Because of the waiver that was voluntarily announced by the members of the Executive Board, the Supervisory Board did not set the target achievement for the EBIT and the Cash Flow. The effects of the COVID-19-pandemic, which in the interim have seen a cessation of operative business and have resulted in a significant

liquidity bottleneck, have resulted in a situation where, despite a strong booking position at the start of the financial year and massive cost-saving measures, a situation has arisen where none of the performance targets could have been achieved in FY 2020.

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



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

4. ADDITIONAL INFORMATION

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

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

5. REMUNERATION AWARDED IN FY 2020

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

information within the meaning of the former version of the GCGC 'remuneration awarded' in the remuneration report for FY 2020. The 'remuneration awarded' within the meaning of the former version of the GCGC is not equivalent to the 'remuneration awarded and owed' within the meaning of section 162 (1) sentence 1 AktG:

- Remuneration awarded' within the meaning of the former version of the GCGC includes, without taking account of the point of payment, all remuneration components granted to a member of the Executive Board within the financial year at least on the merits and the (future) amount of which can at least be estimated.
- Conversely, 'remuneration awarded and owed' within the meaning of section 162 (1) sentence 1 AktG only denotes remuneration that has been de facto received in the financial year or remuneration that according to the explanatory memorandum (BT-Drs. 19 / 9739, p. 111) 'is owed under legal categories, but has not (previously) been received'.

5.1 REMUNERATION AWARDED PURSUANT TO GCGC (FORMER VERSION)

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

Remuneration awarded in accordance with the former version of the DCGK

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

Remuneration awarded in accordance with the former version of the DCGK

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

Remuneration awarded in accordance with the former version of the DCGK

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

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

² Without insurances from group contracts

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

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

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

5. 2 'REMUNERATION AWARDED AND OWED' WITHIN THE MEANING OF SECTION 162 (1) SENTENCE 1 AKTG
Pursuant to section 162 (1) sentence 1, sentence 2 no. 1 AktG, all fixed and variable remuneration components should be specified that were 'awarded and owed' to the individual members of the Executive Board in FY 2020. This information largely corresponds to the information previously reported as 'inflow' within the meaning of the former version of the GCGC.

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

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

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

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

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

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

⁵ Without insurance from group contracts

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

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

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

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

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

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

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

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

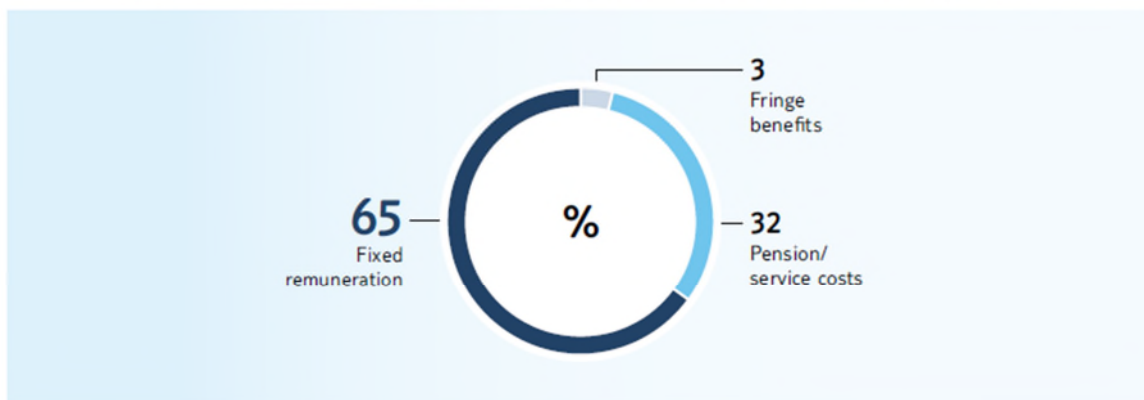
⁵ Without insurance from group contracts.

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

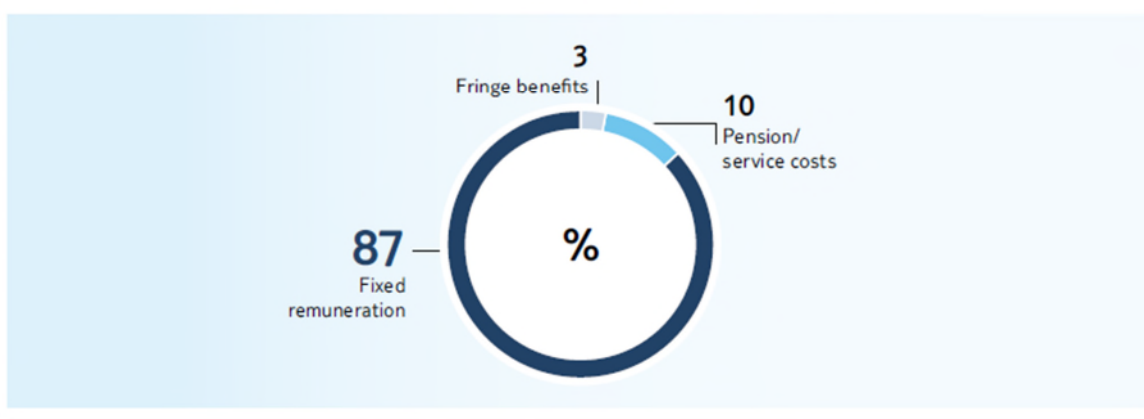
⁷ For Mr Joussen, Mr Ebel, Dr Eller and Mr Rosenbeger service costs acc. to IAS 19 and therefor not ‘awarded and owed’ remuneration’ within the meaning of section 162 (1) sentence 1 AktG. For Mr Burling and Mrs Conix payments for pension contribution and therefor part of ‘awarded and owed’ remuneration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

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

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



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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

⁵ Underlying EBITA of the TUI Group

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

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

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

the fixed remuneration, the horizontal comparison also covers the short- and long-term remuneration components as well as the amount of company pension.

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

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

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

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

Remuneration of the Supervisory Board

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

Objective and reference to the corporate strategy

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

Procedure

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

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

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

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

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

Cap

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

1. REMUNERATION OF THE SUPERVISORY BOARD AS A WHOLE

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

Remuneration of the Supervisory Board as a whole

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

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

2. REMUNERATION OF INDIVIDUAL SUPERVISORY BOARD MEMBERS FOR FY 2020

Individual remuneration of Supervisory Board in FY 2020

€ '000	Fixed remuneration ¹		Remuneration for committee		Attendance fee		Remuneration for Supervisory Board mandates in the Group		Total
	€ '000	in %	€ '000	in %	€ '000	in %	€ '000	in %	
Dr. Dieter Zetsche (Chairman)	229.5	58.9 ²	126.0	32.3	34.0	8.7			389.5
Frank Jakobi (Deputy Chairman)	166.5	57.6	93.8	32.4 ³	29.0	10.0			289.3
Peter Long (Deputy Chairman)	153.0	50.0 ²	126.0	41.2	27.0	8.8			306.0
Ingrid-Helen Arnold ⁴	44.0	81.5			10.0	18.5			54.0
Andreas Barczewski	76.5	47.4	42.0	26.0	21.0	13.0	21.8	13.5	161.3
Peter Bremme	76.5	54.8	42.0	30.1	21.0	15.1			139.5
Prof. Dr Edgar Ernst	76.5	28.4	168.0	62.3	25.0	9.3			269.5
Wolfgang Flintermann	76.5	84.5			14.0	15.5			90.5
María Garaña Corces ⁴	44.0	83.0			9.0	17.0			53.0
Angelika Gifford	76.5	41.0	84.0	45.0	26.0	13.9			186.5
Valerie Gooding ⁴	32.8	59.5	15.3	27.8	7.0	12.7			55.1
Stefan Heinemann ⁷	12.3	86.0			2.0	14.0			14.3
Dr. Dierk Hirschel	76.5	54.8	42.0	30.1	21.0	15.1			139.5
Janis Kong ⁵	32.8	59.5	15.3	27.8	7.0	12.7			55.1
Vladimir Lukin	76.5	63.1	26.8	22.16	18.0	14.8			121.3
Coline McConville	76.5	55.2	42.0	30.3	20.0	14.4			138.5
Alexey Mordashov	76.5	42.6	84.0	46.8	19.0	10.6			179.5
Michael Pönipp	76.5	45.6	51.8	30.9 ³	24.0	14.3	15.5	9.2	167.8
Carola Schwirn	76.5	84.5			14.0	15.5			90.5
Anette Strempel	76.5	54.4	42.0	29.9	22.0	15.7			140.5
Ortwin Strubelt ⁸	67.5	44.9	63.0	41.9	20.0	13.3			150.5
Joan Trián Riu	76.5	84.5			14.0	15.5			90.5
Stefan Weinhofer	76.5	84.5			14.0	15.5			90.5
Total	1,853.4		1,064.0		418.0		37.3		3,372.7

¹ Taking account of a voluntary waiver of 30 % of the fixed remuneration for the months April to September 2020

² Fixed remuneration: taking account of an additional voluntary waiver of 30 % of the remuneration as Chairman / deputy Chairman for the months April to September 2020

³ Pro rated view of the committee remuneration from 7 July 2020

⁴ Pro rated view of all remuneration components from 11 February 2020

⁵ Pro rated view of all remuneration components up to 11 February 2020

⁶ Pro rated view of the committee remuneration from 11 February 2020

⁷ Pro rated view of all committee remuneration from 21 July 2020

⁸ Pro rated view of all remuneration components up to 30 June 2020

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

The following table shows a comparison of the percentage change of the remuneration of the members of the Supervisory Board with the earnings performance of TUI AG and the average remuneration of the employees on FTE basis over the last five financial years. The remuneration of the members of the Supervisory Board contained in the table depicts the amounts actually received in the respective financial year. For current members of the Supervisory Board for FY 2020, these values correspond to values presented in the table 'Awarded and owed remuneration pursuant to section 162 (1) sentence 1 AktG' (page 135 of the Management Report). Where members of the Supervisory Board only received pro rata remuneration in the individual financial years, e. g. due to starting during the year, the remuneration for this financial year shall be

projected for the full year in order to ensure comparability. If any members of the Supervisory Board previously belonged to the Executive Board of TUI AG and received remuneration as a result, this is not taken into account in the comparative view.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

To TUI AG, Berlin and Hanover/Germany

Audit opinion

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

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

Basis for the Audit Opinion

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

Responsibilities of the Management Board and the Supervisory Board

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

Responsibilities of the Auditor

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

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

Hanover/Germany, 18 February 2021

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:
Christoph B. Schenk
Wirtschaftsprüfer
(German Public Auditor)

Signed:
Dr Hendrik Nardmann
Wirtschaftsprüfer
(German Public Auditor)

HINWEIS:	Bei dieser PDF-Datei des Prüfungsberichts handelt es sich lediglich um ein unverbindliches Ansichtsexemplar . Maßgeblich ist ausschließlich der in Papierform erstellte und ausgelieferte Prüfungsbericht!
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General Engagement Terms

for

Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften

[German Public Auditors and Public Audit Firms]

as of January 1, 2017

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as “German Public Auditors” – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [Translators Note: The German term “Textform” means in written form, but without requiring a signature] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

- a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party
- b) examination of tax assessments in relation to the taxes referred to in (a)
- c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)
- e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

- a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;
- b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;
- c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and
- d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.

Allgemeine Auftragsbedingungen

für

Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften

vom 1. Januar 2017

DokID:

1. Geltungsbereich

(1) Die Auftragsbedingungen gelten für Verträge zwischen Wirtschaftsprüfern oder Wirtschaftsprüfungsgesellschaften (im Nachstehenden zusammenfassend „Wirtschaftsprüfer“ genannt) und ihren Auftraggebern über Prüfungen, Steuerberatung, Beratungen in wirtschaftlichen Angelegenheiten und sonstige Aufträge, soweit nicht etwas anderes ausdrücklich schriftlich vereinbart oder gesetzlich zwingend vorgeschrieben ist.

(2) Dritte können nur dann Ansprüche aus dem Vertrag zwischen Wirtschaftsprüfer und Auftraggeber herleiten, wenn dies ausdrücklich vereinbart ist oder sich aus zwingenden gesetzlichen Regelungen ergibt. Im Hinblick auf solche Ansprüche gelten diese Auftragsbedingungen auch diesen Dritten gegenüber.

2. Umfang und Ausführung des Auftrags

(1) Gegenstand des Auftrags ist die vereinbarte Leistung, nicht ein bestimmter wirtschaftlicher Erfolg. Der Auftrag wird nach den Grundsätzen ordnungsmäßiger Berufsausübung ausgeführt. Der Wirtschaftsprüfer übernimmt im Zusammenhang mit seinen Leistungen keine Aufgaben der Geschäftsführung. Der Wirtschaftsprüfer ist für die Nutzung oder Umsetzung der Ergebnisse seiner Leistungen nicht verantwortlich. Der Wirtschaftsprüfer ist berechtigt, sich zur Durchführung des Auftrags sachverständiger Personen zu bedienen.

(2) Die Berücksichtigung ausländischen Rechts bedarf – außer bei betriebswirtschaftlichen Prüfungen – der ausdrücklichen schriftlichen Vereinbarung.

(3) Ändert sich die Sach- oder Rechtslage nach Abgabe der abschließenden beruflichen Äußerung, so ist der Wirtschaftsprüfer nicht verpflichtet, den Auftraggeber auf Änderungen oder sich daraus ergebende Folgerungen hinzuweisen.

3. Mitwirkungspflichten des Auftraggebers

(1) Der Auftraggeber hat dafür zu sorgen, dass dem Wirtschaftsprüfer alle für die Ausführung des Auftrags notwendigen Unterlagen und weiteren Informationen rechtzeitig übermittelt werden und ihm von allen Vorgängen und Umständen Kenntnis gegeben wird, die für die Ausführung des Auftrags von Bedeutung sein können. Dies gilt auch für die Unterlagen und weiteren Informationen, Vorgänge und Umstände, die erst während der Tätigkeit des Wirtschaftsprüfers bekannt werden. Der Auftraggeber wird dem Wirtschaftsprüfer geeignete Auskunftspersonen benennen.

(2) Auf Verlangen des Wirtschaftsprüfers hat der Auftraggeber die Vollständigkeit der vorgelegten Unterlagen und der weiteren Informationen sowie der gegebenen Auskünfte und Erklärungen in einer vom Wirtschaftsprüfer formulierten schriftlichen Erklärung zu bestätigen.

4. Sicherung der Unabhängigkeit

(1) Der Auftraggeber hat alles zu unterlassen, was die Unabhängigkeit der Mitarbeiter des Wirtschaftsprüfers gefährdet. Dies gilt für die Dauer des Auftragsverhältnisses insbesondere für Angebote auf Anstellung oder Übernahme von Organfunktionen und für Angebote, Aufträge auf eigene Rechnung zu übernehmen.

(2) Sollte die Durchführung des Auftrags die Unabhängigkeit des Wirtschaftsprüfers, die der mit ihm verbundenen Unternehmen, seiner Netzwerkunternehmen oder solcher mit ihm assoziierten Unternehmen, auf die die Unabhängigkeitsvorschriften in gleicher Weise Anwendung finden wie auf den Wirtschaftsprüfer, in anderen Auftragsverhältnissen beeinträchtigen, ist der Wirtschaftsprüfer zur außerordentlichen Kündigung des Auftrags berechtigt.

5. Berichterstattung und mündliche Auskünfte

Soweit der Wirtschaftsprüfer Ergebnisse im Rahmen der Bearbeitung des Auftrags schriftlich darzustellen hat, ist alleine diese schriftliche Darstellung maßgebend. Entwürfe schriftlicher Darstellungen sind unverbindlich. Sofern nicht anders vereinbart, sind mündliche Erklärungen und Auskünfte des Wirtschaftsprüfers nur dann verbindlich, wenn sie schriftlich bestätigt werden. Erklärungen und Auskünfte des Wirtschaftsprüfers außerhalb des erteilten Auftrags sind stets unverbindlich.

6. Weitergabe einer beruflichen Äußerung des Wirtschaftsprüfers

(1) Die Weitergabe beruflicher Äußerungen des Wirtschaftsprüfers (Arbeitsergebnisse oder Auszüge von Arbeitsergebnissen – sei es im Entwurf oder in der Endfassung) oder die Information über das Tätigwerden des Wirtschaftsprüfers für den Auftraggeber an einen Dritten bedarf der schriftlichen Zustimmung des Wirtschaftsprüfers, es sei denn, der Auftraggeber ist zur Weitergabe oder Information aufgrund eines Gesetzes oder einer behördlichen Anordnung verpflichtet.

(2) Die Verwendung beruflicher Äußerungen des Wirtschaftsprüfers und die Information über das Tätigwerden des Wirtschaftsprüfers für den Auftraggeber zu Werbezwecken durch den Auftraggeber sind unzulässig.

7. Mängelbeseitigung

(1) Bei etwaigen Mängeln hat der Auftraggeber Anspruch auf Nacherfüllung durch den Wirtschaftsprüfer. Nur bei Fehlschlagen, Unterlassen bzw. unberechtigter Verweigerung, Unzumutbarkeit oder Unmöglichkeit der Nacherfüllung kann er die Vergütung mindern oder vom Vertrag zurücktreten; ist der Auftrag nicht von einem Verbraucher erteilt worden, so kann der Auftraggeber wegen eines Mangels nur dann vom Vertrag zurücktreten, wenn die erbrachte Leistung wegen Fehlschlagens, Unterlassung, Unzumutbarkeit oder Unmöglichkeit der Nacherfüllung für ihn ohne Interesse ist. Soweit darüber hinaus Schadensersatzansprüche bestehen, gilt Nr. 9.

(2) Der Anspruch auf Beseitigung von Mängeln muss vom Auftraggeber unverzüglich in Textform geltend gemacht werden. Ansprüche nach Abs. 1, die nicht auf einer vorsätzlichen Handlung beruhen, verjähren nach Ablauf eines Jahres ab dem gesetzlichen Verjährungsbeginn.

(3) Offenbare Unrichtigkeiten, wie z.B. Schreibfehler, Rechenfehler und formelle Mängel, die in einer beruflichen Äußerung (Bericht, Gutachten und dgl.) des Wirtschaftsprüfers enthalten sind, können jederzeit vom Wirtschaftsprüfer auch Dritten gegenüber berichtigt werden. Unrichtigkeiten, die geeignet sind, in der beruflichen Äußerung des Wirtschaftsprüfers enthaltene Ergebnisse infrage zu stellen, berechtigen diesen, die Äußerung auch Dritten gegenüber zurückzunehmen. In den vorgenannten Fällen ist der Auftraggeber vom Wirtschaftsprüfer tunlichst vorher zu hören.

8. Schweigepflicht gegenüber Dritten, Datenschutz

(1) Der Wirtschaftsprüfer ist nach Maßgabe der Gesetze (§ 323 Abs. 1 HGB, § 43 WPO, § 203 StGB) verpflichtet, über Tatsachen und Umstände, die ihm bei seiner Berufstätigkeit anvertraut oder bekannt werden, Stillschweigen zu bewahren, es sei denn, dass der Auftraggeber ihn von dieser Schweigepflicht entbindet.

(2) Der Wirtschaftsprüfer wird bei der Verarbeitung von personenbezogenen Daten die nationalen und europarechtlichen Regelungen zum Datenschutz beachten.

9. Haftung

(1) Für gesetzlich vorgeschriebene Leistungen des Wirtschaftsprüfers, insbesondere Prüfungen, gelten die jeweils anzuwendenden gesetzlichen Haftungsbeschränkungen, insbesondere die Haftungsbeschränkung des § 323 Abs. 2 HGB.

(2) Sofern weder eine gesetzliche Haftungsbeschränkung Anwendung findet noch eine einzelvertragliche Haftungsbeschränkung besteht, ist die Haftung des Wirtschaftsprüfers für Schadensersatzansprüche jeder Art, mit Ausnahme von Schäden aus der Verletzung von Leben, Körper und Gesundheit, sowie von Schäden, die eine Ersatzpflicht des Herstellers nach § 1 ProdHaftG begründen, bei einem fahrlässig verursachten einzelnen Schadensfall gemäß § 54a Abs. 1 Nr. 2 WPO auf 4 Mio. € beschränkt.

(3) Einreden und Einwendungen aus dem Vertragsverhältnis mit dem Auftraggeber stehen dem Wirtschaftsprüfer auch gegenüber Dritten zu.

(4) Leiten mehrere Anspruchsteller aus dem mit dem Wirtschaftsprüfer bestehenden Vertragsverhältnis Ansprüche aus einer fahrlässigen Pflichtverletzung des Wirtschaftsprüfers her, gilt der in Abs. 2 genannte Höchstbetrag für die betreffenden Ansprüche aller Anspruchsteller insgesamt.

(5) Ein einzelner Schadensfall im Sinne von Abs. 2 ist auch bezüglich eines aus mehreren Pflichtverletzungen stammenden einheitlichen Schadens gegeben. Der einzelne Schadensfall umfasst sämtliche Folgen einer Pflichtverletzung ohne Rücksicht darauf, ob Schäden in einem oder in mehreren aufeinanderfolgenden Jahren entstanden sind. Dabei gilt mehrfaches auf gleicher oder gleichartiger Fehlerquelle beruhendes Tun oder Unterlassen als einheitliche Pflichtverletzung, wenn die betreffenden Angelegenheiten miteinander in rechtlichem oder wirtschaftlichem Zusammenhang stehen. In diesem Fall kann der Wirtschaftsprüfer nur bis zur Höhe von 5 Mio. € in Anspruch genommen werden. Die Begrenzung auf das Fünffache der Mindestversicherungssumme gilt nicht bei gesetzlich vorgeschriebenen Pflichtprüfungen.

(6) Ein Schadensersatzanspruch erlischt, wenn nicht innerhalb von sechs Monaten nach der schriftlichen Ablehnung der Ersatzleistung Klage erhoben wird und der Auftraggeber auf diese Folge hingewiesen wurde. Dies gilt nicht für Schadensersatzansprüche, die auf vorsätzliches Verhalten zurückzuführen sind, sowie bei einer schuldhaften Verletzung von Leben, Körper oder Gesundheit sowie bei Schäden, die eine Ersatzpflicht des Herstellers nach § 1 ProdHaftG begründen. Das Recht, die Einrede der Verjährung geltend zu machen, bleibt unberührt.

10. Ergänzende Bestimmungen für Prüfungsaufträge

(1) Ändert der Auftraggeber nachträglich den durch den Wirtschaftsprüfer geprüften und mit einem Bestätigungsvermerk versehenen Abschluss oder Lagebericht, darf er diesen Bestätigungsvermerk nicht weiterverwenden.

Hat der Wirtschaftsprüfer einen Bestätigungsvermerk nicht erteilt, so ist ein Hinweis auf die durch den Wirtschaftsprüfer durchgeführte Prüfung im Lagebericht oder an anderer für die Öffentlichkeit bestimmter Stelle nur mit schriftlicher Einwilligung des Wirtschaftsprüfers und mit dem von ihm genehmigten Wortlaut zulässig.

(2) Widerruft der Wirtschaftsprüfer den Bestätigungsvermerk, so darf der Bestätigungsvermerk nicht weiterverwendet werden. Hat der Auftraggeber den Bestätigungsvermerk bereits verwendet, so hat er auf Verlangen des Wirtschaftsprüfers den Widerruf bekanntzugeben.

(3) Der Auftraggeber hat Anspruch auf fünf Berichtsausfertigungen. Weitere Ausfertigungen werden besonders in Rechnung gestellt.

11. Ergänzende Bestimmungen für Hilfeleistung in Steuersachen

(1) Der Wirtschaftsprüfer ist berechtigt, sowohl bei der Beratung in steuerlichen Einzelfragen als auch im Falle der Dauerberatung die vom Auftraggeber genannten Tatsachen, insbesondere Zahlenangaben, als richtig und vollständig zugrunde zu legen; dies gilt auch für Buchführungsaufträge. Er hat jedoch den Auftraggeber auf von ihm festgestellte Unrichtigkeiten hinzuweisen.

(2) Der Steuerberatungsauftrag umfasst nicht die zur Wahrung von Fristen erforderlichen Handlungen, es sei denn, dass der Wirtschaftsprüfer hierzu ausdrücklich den Auftrag übernommen hat. In diesem Fall hat der Auftraggeber dem Wirtschaftsprüfer alle für die Wahrung von Fristen wesentlichen Unterlagen, insbesondere Steuerbescheide, so rechtzeitig vorzulegen, dass dem Wirtschaftsprüfer eine angemessene Bearbeitungszeit zur Verfügung steht.

(3) Mangels einer anderweitigen schriftlichen Vereinbarung umfasst die laufende Steuerberatung folgende, in die Vertragsdauer fallenden Tätigkeiten:

- a) Ausarbeitung der Jahressteuererklärungen für die Einkommensteuer, Körperschaftsteuer und Gewerbesteuer sowie der Vermögensteuererklärungen, und zwar auf Grund der vom Auftraggeber vorzulegenden Jahresabschlüsse und sonstiger für die Besteuerung erforderlicher Aufstellungen und Nachweise
- b) Nachprüfung von Steuerbescheiden zu den unter a) genannten Steuern
- c) Verhandlungen mit den Finanzbehörden im Zusammenhang mit den unter a) und b) genannten Erklärungen und Bescheiden
- d) Mitwirkung bei Betriebsprüfungen und Auswertung der Ergebnisse von Betriebsprüfungen hinsichtlich der unter a) genannten Steuern
- e) Mitwirkung in Einspruchs- und Beschwerdeverfahren hinsichtlich der unter a) genannten Steuern.

Der Wirtschaftsprüfer berücksichtigt bei den vorgenannten Aufgaben die wesentliche veröffentlichte Rechtsprechung und Verwaltungsauffassung.

(4) Erhält der Wirtschaftsprüfer für die laufende Steuerberatung ein Pauschalhonorar, so sind mangels anderweitiger schriftlicher Vereinbarungen die unter Abs. 3 Buchst. d) und e) genannten Tätigkeiten gesondert zu honorieren.

(5) Sofern der Wirtschaftsprüfer auch Steuerberater ist und die Steuerberatervergütungsverordnung für die Bemessung der Vergütung anzuwenden ist, kann eine höhere oder niedrigere als die gesetzliche Vergütung in Textform vereinbart werden.

(6) Die Bearbeitung besonderer Einzelfragen der Einkommensteuer, Körperschaftsteuer, Gewerbesteuer, Einheitsbewertung und Vermögensteuer sowie aller Fragen der Umsatzsteuer, Lohnsteuer, sonstigen Steuern und Abgaben erfolgt auf Grund eines besonderen Auftrags. Dies gilt auch für

- a) die Bearbeitung einmalig anfallender Steuerangelegenheiten, z.B. auf dem Gebiet der Erbschaftsteuer, Kapitalverkehrsteuer, Grunderwerbsteuer,
- b) die Mitwirkung und Vertretung in Verfahren vor den Gerichten der Finanz- und der Verwaltungsgerichtsbarkeit sowie in Steuerstrafsachen,
- c) die beratende und gutachtliche Tätigkeit im Zusammenhang mit Umwandlungen, Kapitalerhöhung und -herabsetzung, Sanierung, Eintritt und Ausscheiden eines Gesellschafters, Betriebsveräußerung, Liquidation und dergleichen und
- d) die Unterstützung bei der Erfüllung von Anzeige- und Dokumentationspflichten.

(7) Soweit auch die Ausarbeitung der Umsatzsteuerjahreserklärung als zusätzliche Tätigkeit übernommen wird, gehört dazu nicht die Überprüfung etwaiger besonderer buchmäßiger Voraussetzungen sowie die Frage, ob alle in Betracht kommenden umsatzsteuerrechtlichen Vergünstigungen wahrgenommen worden sind. Eine Gewähr für die vollständige Erfassung der Unterlagen zur Geltendmachung des Vorsteuerabzugs wird nicht übernommen.

12. Elektronische Kommunikation

Die Kommunikation zwischen dem Wirtschaftsprüfer und dem Auftraggeber kann auch per E-Mail erfolgen. Soweit der Auftraggeber eine Kommunikation per E-Mail nicht wünscht oder besondere Sicherheitsanforderungen stellt, wie etwa die Verschlüsselung von E-Mails, wird der Auftraggeber den Wirtschaftsprüfer entsprechend in Textform informieren.

13. Vergütung

(1) Der Wirtschaftsprüfer hat neben seiner Gebühren- oder Honorarforderung Anspruch auf Erstattung seiner Auslagen; die Umsatzsteuer wird zusätzlich berechnet. Er kann angemessene Vorschüsse auf Vergütung und Auslagenersatz verlangen und die Auslieferung seiner Leistung von der vollen Befriedigung seiner Ansprüche abhängig machen. Mehrere Auftraggeber haften als Gesamtschuldner.

(2) Ist der Auftraggeber kein Verbraucher, so ist eine Aufrechnung gegen Forderungen des Wirtschaftsprüfers auf Vergütung und Auslagenersatz nur mit unbestrittenen oder rechtskräftig festgestellten Forderungen zulässig.

14. Streitschlichtungen

Der Wirtschaftsprüfer ist nicht bereit, an Streitbeilegungsverfahren vor einer Verbraucherschlichtungsstelle im Sinne des § 2 des Verbraucherstreitbeilegungsgesetzes teilzunehmen.

15. Anzuwendendes Recht

Für den Auftrag, seine Durchführung und die sich hieraus ergebenden Ansprüche gilt nur deutsches Recht.