

**English translation from the German original**

**CHARTER**

of

**TUI AG**

with registered seats in  
Berlin and Hannover

(Federal Republic of Germany)

Wording of 17 August 2016  
(No. 2 – Issue of Employee Shares 2016)

## **General Provisions**

### **Article 1**

- (1) The name of the Company is "TUI AG".
- (2) The Company has registered seats in Berlin and Hannover.

### **Article 2**

- (1) The duration of life of the Company is not limited to a set period.
- (2) The financial year begins on 1 October and ends on 30 September of the following year, the period from 1 January 2009 to 30 September 2009 forms a short financial year.

### **Article 3**

- (1) The object of the company is to engage on a commercial basis in tourism and shipping (including all associated services and project developments), the acquisition of interests in enterprises active in tour operating, commercial air transportation, passenger and freight shipping (in particular container shipping) as well as the container transport business, the hotel industry, the leisure industry, in travel agents as well as other services, namely in its own facilities or in facilities of affiliated companies, as well as the bundling of affiliated companies under a centralised management.
- (2) The Company is entitled to undertake all kinds of business and measures deemed necessary or expedient for achieving the purpose of the Company, in particular to establish or acquire other enterprises or to participate therein as well as to transfer its operations in total or in part to such enterprises, or put them into same, to establish branches at home and abroad, and also to conclude joint interest agreements and inter-company agreements.

### **Article 4**

- (1) The share capital of TUI AG amounts to EUR 1,500,739,294.83 (in words: one billion five hundred million seven-hundred thirty-nine thousand two hundred forty-nine euros and eighty-three cents)."

- (2) The share capital is divided into 587,038,187 shares.
- (3) The shares are registered shares.
- (4) The Executive Board shall be authorised, with the approval of the Supervisory Board, to increase the company's share capital by 12 February 2018 by issuing new registered shares against cash contributions once or several times by a total maximum of €8,292,003.90 (in words: eight million two hundred ninety-two thousand and three euros and ninety cents) (authorised capital) and to decide on the content of the shares and the conditions of the share issue. With the approval of the Supervisory Board, shareholders' pre-emptive subscription rights may be excluded in order to issue the shares created from the authorised capital to employees of the company and its Group companies.
- (5) The Executive Board is authorised, subject to the consent of the Supervisory Board, to increase the share capital of the Company once or several times until 8 February 2021 by an amount not to exceed EUR 150,000,000.00 (in words: EURO one hundred fifty million) in total (Authorised Capital 2016/I) by issuing new registered shares in return for contributions in cash. Shareholders are, in principle, entitled to pre-emption rights. The shares may be acquired by one or several banks with the obligation that the shares be offered to the shareholders for subscription. The Executive Board may, with the consent of the Supervisory Board, disapply shareholders' pre-emption rights if the issue amount of the new shares is not significantly lower than the market price for previously issued shares with the same terms. The number of new shares issued on the basis of this authorisation, plus the shares issued or sold on the basis of an authorisation to sell pursuant to sections 71 (1) no. 8 sentence 5 and 186 (3) sentence 4 AktG after the Annual General Meeting has passed the resolution on this authorisation on 9 February 2016 (date of resolution) until such time as it has been exercised must not exceed the limit specified in section 186 (3) sentence 4 AktG of 10% of the share capital existing on the date of the resolution or (if lower) the share capital existing on the date of issue of the new shares. Further, shares that are issued or to be issued on the basis of bonds with conversion rights or conversion or warrant obligations issued in accordance with section 186 (3) sentence 4 AktG after the date of resolution until such time as the authorisation has been exercised must be taken into account when calculating this limit. However, the total portion of the share capital attributable to new shares for which pre-emption rights have been disapplied under these authorisations must not – together with the portion of the share capital attributable to own shares or new shares from authorised capital or relating to conversion or warrant rights or obligations from bonds that were sold or issued on or after 9 February 2016 subject to the disapplication of pre-emption rights – exceed 20% of the share capital; this threshold is to be calculated on the basis of the amount of the share

capital existing either on 9 February 2016, or at the time the new shares are issued, whichever is the lowest. The Executive Board may further, subject to the consent of the Supervisory Board, disapply shareholders' pre-emption rights in respect of fractional amounts. The Executive Board is authorised, subject to the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation.

- (6) The share capital is conditionally increased by up to EUR 150,000,000.00 (in words: EURO one hundred and fifty million) by issuing up to 58,674,900 new registered shares with dividend rights from the beginning of the financial year in which they were issued (Conditional Capital 2016). The conditional capital increase will be effected only to the extent that holders or creditors of convertible bonds, bonds with warrants, profit-sharing rights or income bonds (or combinations thereof) with conversion or warrant rights or obligations issued by TUI AG or its Group companies for cash until and including 8 February 2021 on the basis of the authorisation resolved by the Annual General Meeting on 9 February 2016 exercise their conversion or warrant rights or to the extent that conversion or warrant obligations under these bonds are fulfilled and to the extent that no other forms of fulfilment are employed when servicing such obligations. The Executive Board is authorised, subject to the consent of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase.
- (7) The Executive Board is authorised, subject to the consent of the Supervisory Board, to increase the Company's share capital once or several times until and including 8 February 2021 by issuing new registered shares against contributions in cash or in kind by an amount not to exceed EUR 570,000,000.00 (in words: EURO five hundred seventy million) in total (Authorised Capital 2016/II). Shareholders are, in principle, entitled to pre-emption rights. The pre-emption rights may be granted indirectly in that shares may also be subscribed by one or several credit institutions or equivalent entities as defined in section 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders for subscription. However, the Executive Board is authorised, subject to the consent of the Supervisory Board, to disapply shareholders' pre-emption rights to the extent necessary in order to grant holders of bonds with conversion or warrant rights or obligations issued or to be issued by TUI AG or its subsidiaries the pre-emption rights they would be entitled to after exercising the conversion or warrant rights or fulfilling the conversion or warrant obligations. Furthermore, shareholders' pre-emption rights may be disapplied in respect of fractional amounts. In addition, the Executive Board may, with the consent of the Supervisory Board, disapply shareholders' pre-emption rights insofar as the capital increase against contributions in kind is performed in order to acquire companies, parts of companies, interests in companies or other assets (including receivables). However, the total portion of the share capital attributable to new shares for which pre-emption rights have been disapplied under these

authorisations must not – together with the portion of the share capital attributable to own shares or new shares from authorised capital or relating to conversion or warrant rights or obligations from bonds that were sold or issued on or after 9 February 2016 subject to the disapplication of pre-emption rights – exceed 20% of the share capital; this threshold is to be calculated on the basis of the amount of the share capital existing either on 9 February 2016, or at the time the new shares are issued, whichever is the lowest. Pre-emption rights will also be deemed disappplied if the sale or issue is effected by applying section 186 (3) sentence 4 AktG directly, analogously or *mutatis mutandis*. The Executive Board is also authorised, subject to the consent of the Supervisory Board, to determine the further details of the capital increase and its implementation.

- (8) The Executive Board is authorised, with the consent of the Supervisory Board, to increase the share capital of the Company once or several times until 27 October 2019 by issuing new registered shares against contributions in kind by an amount not to exceed EUR 18,000,000.00 (in words: eighteen million (authorised capital)). The Executive Board may, with the consent of the Supervisory Board, exclude shareholders' subscription rights in order to grant the new shares as consideration for the acquisition of shares in TUI Travel PLC, a company incorporated under the laws of England and Wales, registered at Companies House under number 6072876 and with its registered office in Crawley, West Sussex, United Kingdom, ("TUI Travel"), unless they have been acquired in the context of the capital increase resolved by the Extraordinary General Meeting on 28 October 2014 under agenda items 1 and 2. The Executive Board is authorised, with the consent of the Supervisory Board, to stipulate the further details of the capital increase and its implementation.

## **Article 5**

- (1) The Company shall be entitled to issue dividend warrants and certificates of renewal.
- (2) Form and content of the share certificates as well as those of the dividend warrants and certificates of renewal shall be determined by the Executive Board.
- (3) The Company is entitled to issue registered share documents incorporating one or several shares. The shareholders' right to have their shares confirmed in share certificates is excluded.
- (4) In the event of a share capital increase, the profit sharing of the new shares issued may be regulated in a manner divergent from the provisions of the Stock Corporation Act (Aktiengesetz).

## **Article 6**

Official announcements issued by the Company shall be published in the Bundesanzeiger.

## **Corporate Bodies**

### **Article 7**

The Corporate Bodies are:

1. the Executive Board (Vorstand),
2. the Supervisory Board (Aufsichtsrat),
3. the General Meeting (Hauptversammlung).

## **Executive Board**

### **Article 8**

- (1) The Executive Board shall consist of several members, including a board member who is responsible for personnel and welfare matters (Arbeitsdirektor). The appointment of deputy board members is permissible.
- (2) Appointment to and removal from the Executive Board is effected by the Supervisory Board. The Supervisory Board also decides the number of members of the Executive Board.

### **Article 9**

- (1) The Executive Board shall direct the business of the Company in accordance with the laws and the Charter, as well as abiding by the rules of procedure issued to it by the Supervisory Board.
- (2) The Supervisory Board may appoint one or more chairmen and one or more deputy chairmen to the Executive Board.

### **Article 10**

- (1) The Company shall be legally represented by two members of the Executive Board or by a member of the Executive Board in conjunction with an authorised executive (Prokurist).
- (2) The authorisation as an executive shall be conferred by the Executive Board with approval of the Supervisory Board in such a manner that the authorised executive will be empowered to represent the Company jointly with a member of the Executive Board or with another authorised executive.

## **Supervisory Board**

### **Article 11**

- (1) The Supervisory Board comprises 20 members. The Supervisory Board members to be appointed by the General Meeting are appointed for the period ending at the close of the General Meeting resolving on their discharge for the fourth financial year following commencement of their term of office or a shorter term to be determined by resolution; the financial year in which the term of office commences will not be taken into account. The election of worker representatives to the Supervisory Board shall be governed by the provisions of the law concerning worker participation in management (Mitbestimmungsgesetz); they shall be elected for the same term of office as those members of the Supervisory Board who are elected by the General Meeting. Retiring members are eligible for re-election.
- (2) Each member of the Supervisory Board may resign at any time, even without important reasons, by declaring his intention to do so to the chairman of the Supervisory Board. Any public official who has been elected to become a member of the Supervisory Board shall on termination of the period of such public office forfeit his seat on the board at the closing of the next General or Extraordinary Meeting which follows such termination.
- (3) If any member of the Supervisory Board withdraws from the board before his term of office ends and an election is held to replace him, the period of office of the newly elected member is limited to the remainder of the term of the retiring member, unless decided otherwise by the General Meeting.

### **Article 12**

- (1) The Supervisory Board elects the chairman and one or more deputy chairmen from amongst its numbers, with section 27 MitbestG to be applied to the election of the chairman and the first deputy chairman. The Supervisory Board may set up a presiding committee and additional committees from amongst its numbers.
- (2) Should a member of the steering committee retire before the normal date of termination of office, the Supervisory Board shall immediately arrange for a new election.

**Article 13**

- (1) As prescribed by law, the Supervisory Board shall supervise the business management as conducted by the Executive Board.
- (2) All matters which the Executive Board intends to raise at the General Meeting shall be submitted to the Supervisory Board beforehand.

**Article 14**

Any meeting of the Supervisory Board shall be convened by due notice in writing by its chairman or by the Executive Board acting on his instructions, indicating the agenda, place and time of the meeting. In urgent cases, convening may be verbally, by telephone, or by cable.

**Article 15**

- (1) The Supervisory Board shall constitute a quorum if all members have been invited and if at least half of the members constituting the Supervisory Board, including the chairman or one of the deputies, take part in the vote.
- (2) A member of the Supervisory Board who is unable to attend a board meeting is entitled, on certain items of the agenda, to submit his vote in writing through another member of the Supervisory Board.
- (3) Resolutions shall be adopted by a simple majority of the votes cast, unless the law compels another form of majority decision. In the event of voting parity, each member of the Supervisory Board has the right to demand a recasting of the vote during the same sitting. In this event, the chairman of the Supervisory Board has two votes, should there also be voting parity in this second vote.
- (4) The method of voting shall be determined by the chairman.
- (5) Minutes shall be kept of the discussions held and of resolutions passed by the Supervisory Board. These minutes shall be signed by the chairman.

**Article 16**

- (1) The Supervisory Board may also pass resolutions by written, telegraphic or telephone votes or by votes cast by fax or e-mail if the chairman of the board so directs.
- (2) The provisions for verbal voting shall be applied accordingly.

**Article 17**

Acts of the Supervisory Board shall be made in its name by the chairman of the Supervisory Board.

**Article 18**

- (1) Apart from reimbursement of their expenses, which also include the turnover tax due on their emoluments, the members of the Supervisory Board shall each receive, for financial years commencing after 30 September 2015, fixed remuneration of EUR 90,000.00 payable at the end of the financial year.

The long-term variable remuneration payable to the members of the Supervisory Board for the 2013/2014 and 2014/2015 financial years in accordance with article 18 (1) (b) of the Charter in the version in force until registration of this new version will be paid after this new version is entered in the Commercial Register.

For the purpose of calculating the long-term variable remuneration for the 2013/2014 and 2014/2015 financial years, the budgeted profit per share of EUR 0.81 for the 2015/2016 financial year and the budgeted profit per share of EUR 1.11 for the 2016/2017 financial year will be used to calculate the average profit per share within the meaning of article 18 (1) (b) of the Charter in the version in force until this new version is registered. If the long-term variable remuneration payable for the 2013/2014 and/or 2014/2015 financial years in accordance with article 18 (1) (b) of the Charter in the version in force until this new version is registered is higher than it would be in accordance with the preceding sentence, the difference shall be payable after the close of the Annual General Meeting resolving on the approval of the actions of the Supervisory Board for the 2015/2016 and/or 2016/2017 financial years.

If the remuneration payable for the 2015/2016 financial year in accordance with article 18 (1) (a) and (b) of the Charter in the version in force until this new version is

registered is higher than EUR 90,000.00, the difference shall be payable after the close of the Annual General Meeting resolving on the approval of the actions of the Supervisory Board for the 2017/2018 financial year.

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

## **General Meeting**

### **Article 19**

The General Meeting of the Company shall be held within the first eight months of the financial year in Berlin or in Hannover, or another town which is the seat of a stock exchange, within the Federal Republic of Germany.

### **Article 20**

The Annual General Meeting shall, unless a shorter period of notice is allowed under law, be convened at least 30 days before the last day on which shareholders must have registered their intention to attend.

### **Article 21**

- (1) Only shareholders whose names are entered in the share register and who were registered in good time shall be entitled to attend the Annual General Meeting and exercise their voting right.
- (2) Registration to attend shall be addressed to the Executive Board at Company HQ or to some other office named in the invitation in writing, by fax, or, if so resolved by the Executive Board, by some electronic means to be specified by the Executive Board to arrive by the latest on the seventh day before the Annual General Meeting. No deletions and new entries shall be made to the share register on the day of the Annual General Meeting nor in the six days prior thereto.
- (3) Those shareholders entitled shall be issued with tickets to attend the Annual General Meeting.
- (4) Shareholders can appoint a proxy of their choice to exercise their voting rights.
- (5) The Company appoints one or more proxies to exercise the voting rights of shareholders in accordance with their instructions. Proxies issued to the Company proxy can be given in writing, by fax, or via an electronic medium in a form to be defined in more detail by the Executive Board. Details, especially on the form and deadlines for the issuance and cancellation of proxies shall be published together with the annual general meeting convening notice.

- (6) The Company is authorised to transmit information to the shareholders as part of data transmission pursuant to Section 30b Para. 3 No. 1 WpHG (German Securities Trading Act).

#### **Article 22**

- (1) The chair at the General Meeting shall be taken by the chairman of the Supervisory Board, or if he is unable to attend, by a member who is elected for this purpose by a majority of the shareholder-elected members of the Supervisory Board.
- (2) The chairman, in terms of paragraph (1) above, shall regulate the proceedings and determine the sequence of subjects for discussion on the agenda, as well as the method of voting. The chairman is empowered to apply reasonable time restrictions to the question and answer rights of shareholders and in particular, at the start of the annual general meeting or during its course, to specify a reasonable framework of time allowances for the entire proceedings of the annual general meeting, for the individual points on the agenda or for individual question and answer contributions.

#### **Article 23**

- (1) The resolutions of the General Meeting shall be passed by a simple majority of the votes cast, provided that a larger majority is not prescribed by law. In cases of voting parity, the motion is deemed to be rejected.
- (2) If in elections none of the candidates obtain the majority of the votes cast, there will be a second ballot between the two candidates with the largest number of votes. In the event of voting parity, the election will be decided by lot.
- (3) Each share carries the entitlement to one vote at the General Meeting.

#### **Final Provision**

#### **Article 24**

The Supervisory Board is once and for all authorised to resolve changes of and amendments to the Charter, in as far as the wording only is affected.