

# Report of the Supervisory Board

Dear Ladies and Gentlemen,  
Dear Shareholders,

After two and a half very challenging years in the wake of the global COVID-19 pandemic, the past financial year was marked by a recovery of our business. As a result, we were finally able to report a positive operating result again.

Right at the beginning of the year, we completed another capital increase and thus took a step towards strengthening our balance sheet structure. Together with continued strict cost discipline and targeted working capital management, our liquidity profile improved significantly. This was also rewarded by the rating agencies with an upgrade in each case. However, this alone was not enough, and we were able to take another important step towards the refinancing of the Group with the placement of a second capital increase in May 2022. Overall, we have not only significantly reduced debt but also repaid part of the government stabilisation funding.

The pandemic repeatedly posed operational challenges for us with new virus variants and rising incidence rates. Although the general conditions for tourism have increasingly improved, positive booking developments were repeatedly affected by the pandemic at short notice. Vaccination campaigns in source markets and destinations continued to progress and customers showed a high interest in and a significant pent-up demand for travel. The booking momentum, in particular for the Summer 2022 programme, reflected the trust of our customers in the quality and reliability of our service and the TUI brand. We consistently aligned our products and services with the needs of our customers, who continued to book their holidays at shorter notice and wanted a high degree of flexibility. As a result, we were able to complete a Summer 2022 programme that almost matched the pre-pandemic level of 2019.

The clear pent-up demand for holidays was very pleasing. But the tight situation in the labour markets also repeatedly posed challenges for the tourism industry to cover these in the completed financial year. In spring and summer 2022, disruptions in flight operations dominated the headlines, especially at numerous airports in the source markets. Staff shortages in ground handling and security personnel or breakdowns at third-party providers were among the reasons why departures were delayed or had to be cancelled. TUI was affected, too, and took immediate action to minimise the impact on customers. In particular, the focus was on avoiding cancellations.



**DR DIETER ZETSCHÉ**

*Chairman of the Supervisory Board*

The booking development was largely unaffected by the war in Ukraine. Nevertheless, the situation had an impact on our Group: Our long-standing major shareholder Mr Alexey Mordashov was added to the list of natural and legal persons affected by the EU sanctions on 28 February 2022. As a consequence, Mr Alexey Mordashov resigned from the Supervisory Board of TUI AG on 2 March 2022. He had been elected to the Supervisory Board in 2016 and was also a member of the Presiding Committee, the Nomination Committee and the Strategy Committee. In addition, Mr Vladimir Lukin resigned from the Supervisory Board of TUI AG with immediate effect on 3 March 2022. Mr Vladimir Lukin had been a member of our Supervisory Board since 2019 and was a member of the Audit Committee and the Strategy Committee. The Supervisory Board immediately dealt with filling the vacancies that had arisen and was able to recruit excellent candidates for the Group in Ms Helena Murano and Mr Christian Baier, who have enriched the work of TUI's Supervisory Board with their expertise and experience since their appointment by court order on 31 May 2022. Both will be proposed for election to the Supervisory Board at the next Annual General Meeting. In addition, Ms Carola Schwirn had resigned from her mandate as ver.di trade union representative with effect from the end of 28 February 2022. Ms Sonja Austerhülle was nominated as her successor and appointed by court order on 1 April 2022.

In June, our CEO Mr Friedrich Jousen decided to exercise his right of resignation. This had been granted to him in connection with the implementation of the conditions of the COVID-19 stabilisation measures in September 2020. The Presiding Committee and also the Supervisory Board had dealt with the succession in time, so that Mr Friedrich Jousen was able to hand over the chairmanship of the Executive Board to the current Chief Financial Officer Mr Sebastian Ebel as of 1 October 2022 after around ten years at the helm of the Group. We are extremely grateful to Mr Friedrich Jousen for his commitment and the trusting cooperation over the past years. The merger with TUI Travel, the transformation of the Company into an integrated tourism group and the very good crisis management in the pandemic years will be associated with the name of Mr Friedrich Jousen. We wish the new CEO Mr Sebastian Ebel all the very best for his task. We are convinced that his entrepreneurial and strategic approach makes him an excellent choice for the new start after the COVID-19 pandemic. The same applies to our new CFO Mr Mathias Kiep, who played a central role in the crisis team during the pandemic and made an important contribution to reducing debt and refinancing the Group.

Before I move on to the Report of the Supervisory Board, I would like to thank you, dear shareholders, most sincerely on behalf of the entire Supervisory Board. In the completed financial year, you again expressed your support and confidence in TUI. In particular, by approving the renewal of the capital resolutions at the Annual General Meeting in February 2022, you have provided management with the necessary flexibility to be able to act at any time in a challenging environment.

2022 was a very important financial year for overcoming the COVID-19 crisis and it was the first year since the outbreak of the pandemic with a clearly positive operating result. It is now important to consistently continue on the path we have chosen and to react flexibly to the challenges ahead as an integrated tourism group and digital platform company. We have made good use of the pandemic years and are well positioned to return to the growth path with a further strengthening of the balance sheet and clear ambitions in terms of product, service and profitable growth of the business segments.

## Cooperation between the Supervisory Board and the Executive Board

The Executive Board and the Supervisory Board are closely guided by the principles of responsible and good corporate governance and work together in a spirit of trust in accordance with the principles set out in the Corporate Governance Report (page 107). In doing so, the Supervisory Board has primarily monitored the lawfulness, regularity, expediency and efficiency of the management and the Executive Board, with a significant focus on managing the impact of the COVID-19 pandemic. Further details can be found in the report below.

The Executive Board kept us regularly, promptly and comprehensively informed by means of written and oral reports at and between meetings. The reports included all relevant information on the development and implementation of strategic goals, liquidity development, planning, business development during the year and the situation of the Group, the risk situation and risk management, compliance, but also reports from the capital markets (e.g. from analysts) and the press. In financial year 2022, the focus was on the ongoing management of the challenges related to the COVID-19 pandemic and the associated structural and financial consequences. The impact of the sanctioning of a strategic investor and the implications of the significant increase in inflation in the source markets and destinations were also the subject of discussion. The Supervisory Board was involved in all decisions of fundamental importance to the Company in a timely manner. We passed the resolutions required by law, the Articles of Association or the Rules of Procedure after thorough consultation. For this purpose, we regularly prepared ourselves on the basis of documents that the Executive Board made available to the Supervisory Board and the committees in advance. The Executive Board also informed the Supervisory Board immediately about urgent issues in writing and at extraordinary meetings convened at short notice. As Chairman of the Supervisory Board, I was also regularly informed by the Executive Board about the current business situation and important business transactions in the company outside of the Supervisory Board meetings.

## Deliberations in the Supervisory Board and its Committees

Prior to the Supervisory Board meetings, the shareholder and employee representatives met in separate preparatory meetings. Members of the Executive Board also regularly participated in these meetings. Discussions of Executive Board and Supervisory Board matters take place without the members of the Executive Board, unless otherwise requested by the members of the Supervisory Board. All members of the Supervisory Board may also submit to the Chairman of the Supervisory Board the need to discuss an item on the agenda without the presence of the Executive Board. In addition, the agenda of each meeting of the Supervisory Board provides for a separate agenda item, irrespective of the topic, for which the members of the Executive Board are not present. Members of the Supervisory Board may raise all topics to be discussed without the Executive Board within the scope of this agenda item.

In addition to the plenum, a total of four committees were in place in the past financial year: the Presiding Committee, the Audit Committee, the Strategy Committee and the Nomination Committee. At its meeting in September 2022, the Supervisory Board decided to deal with strategy issues only in the plenary in future and to dissolve the Strategy Committee at the end of financial year 2022 accordingly. The Mediation Committee to be formed in accordance with Section 27 (3) of the German Co-determination Act did not have to meet. The chairpersons of the committees report regularly and in detail on their work at the ordinary meetings of the Supervisory Board. A Transaction Committee set up by the Supervisory Board and consisting of Dr Zetsche, Mr Jakobi and Prof. Dr Ernst met in connection with the use of financing instruments. This made it possible to pass resolutions at very short notice within the framework granted by the Supervisory Board, insofar as this was necessary. All documents and the minutes of the Transaction Committee meetings were always accessible to all members of the Supervisory Board. In addition, the meetings were reported on at the respective subsequent Supervisory Board meetings. No additional remuneration or attendance fees were paid for the meetings of the Transaction Committee.

Despite the numerous meetings, we were able to record a consistently high attendance rate at our deliberations in financial year 2022, as in previous years. Attendance at the plenary meetings averaged 96.3% (previous year 95.0%) and at the committee meetings 98.7% (previous year 98.6%). The vast majority of the members of the Supervisory Board participated in all meetings of the Supervisory Board in financial year 2022 and in the committee meetings in accordance with their respective membership. Members who were unable to attend the meetings generally participated in the resolutions by sending proxy votes. The timely distribution of documents by the Executive Board in advance of the meetings and the almost universal avoidance of handouts made the preparation of the meetings much easier for the members of the Supervisory Board. Against the background of the COVID-19 pandemic, some Supervisory Board and committee meetings were also held as video conferences. The video format was also used to ensure the availability of Supervisory Board members for meetings scheduled at short notice. The exact distribution of in-person and video conference meetings can be seen in the table below.

In addition to the members of the Supervisory Board, the ESF also exercised its right to participate as a guest at the meetings of the Supervisory Board and its committees after the second framework agreement was concluded in January 2021, insofar as there was a relevant interest in accordance with the framework agreement. After the election of Dr Dönges as a member of the Supervisory Board, this guest right was exercised by individual representatives of the Finance Agency of the Federal Republic of Germany.

## Attendance at meetings of Supervisory Board in financial year 2022

### Attendance at meetings of Supervisory Board in financial year 2022

	Supervisory Board meetings	Transaction committees	Presiding committee	Audit committee	Nomination committee	Strategy committee
Meetings total	7	3	6	7	1	4
thereof virtual	5	3	4	4	0	3
Name						
Dr Dieter Zetsche (Chairman)	7 (7)	3 (3)	6 (6) <sup>1</sup>	7 (7)	1 (1) <sup>1</sup>	3 (4) <sup>1</sup>
Frank Jakobi (Deputy Chairman)	7 (7)	3 (3)	6 (6)	7 (7)		4 (4)
Ingrid-Helen Arnold	7 (7)					
Sonja Austermühle (since 1 April 2022)	2 (3)					
Christian Baier (since 31 May 2022)	2 (2)			3 (3)		
Andreas Barczewski	7 (7)					
Peter Bremme	7 (7)		6 (6)			
Dr Jutta Dönges <sup>2</sup>	7 (7)		2 (2)	7 (7)	0 (0)	4 (4)
Prof. Dr Edgar Ernst	6 (7)	3 (3)	6 (6)	7 (7) <sup>1</sup>	1 (1)	4 (4)
Wolfgang Flintermann	7 (7)					
Maria Garaña Corces	7 (7)					
Stefan Heinemann	7 (7)			7 (7)		
Janina Kugel	7 (7)					
Vladimir Lukin (until 3 March 2022)	3 (3)			3 (3)		3 (3)
Coline Lucille McConville	4 (7)					4 (4)
Alexey A. Mordashov (until 2 March 2022)	3 (3)		2 (3)		0 (0)	3 (3)
Helena Murano (since 31 May 2022)	2 (2)					
Mark Muratovic	7 (7)			7 (7)		
Carola Schwirn (until 28 February 2022)	3 (3)					
Anette Stempel	7 (7)		6 (6)			
Joan Trían Riu	7 (7)					
Tanja Viehl	7 (7)					
Stefan Weinhofer	7 (7)			7 (7)		
<b>Attendance at meetings in %</b>	<b>96.3</b>	<b>100.0</b>	<b>97.1</b>	<b>100.0</b>	<b>100.0</b>	<b>96.2</b>
<b>Attendance at Committee meetings in %</b>	<b>98.7</b>					

(In brackets: number of meetings held)

<sup>1</sup> Chairperson of Committee.

<sup>2</sup> Member of the Presiding and Nomination Committee since 10 May 2022.

## Main topics of the Supervisory Board's work

The Supervisory Board held seven meetings. Of these, two were held as in-person meetings, while five were held as video conferences. Furthermore, the respectively established Transaction Committees of the Supervisory Board met three times, and two additional resolutions were passed by circular resolution. The following main points were the subject of the individual meetings:

1. At its meeting on 6 October 2021, the Transaction Committee, established by the Supervisory Board, approved the implementation of a capital increase.
2. At its meeting on 6 October 2021, the Supervisory Board first reviewed the past financial year. In addition, the Supervisory Board was informed about the implementation of a capital increase with subscription rights and received a report from the Transaction Committee. Furthermore, the Supervisory Board received an update on the current situation in the Group-owned airlines. Against the background of the remuneration restrictions, the Supervisory Board also decided to waive the determination of the individual performance factor of the members of the Executive Board for the annual performance-related remuneration of financial year 2021. The Supervisory Board also received a report on the initiation of a Hotel Fund.
3. The meeting on 7 December 2021 initially included a discussion of the financial statements of the Group and TUI AG, each of which had obtained an unqualified audit certificate by the auditors, and the combined Management Report for the Group. The Executive Board and the auditors were also present. The Audit Committee had already dealt with these reports in detail on the previous day and also had the opportunity to consult with the auditor without the Executive Board. We then approved the financial statements prepared by the Executive Board and the combined Management Report for TUI AG and the Group. The annual financial statements for 2021 were thus adopted. The Supervisory Board also approved the Report of the Supervisory Board, the Corporate Governance Report and the Remuneration Report. In addition, the declarations of compliance with the German and UK Corporate Governance Codes and the proposal to the Annual General Meeting to engage Deloitte GmbH Wirtschaftsprüfungsgesellschaft for the 2022 half-year and annual financial statements were adopted. The Supervisory Board also approved the agenda for the Annual General Meeting on 8 February 2022 and, due to the pandemic, decided to hold it virtually. Furthermore, the Personnel and Social Report was the subject of this meeting and we received an update regarding the D&O insurance. In addition, the Supervisory Board again dealt with the Hotel Fund.
4. By circular resolution on 20 January 2022, the Supervisory Board approved the sale of a joint venture.
5. The meeting of 7 February 2022 included explanations on the quarterly report and quarterly financial report. In this context, the Executive Board gave an overview of the current accounting situation. Other topics included the liquidity development and various long-term financing options for the Group. In addition to preparing for the Annual General Meeting on 8 February 2022, the Supervisory Board was also informed about the progress made in connection with the internal efficiency and cost savings programme.
6. By circular resolution on 4 March 2022, the Supervisory Board approved an editorial amendment to the Articles of Association as a result of the implementation of the Annual General Meeting resolutions.
7. The extraordinary meeting on 8 March 2022 dealt with the direct impact of the Russia-Ukraine conflict on TUI AG. The changes in the Supervisory Board due to the resignations of Mr Mordashov and Mr Lukin were discussed. The meeting also dealt with the consequences for TUI under sanctions law resulting from the asset freeze and the prohibition to make funds or economic resources available. In addition, the Executive Board provided an overview of the current booking situation and an update on key earnings figures for the current financial year.
8. At the meeting on 10 May 2022, the Executive Board explained the report on the current financial year, on the quarterly financial statements and on the first half of 2022, which the Audit Committee had already dealt with on the previous day. In addition, the Executive Board gave an overview of the current liquidity development and financial recovery. Other key topics of the meeting were an update on the sustainability strategy and the HR strategy as well as the process, timetable and potential volume of a potential capital increase excluding subscription rights with the aim of repaying further state support. The Supervisory Board approved the latter in principle and set up a Transaction Committee. In addition, the Supervisory Board dealt with the specifications for determining the performance criteria of the individual performance factor of the annual performance remuneration for financial year 2023 subject to the application of the remuneration restrictions, after the Presiding Committee had already discussed the topic. In addition, the Supervisory Board dealt with succession planning in the context of Executive Board matters. In addition, two new members constituting shareholder representatives on the Supervisory Board, Mr Baier and Ms Murano, were proposed for election to the Supervisory Board as successors to Mr Mordashov and Mr Lukin, with the Executive Board being asked to submit the application for court appointment to the competent local court by the end of the 2023 Annual General Meeting. In addition, the vacancies on the Presiding, Nomination, Audit and Mediation Committees of the Supervisory Board as a result of the resignations of Mr Mordashov, Mr Lukin and Ms Schwirn were filled.
9. At its meetings on 16 and 17 May 2022, the Transaction Committee approved the measures required for the placement of the capital increase and the implementation within the scope of its authority assigned by the Supervisory Board.
10. At its meeting on 27 June 2022, the Supervisory Board, following the execution of Mr Jousen's right to resign, decided on the appointment of Mr Ebel as Chief Executive Officer and Mr Kiep as Chief Financial Officer, both with effect from 1 October 2022. The Supervisory Board also approved the early extension of Mr Burling's contract as CEO Markets & Airlines. Furthermore, the Supervisory Board was informed about the operational challenges at British and European airports and the associated effects on the Group as well as possible mitigation measures.
11. At its strategy meeting on 14 September 2022, the Supervisory Board received an update on the strategic orientation and developments in the individual company segments. There was also a discussion on the People Strategy and an ESG update.



On the second day of its regular meeting on 15 September 2022, the Supervisory Board received an update on the liquidity and financial profile of the Group. In addition, the Board approved the budget for the coming financial year and the three-year plan and took note of the report on security, health and safety. In addition, the Supervisory Board discussed, among other things, the amended business allocation plan and resolved on the target values for the annual performance-related remuneration for the following financial year subject to the application of the remuneration restrictions. The Supervisory Board discussed the determination of the performance criteria for individual performance, the performance of the entire Executive Board and the achievement of stakeholder goals and their weighting in relation to each other for the following financial year. Other topics included the review of the appropriateness of Executive Board remuneration and pensions as well as Supervisory Board remuneration, an update on the new version of the German Corporate Governance Code, especially with regard to the competence profile and qualification matrix, and the dissolution of the Strategy Committee as per 30 September 2022.

## Presiding Committee

The Presiding Committee is responsible for Executive Board matters (including succession planning, appointments, terms of employment contracts, remuneration, proposals on the remuneration system), which in this function corresponds to a remuneration committee. In addition, the Presiding Committee prepares the meetings of the Supervisory Board. In the reporting period, six meetings were held. Of these, two were held as in-person meetings, while four were held as video conferences.

The Presiding Committee, which has equal representation of shareholder and employee representatives, consists of:

- Dr Dieter Zetsche (Chairman)
- Peter Bremme
- Dr Jutta Dönges (from 10 May 2022)
- Prof. Dr Edgar Ernst
- Frank Jakobi
- Alexey Mordashov (until 2 March 2022)
- Anette Stempel

1. At the meeting on 6 October 2021, the Presiding Committee primarily dealt with Executive Board matters. The Presiding Committee recommended that the individual performance factors for the Executive Board be waived for financial year 2021 against the background of the remuneration restrictions.
2. On 7 December 2021, the preparation of the Annual General Meeting 2022 was the subject of the meeting. The Presiding Committee dealt in particular with the various capital reserve resolutions on the agenda. Furthermore, the review of the completed financial year was the subject of the discussions as well as an update on the negotiations regarding the D&O insurance.
3. The Annual General Meeting of TUI AG was again the subject of the meeting on 4 February 2022. In addition, the current consultation procedure of the Government Commission with regard to the revision of the German Corporate Governance Code was discussed.

4. On 10 May 2022, the Presiding Committee informed itself about the current developments regarding the HR strategy. In addition, the Presiding Committee discussed the specifications for determining the performance criteria of the individual performance factor of the annual performance-related remuneration for financial year 2023. Furthermore, the succession in the context of Executive Board matters was discussed. Furthermore, the Presiding Committee passed resolutions recommending to the Supervisory Board to fill the vacant seats on the Supervisory Board and its committees due to the resignations of Mr Mordashov and Mr Lukin.
5. At the meeting on the evening of 23 June 2022, recommendations were made for resolutions in the event of Mr Jousen's resignation in the context of the succession planning. Furthermore, a resolution recommendation was made for the possible early extension of Mr Burling's appointment in the event that he did not exercise his right to resign.
6. On 13 September 2022, the Presiding Committee discussed the determination of the target total remuneration of the members of the Executive Board as well as the target values of the annual performance-related remuneration for financial year 2023. The performance criteria for the individual performance of the Executive Board, which is always also based on ESG criteria, was also discussed in preparation for the Supervisory Board meeting. In addition, the appropriateness of both Executive Board remuneration and pensions as well as Supervisory Board remuneration was discussed and an update on the new version of the German Corporate Governance Code was discussed, especially with regard to the competence profile and qualification matrix and the dissolution of the Strategy Committee at the end of the financial year 2022.

## AUDIT COMMITTEE

The Audit Committee met for seven ordinary meetings in financial year 2022. Of these, three were held as in-person meetings, while four were held as video conferences. Please refer to the detailed report of the Audit Committee on page 18 for information on the composition, tasks, deliberations and resolutions of the Audit Committee.

## NOMINATION COMMITTEE

The Nomination Committee, composed exclusively of shareholder representatives, nominates suitable shareholder candidates to the Supervisory Board for its election proposals to the Annual General Meeting or for appointment by the district court.

The members of the Nomination Committee, which met once at an in-person meeting, were:

- Dr Dieter Zetsche (Chairman)
- Dr Jutta Dönges (from 10 May 2022)
- Prof. Dr Edgar Ernst
- Alexey Mordashov (until 2 March 2022)

At its meeting on 10 May 2022, the Nomination Committee dealt with the proposed resolution for the nomination of Mr Baier and Ms Murano (shareholder representatives) for court appointment to the Supervisory Board following the resignations of Mr Mordashov and Mr Lukin.

#### STRATEGY COMMITTEE

The task of the Strategy Committee in the financial year was to advise the Executive Board on the development and implementation of the corporate strategy. The committee held a total of four meetings during the completed financial year. Of these, one was held as an in-person meeting, while three were held as video conferences. The Committee was dissolved at the end of the financial year under review.

The members of the Strategy Committee were:

- Dr Dieter Zetsche (Chairman)
- Dr Jutta Dönges
- Prof. Dr Edgar Ernst
- Frank Jakobi
- Vladimir Lukin (until 3 March 2022)
- Coline McConville
- Alexey Mordashov (until 2 March 2022)

1. At its meeting on 5 October 2021, the Strategy Committee discussed TUI's current market and competitive situation as well as strategic developments in the Hotels & Resorts, Cruises and TUI Musement Sectors. The Committee also addressed the progress of the internal efficiency and cost savings programme.
2. On 6 December 2021, the Strategy Committee again received an update on the internal efficiency and cost savings programme. Key performance indicators for hotels, tour operators and the Group's own airlines were also discussed. The Strategy Committee also received an update on current IT projects and specific marketing indicators.
3. On 21 February 2022, the Committee addressed the current status of ongoing IT projects and the digital transformation. In addition, the members of the Committee discussed in detail the strategy of the TUI Blue hotel brand.
4. At its meeting on 9 May 2022, the Strategy Committee dealt with the development of the liquidity situation and financial recovery. In this context, the Strategy Committee also informed itself about the process, timetable and potential volume of a possible capital increase with the exclusion of subscription rights with the aim of repaying further state support. Furthermore, the Strategy Committee discussed a possible dissolution of the Committee at the end of the financial year 2022.

#### CORPORATE GOVERNANCE

The TUI AG share has its primary listing on the London Stock Exchange in the United Kingdom. In this context, TUI AG's constitution as a stock corporation under German law naturally requires the Supervisory Board to deal regularly and in great detail with the recommendations of both German and British corporate governance. Apart from mandatory compliance with the provisions of the German Stock Corporation Act (AktG), the Co-Determination Act (MitbestG), the Listing Rules and the Disclosure and Transparency Rules, TUI AG

had declared in the framework of the merger that it would comply with both the German Corporate Governance Code (GCGC) and – to the extent practicable – the UK Corporate Governance Code (UK CGC).

For the GCGC, which is based on the German Stock Corporation Act (AktG) in its basic conception, we were able to submit the Declaration of Conformity 2022 with the Executive Board in accordance with Section 161 AktG. The GCGC is complied with, with the exception of some recommendations in Section G.I.3. The deviations from the UK CGC are largely due to the conceptual difference between the monistic management system of a public listed company in the UK (so-called one-tier board) and the dualistic management system consisting of Executive Board and Supervisory Board in a public limited company (so-called two-tier board) under German law.

In conducting the audit of the financial statements, the auditor did not identify any facts that would indicate that the declaration on the GCGC issued by the Executive Board and the Supervisory Board was incorrect.

Further information on corporate governance, the Declaration of Conformity 2022 pursuant to Section 161 of the German Stock Corporation Act (AktG) and the declaration on the UK CGC can be found in the Corporate Governance Report jointly prepared by the Executive Board and the Supervisory Board in this Annual Report (page 107) and on TUI AG's website.

#### Conflicts of interest that have arisen

The Supervisory Board has continuously monitored the existence of conflicts of interest in the current financial year and determined that no conflict of interest arose in financial year 2022.

#### Audit of the annual financial statements and consolidated financial statements of TUI AG and TUI Group

The Supervisory Board examined whether the annual financial statements and the consolidated financial statements as well as the other financial reporting complied with the applicable requirements. The annual financial statements of TUI AG prepared by the Executive Board in accordance with the rules of the German Commercial Code (HGB), the combined Management Report of TUI AG and the TUI Group and the consolidated financial statements for financial year 2022 prepared on the basis of the International Financial Reporting Standards (IFRS) were audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hanover, and issued with an unqualified audit opinion in each case. The aforementioned documents, the Executive Board's proposal for the appropriation of the balance sheet profit and the auditor's reports were submitted to all members of the Supervisory Board in good time. We discussed them in detail at the Audit Committee meeting on 12 December 2022 and at our balance sheet meeting on 13 December 2022, at which the Executive Board explained the financial statements in detail. At these meetings, the Chairman of the Audit Committee and the auditor reported on the results of their audits, the focus of which had previously been determined with the Audit Committee for the reporting year. Neither the auditor nor the Audit Committee identified any weaknesses in the early risk detection and internal control system. Following our own review of the annual financial statements, the consolidated financial statements and the combined management report, we had

no cause for objections and therefore concurred with the Executive Board's assessment of the situation of TUI AG and TUI Group.

On the recommendation of the Audit Committee, we approve the financial statements for financial year 2022; the annual financial statements of TUI AG are thus adopted.

### Composition of the Executive Board and Supervisory Board

The composition of the Executive Board and the Supervisory Board as at 30 September 2022 is shown in the overviews on page 108 for the Supervisory Board and on page 110 for the Executive Board.

#### **SUPERVISORY BOARD**

In the following, I will give you an overview of the personnel changes on the Supervisory Board.

Ms Carola Schwirn left the Supervisory Board at the end of 28 February 2022. Ms Schwirn, departmental coordinator in the Berlin transport department of the ver.di trade union, had been a member of the Supervisory Board since 2014 and was also a member of the Mediation Committee. By court appointment on 1 April 2022, Ms Sonja Austermühle, trade union secretary and lawyer at ver.di Berlin, was appointed as a member of the Supervisory Board as an employee representative.

As a result of the Russia-Ukraine war, the European Union imposed sanctions against Mr Alexey Mordashov on 28 February 2022. Mr Mordashov informed us on 2 March 2022 that he resigned from his mandate as a member of the Supervisory Board of TUI AG with immediate effect. He had been elected to TUI's Supervisory Board in 2016 and was also a member of the Presiding Committee, the Nomination Committee and the Strategy Committee.

On 3 March 2022, Mr Vladimir Lukin also informed us that he was resigning from his mandate as shareholder representative on the Supervisory Board of TUI AG with immediate effect. Mr Lukin had been a member of our Board since 2019 and was also a member of the Audit Committee and the Strategy Committee. A court appointment was applied for in each case for the vacancies that arose. On 31 May 2022, Ms Helena Murano, Senior Advisor at Arcano Partners, and Mr Christian Baier, Member of the Executive Board (CFO) of METRO AG, were accordingly appointed as members of the Supervisory Board of TUI AG.

#### **PRESIDING COMMITTEE**

Following the resignation of his mandate as a member of the Supervisory Board of TUI AG on 2 March 2022, Mr Alexey Mordashov also resigned from the Presiding Committee. He was succeeded by Dr Jutta Dönges, elected by the shareholder representatives on 10 May 2022.

#### **AUDIT COMMITTEE**

Due to the resignation of his office as a member of the Supervisory Board, Mr Vladimir Lukin also resigned from the Audit Committee with effect from 3 March 2022. By court appointment, Mr Christian Baier became a member of the Supervisory Board with effect from 31 May 2022 and, with effect from the same date, also a member of the Audit Committee by resolution of the Supervisory Board.

#### **NOMINATION COMMITTEE**

Following the resignation of Mr Alexey Mordashov from the Supervisory Board with effect from 2 March 2022 and thus also from TUI AG's Nomination Committee, the vacancy was filled by Dr Jutta Dönges with effect from 10 May 2022.

#### **STRATEGY COMMITTEE**

Both Mr Alexey Mordashov and Mr Vladimir Lukin resigned from TUI AG's Supervisory Board and its Strategy Committee on 2 March 2022 and 3 March 2022 respectively. At its meeting on 15 September 2022, the Supervisory Board decided to discuss strategy issues in the plenary in future and dissolved the Strategy Committee at the end of the financial year 2022.

#### **EXECUTIVE BOARD**

On 24 June 2022, Mr Joussem exercised his right to resign from his office as member of the Executive Board of TUI AG ahead of schedule as per 30 September 2022. The Supervisory Board decided on 27 June 2022 to appoint the current Chief Financial Officer, Mr Ebel, as the new CEO of the Executive Board for a period of three years as of 1 October 2022. At the same time, the Supervisory Board decided on the same day that Mr Kiep, previously Group Director Controlling, Corporate Finance & Investor Relations, should succeed Mr Ebel as Chief Financial Officer as of 1 October 2022 and appointed him accordingly as a member of the Executive Board with effect from 1 October 2022 for a period of three years.

The Supervisory Board decided on 27 June 2022 to extend the appointment of Mr Burling, CEO Markets & Airlines, ahead of schedule for a further two years until 31 May 2026. Mr Burling will continue to be responsible for the Group's tour operators and airlines.

### Thanks to

The Supervisory Board is aware of the enormous challenges TUI Group employees have faced since the beginning of the pandemic. We would like to express our gratitude to them for their tireless efforts, their great commitment and for representing TUI's values to our stakeholders.

Hanover, 13 December 2022

On behalf of the Supervisory Board



Dr Dieter Zetsche  
Chairman of the Supervisory Board