

Prosperity and Sustainability

Our vision for a stronger European tourism sector



Employment through tourism

22.5^m jobs

10.8% of total EU jobs

Economic growth through tourism



1.44^{tn} € GDP contribution

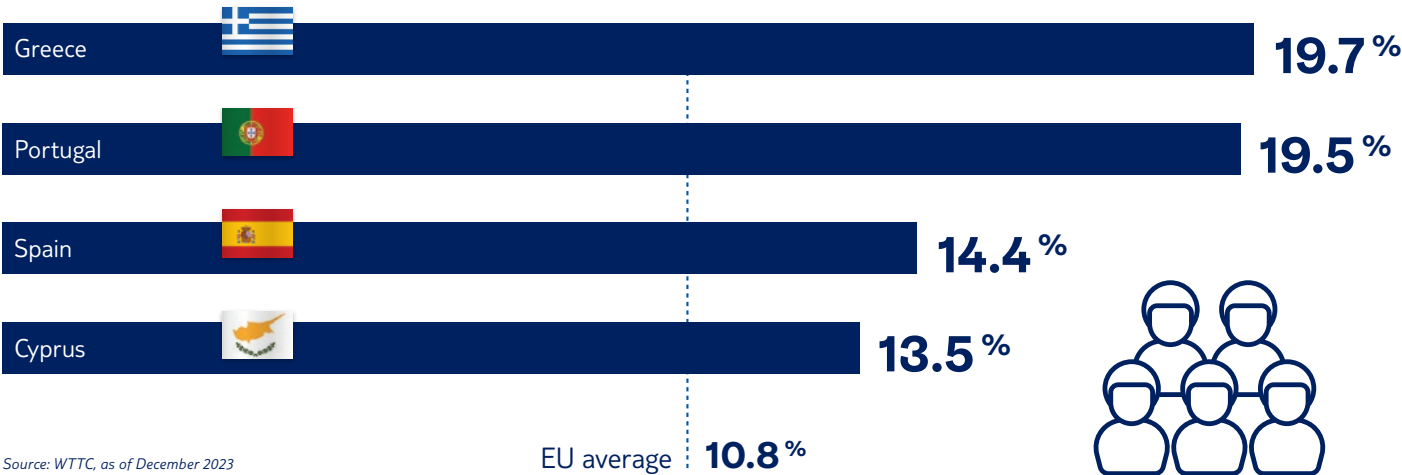
9.1% of total EU GDP

TOURISM: STRONG SOURCE OF PROSPERITY AND JOB CREATION

Tourism is one of Europe’s most important economic sectors. The World Travel & Tourism Council (WTTC) predicts that tourism will create around 680,000 new jobs and employ 22.5 million people in the EU in 2023. The industry’s contribution to GDP is also significant, amounting to 1.44 trillion euros in 2023. This corresponds to around 9 per cent of value added in the EU. The sector’s contributions to the treasury and social security funds are considerable.

Employment through tourism

Share of total employment; direct, indirect and induced effects, 2023 forecast

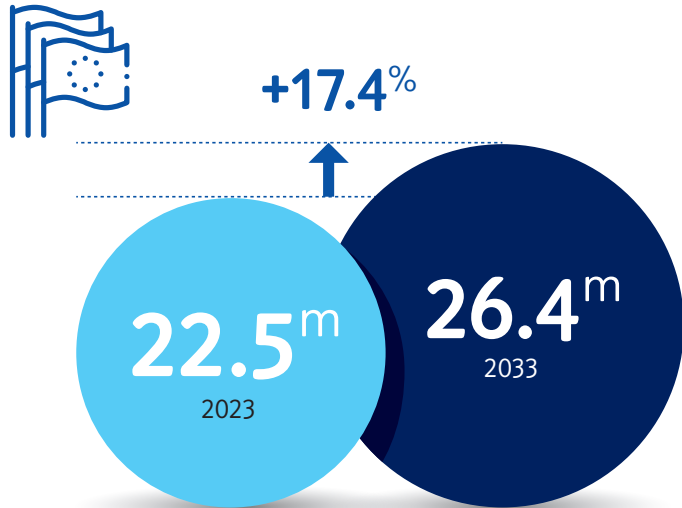


Source: WTTC, as of December 2023



Major job creation potential

Tourism already sustains 22.5 million jobs throughout the European Union. According to forecasts, that figure will continue to rise, and tourism could create 3.9 million new jobs within a decade with the aid of the right political framework.



Source: WTTC forecast as of December 2023

Tourism is a vitally important sector for the economy and society. This was demonstrated beyond doubt during the coronavirus pandemic: when travel volumes across the EU slumped by almost 70 per cent in 2020 compared to the previous year due to severe travel restrictions, unemployment rates rose massively in many places. The same effect in the opposite direction has been observed since the end of the pandemic. In countries such as Greece, Croatia, Malta, Portugal and Spain, GDP rose by between 5.5 and 7.1 per cent in 2022. And according to the European Commission’s forecasts for 2024 and 2025, the upward trend will continue at around 2 to 4 per cent per year.

Tourism policy is key to driving the economy and labour markets. TUI, as Europe’s leading integrated tourism group, invests heavily both in new state-of-the-art infrastructure and in training and development of its employees. At the same time, TUI offers the highest standard of consumer protection and is driving progress on sustainability in the sector.

COMPETITION: STRENGTHENING HOLIDAYS “MADE IN EUROPE”

Europe’s travel industry wants to compete effectively with global rivals and expand its pioneering role in sustainable travel. To achieve this, the political framework conditions must be right. Sensible decisions taken in Brussels and Strasbourg are therefore essential.

Key topics to strengthen the competitive position of the EU travel industry:

- **Avoid fuel taxation:** The EU climate protection package (Fit for 55) makes mobility more expensive. However, introducing discriminatory taxation on aviation and maritime fuel would make the price tag for travel within the EU even higher, while not reducing emissions at all.
- **Improve transport infrastructure:** Europe has a considerable need for action to develop land and air infrastructure. We need to improve the efficiency of the EU airspace via the Single European Sky (SES2+) package. Green fuel and energy supply in the harbours and supporting infrastructure are long overdue. And we need efficient rail transport – especially across national borders.
- **Liberalise air traffic and airline investments:** The EU should strive for liberal aviation agreements with third countries, including with the UK. There should also be more room for European airlines to attract foreign investments, while retaining control within the EU.
- **Strengthen the labour market:** The EU has launched important measures to strengthen the mobility of workers, implement EU-wide qualification standards and enable further training. These initiatives must be continued.

- **Avoid over-regulation:** Most European travel organisers take care of their customers and their environmental footprint. EU rules on consumer protection, general business practice and sustainability are important, but should not lead to European companies being made uncompetitive compared to their non-EU competitors.

How TUI supports its customers

- **Security management:** TUI’s crisis management team monitors all destinations worldwide – around the clock. The team is authorised to make decisions and ready to act within minutes.
- **Repatriation operations:** In all types of emergencies, TUI can bring holidaymakers back home safely on a large scale. During the first coronavirus lockdown, for example, we flew around 200,000 people back home within two weeks. When forest fires raged on Rhodes in the summer of 2023, TUI evacuated almost 8,000 guests and organised special flights to Germany.
- **Care:** Holidaymakers receive 24-hour support service, accessible via the TUI app and in person at all major destinations. TUI is the direct point of contact at all times, whether it’s for solving problems, booking excursions or providing support such as arranging medical appointments. TUI employs around 8,500 employees in resort in over 100 destinations worldwide.

Better airspace management for increased emission reductions and more efficient travel



CONSUMER PROTECTION: KEEP PACKAGE HOLIDAYS ATTRACTIVE

Package holidaymakers in Europe enjoy unrivalled protection throughout their holiday, be it in the event of flight cancellations, disruptions at the hotel, or even major crisis situations. This is fully supported by TUI. In order to maintain high consumer protection standards in the long term, all relevant market players should play by the same rules, while unjustified additional burdens on providers of package travel must be rejected.

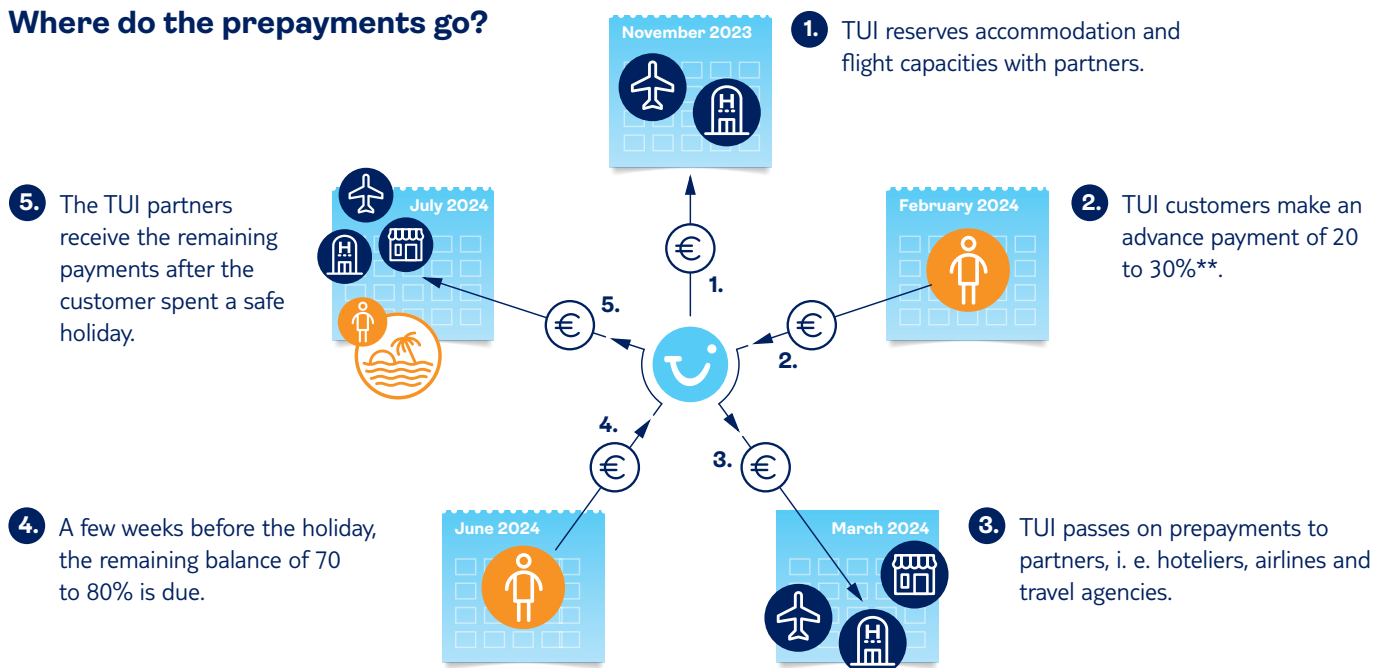
A centerpiece of EU tourism legislation, the current proposals to revise the PTD would impose on providers significant additional burdens that threaten the future of this popular form of travel. It is crucial to ensure fair competitive conditions between online sales models/platforms and to maintain established advance payments and insolvency protection rules.

Overview of travellers' rights*

Rights	Package Travel	Linked Travel Arrangements	Individual booking of flight and accommodation
One EU holiday company responsible for all services included around the world	✓	✗	✗
Refund of full travel price in the event of flight cancellations or major problems	✓	✗	✗
Return transport in case of crisis	✓	✗	✗
Insolvency protection	✓	Very limited	✗

*As per rules in force in December 2023

Where do the prepayments go?



** The deposit may be lower or higher depending on the type of holiday and the services which are included.

Air Passenger Rights Regulation

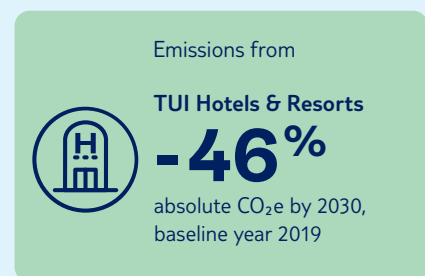
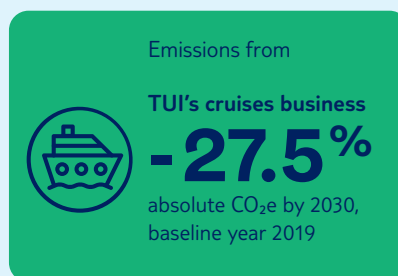
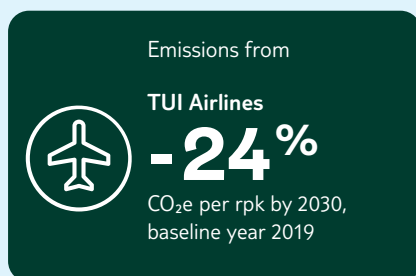
More than a decade after European courts first ruled that airlines must compensate for flight delays, still the European legislation does not provide clarity on the exact conditions. This continues to create ambiguity for passengers and airlines, and continues to keep courts unduly occupied. The EU must finally adopt the revision of the Air Passenger Rights Regulation on the basis of the Commission's proposal.

SUSTAINABLE GROWTH: PUSHING AHEAD WITH AMBITIOUS TARGETS

Tourism provides almost one in ten jobs worldwide. This means that it offers millions of people prospects like no other sector, especially in economically underdeveloped regions. This impact is invaluable. To keep it that way, the future growth of tourism must be sustainable.

TUI Group is implementing an ambitious roadmap to achieve climate neutrality across the Group. We will substantially reduce our greenhouse gas emissions by 2030. The Science Based Targets Initiative (SBTi) – initiated by the UN Global Compact and the WWF – has reviewed and verified that our targets are in line with the latest climate science.

TUI's CO₂ reduction targets for 2030 compared with 2019



However, tourism needs support to achieve its sustainability ambitions and targets. Specifically:

- **Aviation:** The mandated blending quota for Sustainable Aviation Fuel (SAF) in the EU is a step in the right direction, but urgently needs to be supported with additional measures – including strong financial incentives for the development, production and use of SAF.
- **Cruises:** Very few ports in Europe currently offer to supply cruise ships with green shore power. The public sector urgently needs to invest to support the transition. In addition, long overdue is a clear definition to determine which fuels are considered zero or low-emission fuels, and therefore not subject to the EU emissions trading scheme.
- **Global measures:** CO₂ emissions must be reduced globally. Within the framework of the UN organisations ICAO and IMO, the EU must encourage other regions of the world to do more to protect the climate.

Tourism spending in emerging economies outstrips official development aid



*Pre-pandemic figures
Sources: OECD (ODA in 2021 constant US\$), UNWTO; as of December 2023

TUI supports EU plans

With its sustainability agenda "**Tourism: A Force for Good**", TUI is directly contributing to the EU's plans to improve the positive impact from tourism. Tourism opens career prospects for millions of people. In holiday destinations, it offers incentives to preserve the environment and cultural heritage like no other sector. The EU should continue to bring stakeholders together through the "Tourism Transition Pathway", and directly support initiatives to reach sustainability goals.

TUI GROUP – YOUR CONTACTS



Thomas Ellerbeck
Member of the Group Executive Committee
Chief Sustainability Officer
thomas.ellerbeck@tui.com

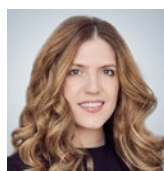
CORPORATE OFFICE EU



Dr. Ralf Pastleitner
Director International
Public Policy & EU Affairs
ralf.pastleitner@tui.com



Tim Van Severen
Senior Manager International Public Policy &
EU Affairs
tim.vanseveren@tui.be



Monika Kopoczynska
Head of Public Policy Aviation
monika.kopoczynska@tui.com



Napoleon von Sanden
Manager International Public Policy & EU Affairs
napoleon.vonsanden@tui.com

EUROPE'S STRONG TOURISM PROVIDER



19 million customers



20.7 billion euros turnover



130 aircraft



16 cruise ships



1,200 travel agencies



400+ hotels

EMPLOYEES PER COUNTRY

Spain	10,400	Sweden	700
Germany	7,200	Other EU	5,300
Belgium	2,200	United Kingdom	11,700
The Netherlands	2,100	North & South America	6,100
Switzerland	1,800	Other regions	16,300
France	1,000	TUI Group total	65,400
Austria	800		

The combined number of employees in the individual countries differs from the total due to rounding.

More info and contacts
www.tuigroup.com/policy

