

**FOCUS
STORY**

ONGOING EVOLUTION OF DUFRY'S SUSTAINABILITY ENGAGEMENT

Read the full focus story on the ESG Strategy and the ESG Report
on pages 30–39 as well as 72–100 respectively

DUFRY GROUP – A LEADING GLOBAL TRAVEL RETAILER

DUFRY AG (SIX: DUFN) IS A LEADING GLOBAL TRAVEL RETAILER OPERATING OVER 2,300 DUTY-FREE AND DUTY-PAID SHOPS IN AIRPORTS, CRUISE LINES, SEAPORTS, RAILWAY STATIONS AND DOWNTOWN TOURIST AREAS.

THE COMPANY, HEADQUARTERED IN BASEL, SWITZERLAND, OPERATES IN 64 COUNTRIES ON ALL SIX CONTINENTS.

CONTENT

1

WELCOME

Dufry today 8–9
Global presence 10–15
Milestones 16–19

2

THE GLOBAL TRAVEL RETAILER

Dufry at a glance 22–23
Our strategy 24–29
Focus Story 30–39

3

WHY DUFRY?

Retail expertise 40–57
Channels 58–59
Customers 60–63
Airport authorities & landlords 64–65
Suppliers 66–67
Logistics 68
IT Solutions 69

4

LOOKING FORWARD

Environment, Social and Governance (ESG) Report 70–100
Community engagement 101–107
Global Executive Committee 108–109
Awards 110



1

WELCOME



DUFRY TODAY



Present in
64
countries



Operates at over
430
locations



More than
50,000
products

Our assortment
of reference items
from vendors globally



Over
22,000
employees

Representing over
130 different nationalities



Over
1,000
suppliers



2.5 billion
potential customers



Close to
20%
market
share

in airport travel retail



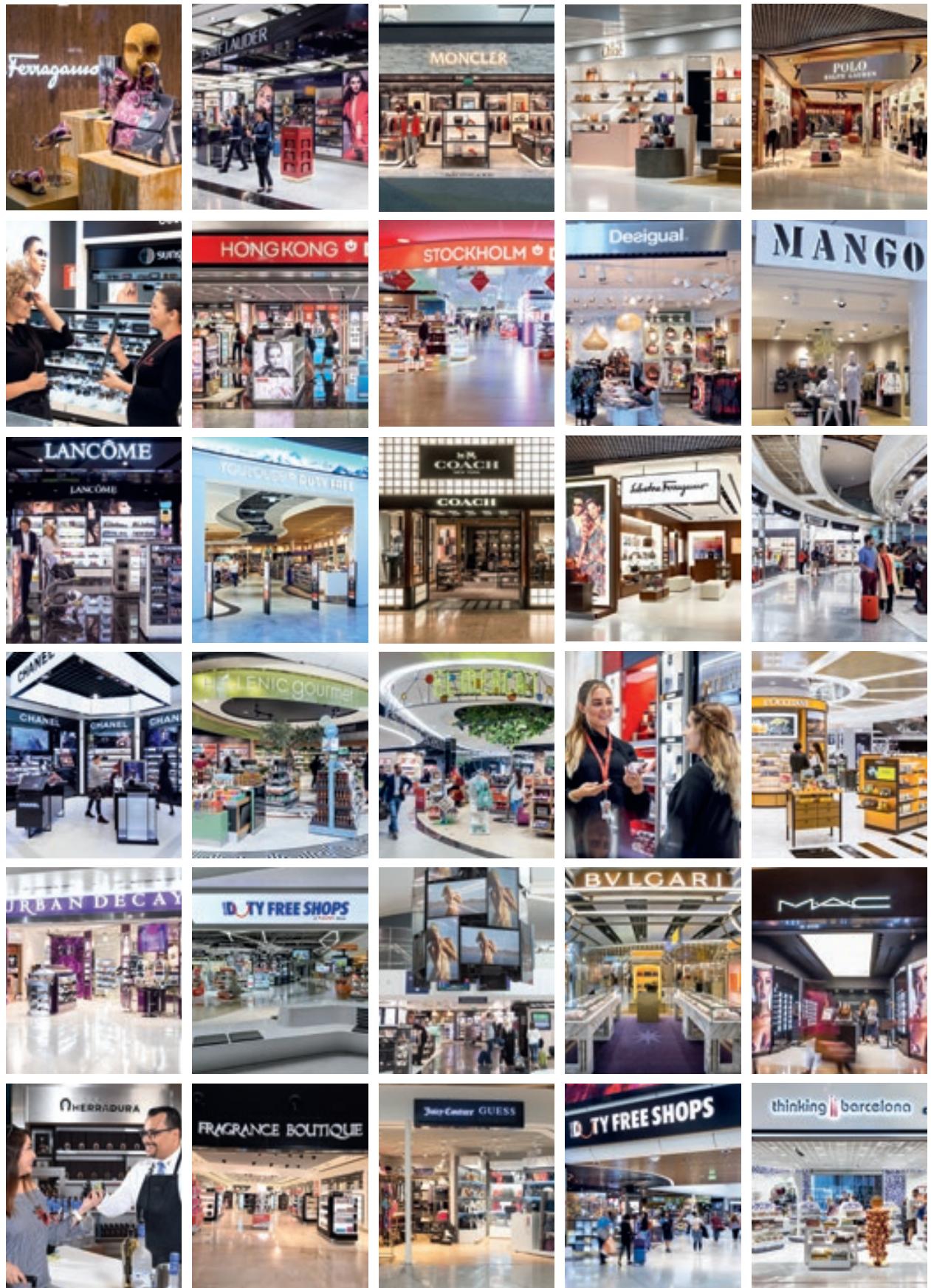
Almost
470,000 m²
of commercial space

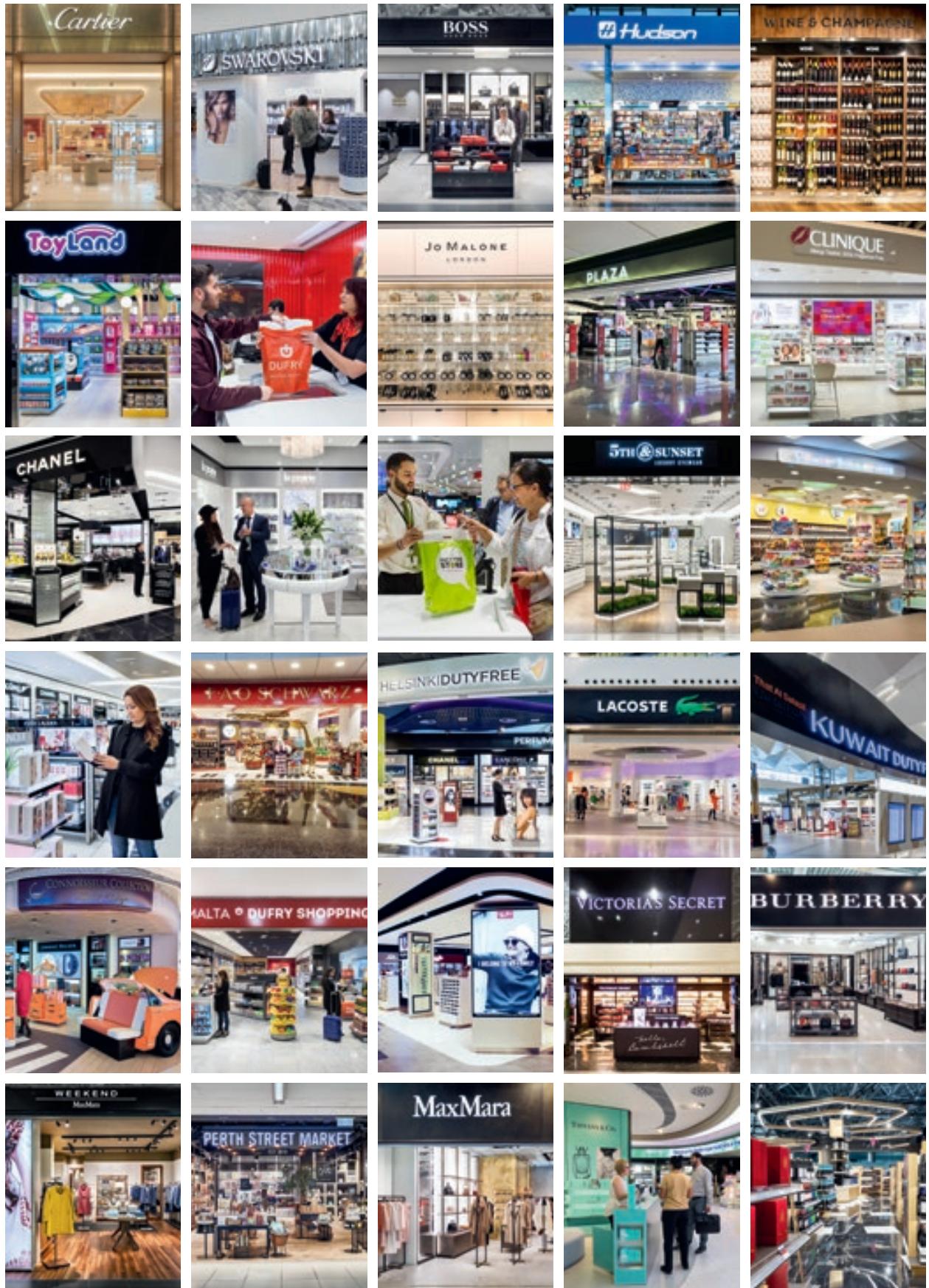


Over
2,300
shops

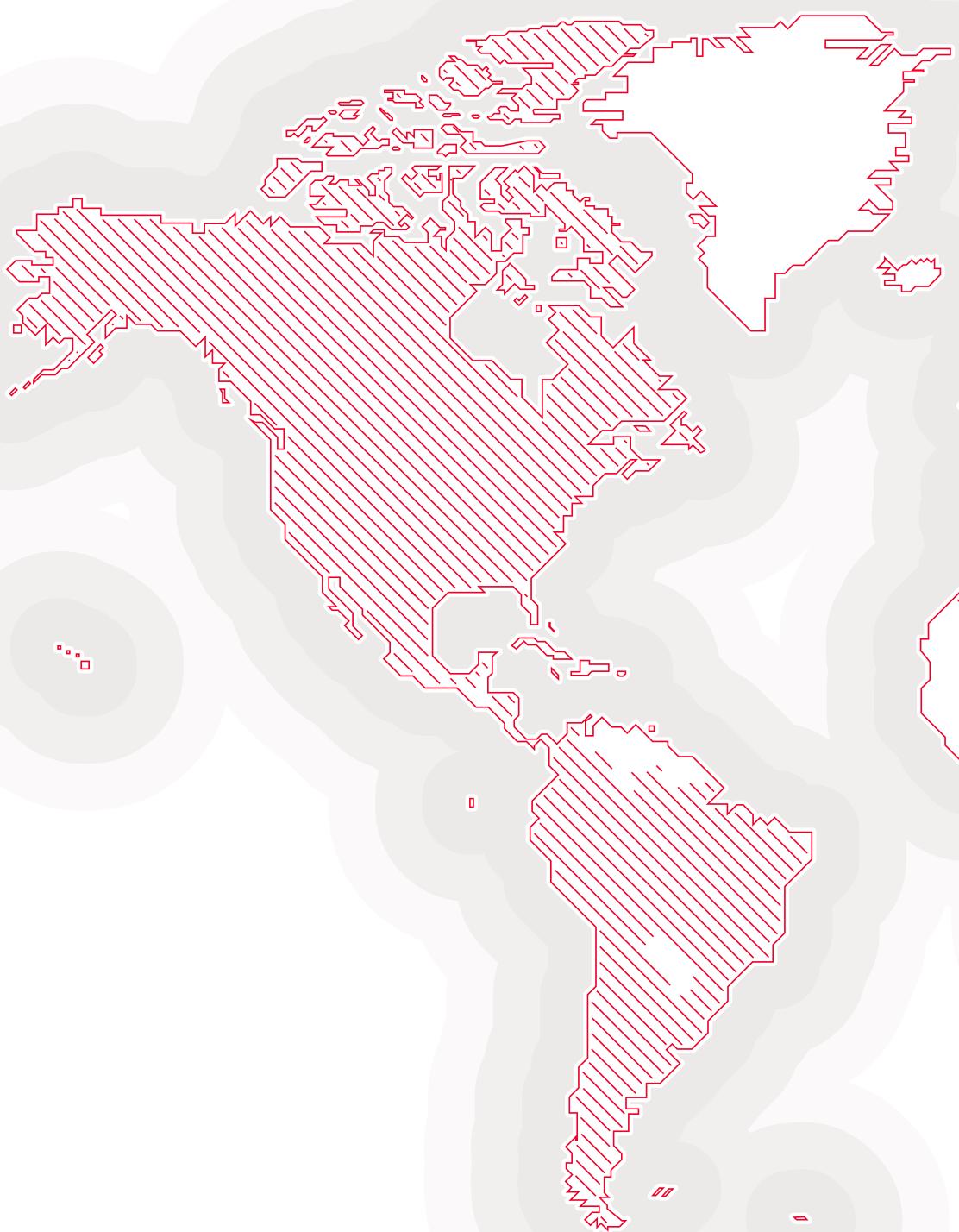
Dufry opens a new
shop every week

OVER 2,300 STORES

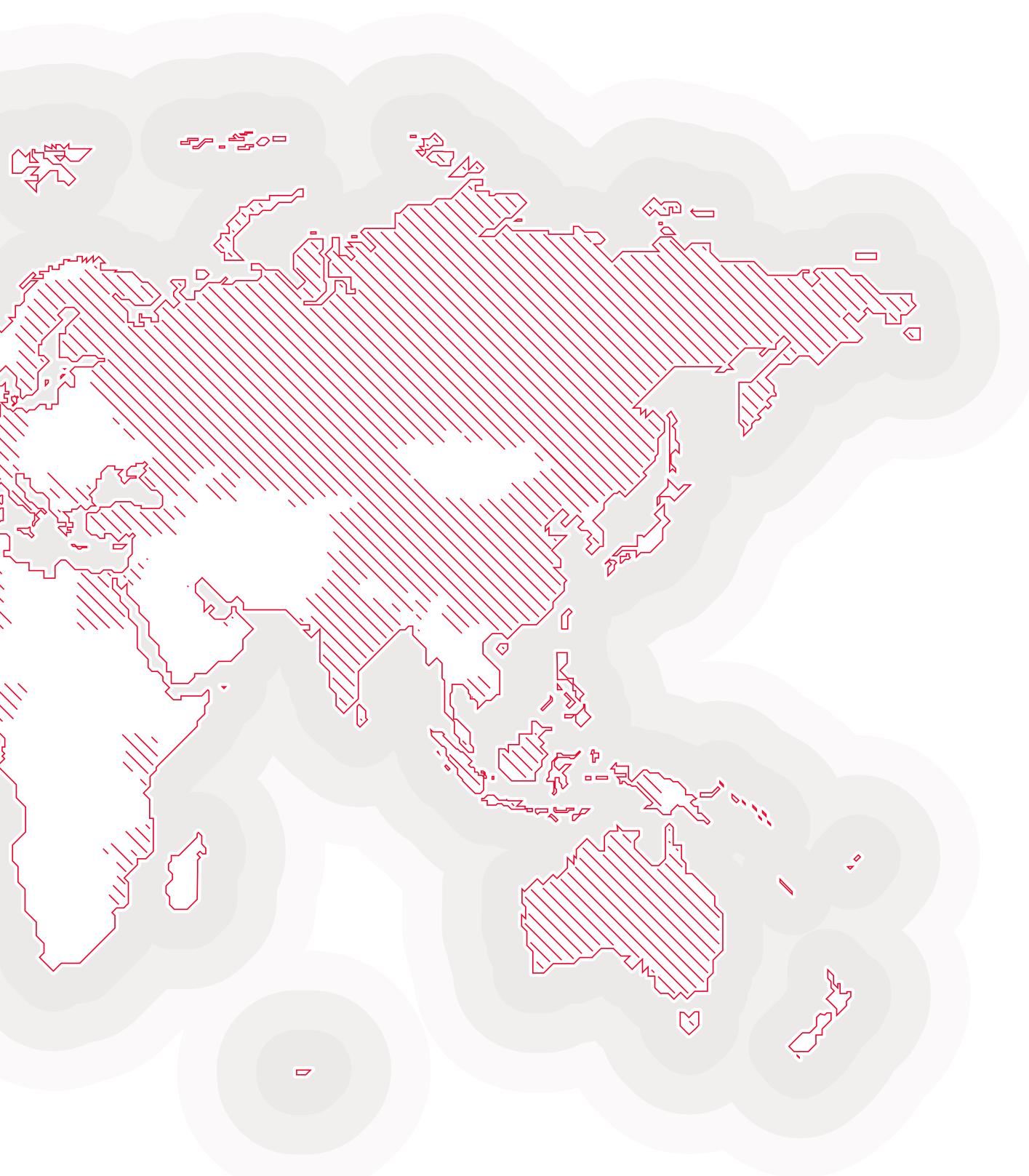




GLOBAL PRESENCE



Welcome



OVER 430 LOCATIONS WORLDWIDE

EUROPE, MIDDLE EAST AND AFRICA

Armenia

- Gyumri
- Yerevan

Bulgaria

- Burgas
- Varna

Cape Verde

- Boa Vista
- Sal
- Santiago

Cote d'Ivoire

- Abidjan

Egypt

- Cairo

Finland

- Helsinki

France

- Calais
- Fort-de-France
- Nice
- Pointe-a-Pitre
- Toulouse

Germany

- Dusseldorf

Ghana

- Accra

Greece

- Aktio
- Alexandroupoli
- Anchialos
- Araxos
- Athens
- Chania
- Corfu
- Doirani
- Evzoni
- Heraklion
- Igoumenitsa
- Kafalonia
- Kakavia
- Kalamata
- Karlovasi
- Karpathos
- Kastanies
- Kastelorizo
- Katakolon
- Kavala
- Kipoi
- Kos
- Kyrrallopigi
- Limnos
- Mertziani
- Mykonos
- Mytilini
- Niki
- Ormenio
- Patras
- Piraeus
- Promachonas
- Rhodes
- Saglada
- Samos
- Santorini
- Sklathos

Symi

- Thessaloniki

Zante

- Zante

India

- Bangalore

Ireland

- Center Parks

Italy

- Bergamo
- Florence
- Genoa
- Milan Central
- Milan Linate
- Milan Malpensa
- Naples
- Piza
- Verona

Jersey

- Saint Peter

Jordan

- Amman
- Aqaba
- Marka

Kazakhstan

- Astana

Kenya

- Nairobi

Kuwait

- Kuwait City

Malta

- Malta

Morocco

- Agadir
- Casablanca
- Fez
- Marrakech
- Nador
- Oujda
- Rabat
- Tanger

Mozambique

- Maputo

Nigeria

- Lagos

Russia

- Moscow Domodedovo
- Moscow Sheremetyevo
- Moscow Vnukovo
- St. Petersburg Pulkovo

Serbia

- Belgrade

Nis

Spain

- Alicante
- Almeria
- Asturias
- Barcelona
- Bilbao
- Fuerteventura
- Gerona
- Granada
- Ibiza
- Jerez
- La Coruna

La Palma (SPC)

- Lanzarote
- Las Palmas de Gran Canaria (LPA)

Madrid

- Mahon
- Malaga
- Murcia
- Palma de Mallorca (PMI)
- Reus
- Santander
- Santiago de Compostela
- Sevilla
- Tenerife Norte
- Tenerife Sur
- Valencia

Sri Lanka

- Colombo

Sweden

- Jönköping
- Kalmar
- Karlstad
- Landvetter
- Luleå
- Norrköping
- Östersund
- Stockholm Arlanda
- Stockholm Bromma
- Sturup
- Sundsvall
- Umeå
- Visby

Switzerland

- Basel-Mulhouse
- Zurich

Turkey

- Antalya
- Kayseri
- Kutahya

United Arab Emirates

- Sharjah

United Kingdom

- Aberdeen
- Belfast
- Birmingham
- Bournemouth
- Bristol
- Cardiff
- Doncaster
- East Midlands
- Edinburgh
- Exeter
- Folkestone
- Glasgow Airport
- Glasgow Prestwick
- Humberside Airport
- Leeds
- Liverpool
- London Gatwick
- London Heathrow
- London Luton
- London Southend
- London St. Pancras
- Manchester
- Newcastle
- Norwich

Robin Hood Doncaster

- Sheffield Airport

Sherwood Forest

- Center Parks

Southampton

- Stansted

Windsor

Cruise and Ferry ships

- Asterion
- Blue Galaxy
- Blue Horizon
- Blue Star I. II
- Blue Star Delos
- Blue Star Diagoras
- Blue Star Naxos
- Blue Star Paros
- El Venezelos
- Elyros
- Hellenic Spirit
- Highspeed 4
- Kriti Ship
- Nisos Chios
- Nisos Mykonos
- Nisos Rhodes
- Nisos Samos
- Olympic Champion
- Patmos
- P&O Arcadia
- P&O Aurora
- P&O Ventura
- P&O Queen Elizabeth
- P&O European Highlander
- P&O European Causeway
- P&O Norbay
- P&O Norbank
- P&O Pride of Rotterdam
- P&O Pride of Hull
- P&O Pride of Burges
- P&O Pride of York
- P&O Spirit of Britain
- P&O Spirit of France
- P&O Pride of Canterbury
- P&O Pride of Kent
- P&O Pride of Burgundy
- Prevelis
- Superfast I
- Superfast II
- Superfast XI

ASIA PACIFIC

Australia

- Canberra

Melbourne

Perth

Cambodia

- Phnom Penh

Siem Reap

Sihanoukville

China

- Chengdu

Hong Kong

Macau

Shanghai

Indonesia

- Bali

- | | | | | |
|---------------------------------------|-----------------------------------|-------------------------------|-----------------------------|--|
| Malaysia | Grenada | Holland of America | Miami | |
| Kuala Lumpur | Grenada | Volendam | Minneapolis | |
| Singapore | Honduras | Holland of America | Mobile Bates Field | |
| Changi | Roatan | Westerdam | Myrtle Beach | |
| South Korea | Jamaica | Holland of America | Nashville | |
| Busan | Jamaica | Zaandam | New Orleans | |
| CENTRAL AND SOUTH AMERICA | | | | |
| Antigua | Mexico | Holland of America | New York Empire State | |
| Antigua | Acapulco | Zuiderdam | New York Grand Central | |
| Saint Philip | Cancun | NCL Bliss | New York JFK | |
| Argentina | Cozumel | NCL Dawn | New York LaGuardia | |
| Bariloche | Guadalajara | NCL Escape | New York Penn Station | |
| Buenos Aires Aeroparque | Guanajuato | NCL Gem | New York Port Authority | |
| Buenos Aires Ezeiza | Ixtapa | NCL Jade | New York UN Gift Center | |
| Cordoba | Los Cabos | NCL Jewel | Newark | |
| Mendoza | Mazatlan | NCL Joy | Newark Liberty | |
| Aruba | Mexico City | NCL Pearl | Newport News Williamsburg | |
| Oranjestad | Monterrey | NCL Sky | Norfolk | |
| Bahamas | Puerto Vallarta | NCL Spirit | Oakland | |
| Bahamas | San Jose del Cabo | NCL Sun | Omaha | |
| Great Exuma | NORTH AMERICA | | | |
| Lynden Pindling International Airport | Netherlands | Canada | Ontario | |
| Barbados | Bonaire | Calgary | Orlando | |
| Barbados | Nicaragua | Edmonton | Orlando Sanford | |
| Christ Church | Costa Esmeralda Airport | Halifax | Philadelphia | |
| St. Michael | El Espino | Toronto | Phoenix Sky Harbour Airport | |
| Bolivia | Guasause | Vancouver | Pittsburgh | |
| La Paz | Managua | USA | | |
| Santa Cruz | Peñas Blancas | Lima | Albuquerque | |
| Brazil | Peru | Ponce | Anchorage | |
| Belém | | San Juan | Arkansas Clinton | |
| Belo Horizonte | Puerto Rico | St Kitts & Nevis | International Airport | |
| Brasília | | St Kitts | Atlanta | |
| Campinas | | St Kitts Bradshaw Airport | Atlantic City | |
| Curitiba | St Lucia | St Lucia | Baltimore-Washington | |
| Florianopolis | | St Lucia | Birmingham | |
| Fortaleza | St Maarten | St Maarten | Boston | |
| Goiânia | | Trinidad & Tobago | Burbank | |
| Natal | | Port of Spain | Charleston | |
| Porto Alegre | Turks & Caicos Islands | Turks & Caicos Islands | Chicago | |
| Recife | Grand Turk | Uruguay | Chicago Midway | |
| Rio de Janeiro | Turks & Caicos Islands | Montevideo | Chicago O'Hare | |
| Rio de Janeiro Galeão | | Punta del Este | Cleveland | |
| Rio de Janeiro | | Cruise and Ferry ships | Corpus Christi | |
| Santos Dumont | | Carnival Panorama | Dallas Fort Worth | |
| Salvador | | Carnival Sensation | Dallas Love Field | |
| São Paulo Congonhas | | Carnival Valor | Denver | |
| São Paulo Guarulhos | | Holland of America | Des Moines | |
| Uruguiana | | Eurodam | Detroit | |
| Chile | | Holland of America | Fort Lauderdale Hollywood | |
| Santiago de Chile | | Koningsdam | Fresno | |
| Colombia | | Holland of America | Grand Rapids | |
| Bogota | | Nieuw Amsterdam | Greater Rochester | |
| Dominican Republic | | Nieuw Statendam | Greenville-Spartanburg | |
| Puerto Plata | | Noordam | Harrisburg | |
| Samana | | Holland of America | Houston | |
| Santiago | | Oosterdam | Houston George Bush | |
| Santo Domingo | | Rotterdam | Houston William P. Hobby | |
| Ecuador | | | Indianapolis | |
| Santiago de Guayaquil | | | Jackson | |
| | | | Las Vegas Hard Rock Cafe | |
| | | | Las Vegas Mc Carran | |
| | | | Las Vegas Palazzo | |
| | | | Little Rock | |
| | | | Los Angeles | |
| | | | Lubbock | |
| | | | Manchester Boston | |

CHANNELS

- Airports
 - Border, Downtown & Hotel Shops
 - Railway Stations & Other
 - Cruise Liners & Ferries
 - Seaports

MILESTONES

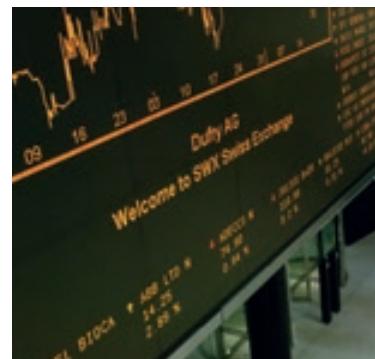
Dufry has more than 60 years of travel retail experience – just one of the factors that has contributed to the company's successful position today as leading travel retailer worldwide.



Dufry founded in 1865 in Basel, Switzerland.



The first duty-free shop at Le Bourget, Paris. Dufry was the second operator to ever open a duty-free store.



Listed on the Swiss Stock Exchange (DUFN) on the 6th of December.

1865

1952

2005

1948

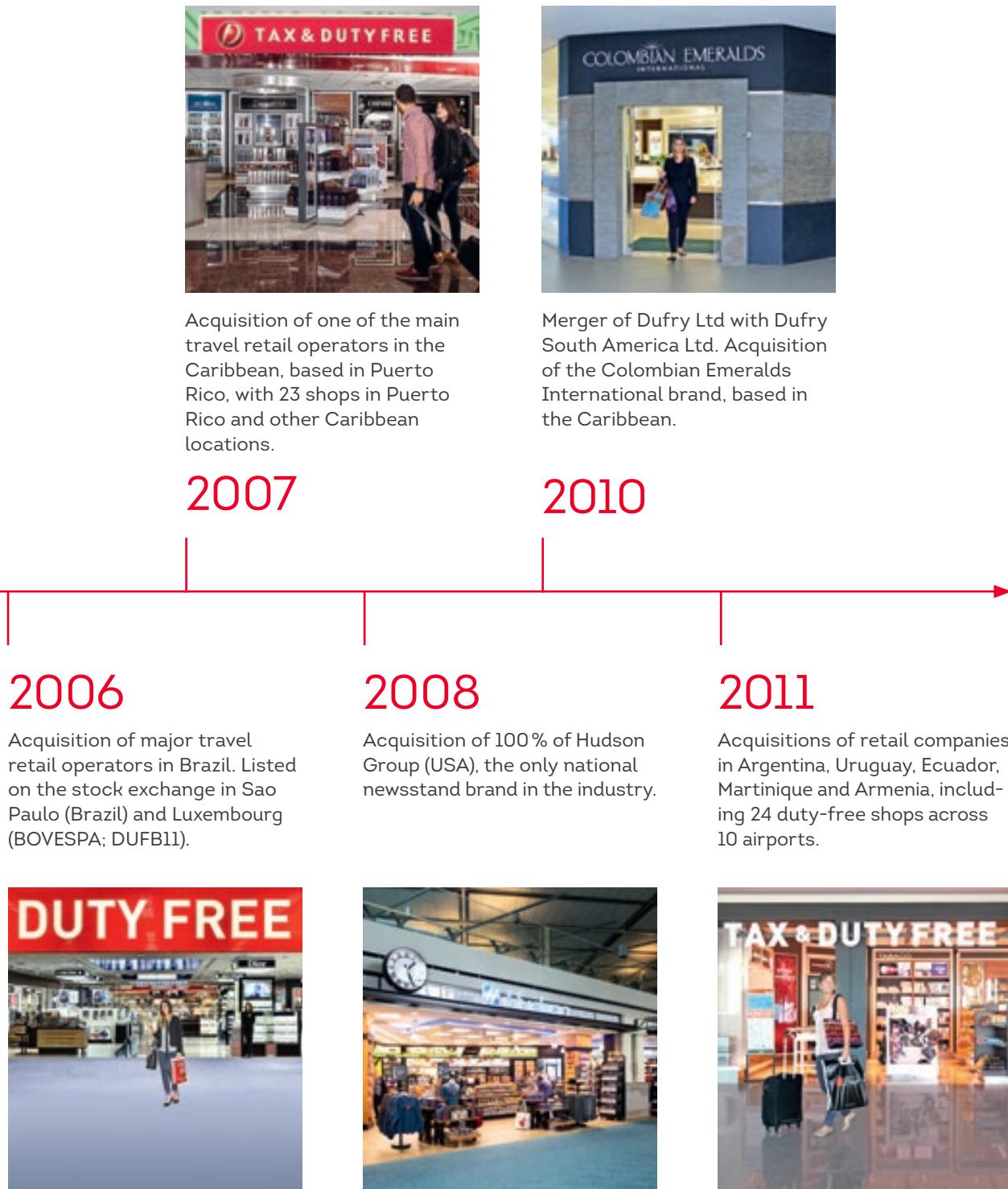
Introduction of the duty-free wholesale business.



2004

Advent International became the majority shareholder. Dufry decided to focus its core business on travel retail with the vision of becoming a truly global company.





MILESTONES



Acquisition of Regstaer Group, the leading travel retail operator in Russia, in a joint venture.



Acquisition of The Nuance Group in Switzerland.



Renewal of an exceptional amount of existing concession contracts and is included in the Swiss Leader Index, compiled of the 30 largest Swiss Corporations listed on the SIX Swiss Exchange.

2012

2014

2016

2013

Acquisition of 100 % of the leading travel retailer in Greece, Folli Follie. Expansion in Asia, with new stores in China, South Korea, Taiwan, Bali and Sri Lanka.



2015

Acquisition of World Duty Free. The acquisition strengthens Dufry's position in key European markets such as Spain - including the Mediterranean region - and the UK; North and Latin America as well as the Middle East and Asia.





Hudson Ltd. listed on the New York Stock Exchange (NYSE) with its first trading day on February 1, 2018.

2018



2020

Full reintegration of Hudson subsidiary and delisting from NYSE. Important collaboration agreements signed with Alibaba Group and Hainan Development Holdings to pursue duty-free opportunities in mainland China and Hainan. ESG Strategy evolved and respective Charta disclosed.

2017

Implementation of a new retail concept the "New Generation Store", featuring extensive and innovative use of digital applications in order to increase passenger communication and drive sales. Plans to unveil several shops around the world under this new concept.



2019

Acquisition of 60% stake in RegStaer Vnukovo in Russia. Acquisition of OHM Concession Group LLC and 34 Brookstone shops in the USA.



PUERTO PLATA



2

THE
GLOBAL
TRAVEL
RETAILER

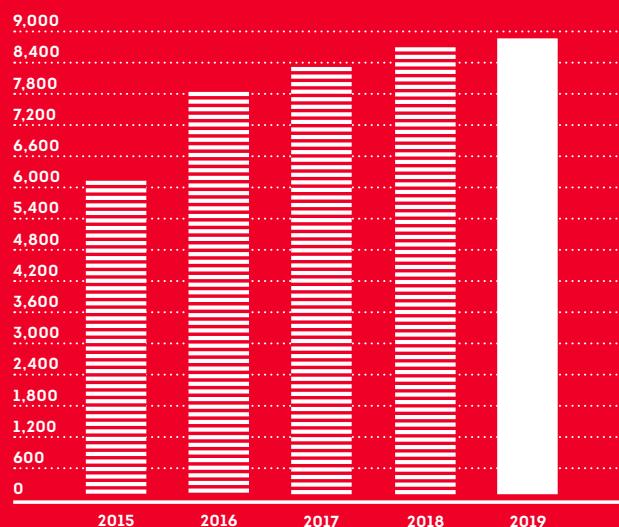


DUFRY

AT A GLANCE

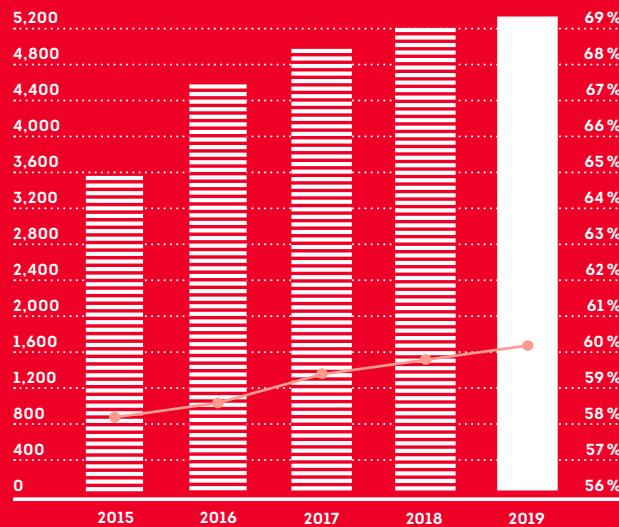
TURNOVER

IN MILLIONS OF CHF



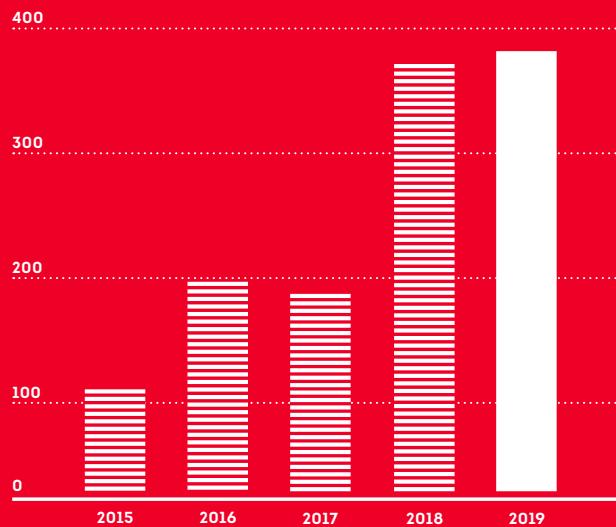
GROSS PROFIT

IN MILLIONS OF CHF

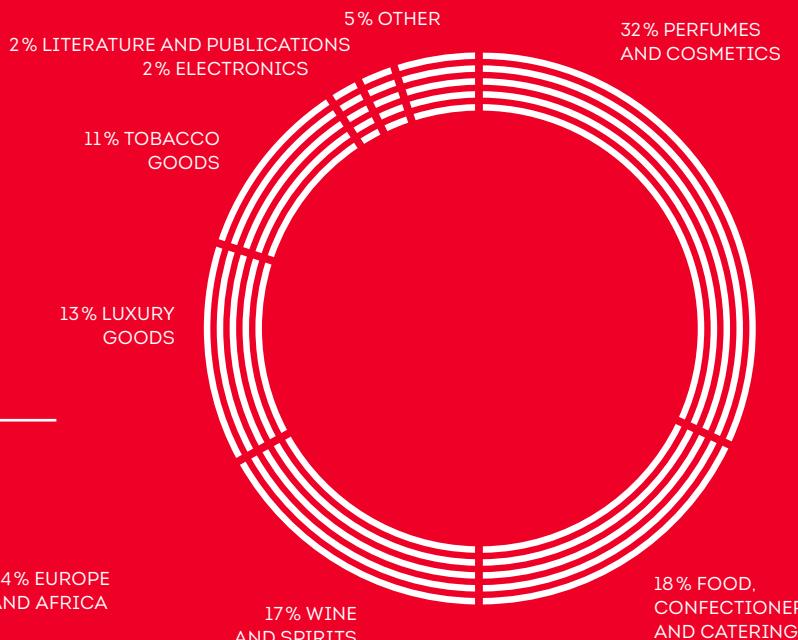


EQUITY FREE CASH FLOW

IN MILLIONS OF CHF



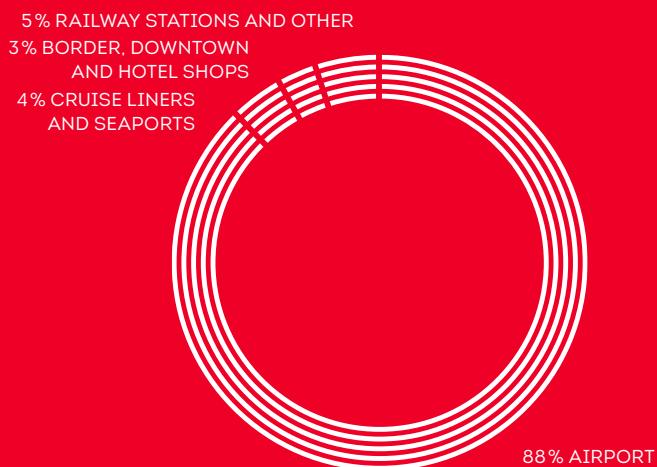
NET SALES BY PRODUCT CATEGORY 2019



NET SALES BY DIVISION 2019



NET SALES BY CHANNEL 2019



NET SALES BY MARKET SECTOR 2019



OUR STRATEGY LONG-TERM SUSTAINABLE AND PROFITABLE GROWTH

Dufry is the leading global player in travel retail and, despite the short-term and COVID-related operational challenges, will continue to develop the company following its long-term successful strategy of sustainable and profitable growth and building on its track-record of rapid expansion through organic growth and acquisitions. The same is true for travel retail in general, which is seen as a resilient industry despite the current turbulence generated by the pandemic. In 2019, under previous normal market conditions, Dufry had a market share of 11% in travel retail overall, and close to 20% in airport travel retail, which accounted for 88% of our business.

Fostering retail excellence to create stakeholder value

Travel retail is the connecting and central element of three very important industries: retail, travel and leisure locations, as well as consumer goods brands. Linking and aligning the different expectations of our stakeholders is critical in order to generate value for all. Our strategy to achieve this goal: we focus on offering the best services to our customers to create profitable and sustainable growth for all our stakeholders.

Our clear travel retail focus, where we mostly concentrate on locations with captive audiences, creates a winning formula for all stakeholders of the Dufry ecosystem. For customers, by providing an unrivalled shopping experience; for suppliers, by showcasing their brands to a fast-growing group of affluent customers; for landlords, by fully exploring the commercial potential of a travel or leisure location; for shareholders, by creating long-term value through generating cash and profits and for employees and local communities, by creating job opportunities and wealth. For an overview of the Dufry stakeholder eco-system please refer to page 32.

For our customers, we create memorable shopping experiences by constantly improving our shops and developing best-in-class retail formats, as well as by

implementing innovative cross-channel marketing initiatives and extending our online services, allowing us to increase customer engagement. Our sales representatives will always receive travelers with a friendly smile, introducing them to the world of travel retail and providing them with detailed product information – increasingly supported by digital technology.

Unique experiences to exceed customer expectations.

Besides offering customers great promotions, novelties and the exclusive products they are always looking for, an unparalleled sense of place is, for Dufry, a key element of an attractive customer shopping experience. This includes local product offerings, as customers also increasingly want to complete their travel experience by bringing home memories, as well as internationally recognized brands that are well known and much liked. Our shops combine the famous assortments of global brands and high-quality products with a special local touch, which differentiates our shops worldwide and wherever they may be – at airports, seaports, ships, railway stations and also in downtown or border locations – and irrespective of whether they are duty-free or duty-paid. For a selection of our main retail concepts please refer to pages 41 through 59 of this brochure.

Demographics play a big role in our business and changes in customer profiles and preferences can occur rapidly. For this reason, Dufry sets high priority on consumer intelligence, extrapolated from internal operational information, regular customer field surveys and external research. This permanent tracking of customer behavior is the base against which to continuously fine-tune our offering, not only matching, but exceeding expectations of our clients.

For suppliers we offer access to the largest footprint in the ever more attractive travel retail channel, through more than 2,300 of our shops in over 430 locations in 64 countries, further supported by our growing digital footprint. Our shops offer suppliers an unrivalled worldwide opportunity to promote their brands and products, reaching an affluent consumer segment and allowing them to purchase their products at our various locations.

In recent years, we have seen an increasing importance in novelties, exclusive products and limited editions to attract customers to our shops. Despite some short-term shift and the growing importance of food and convenience products related to the faster acceleration of domestic travel during the COVID-19 pandemic recovery, the long-term interest to find new and unique products and experiences is maintained. Dufry works closely with brands to offer customers a unique product selection and brand experiences, which make the channel even more attractive.

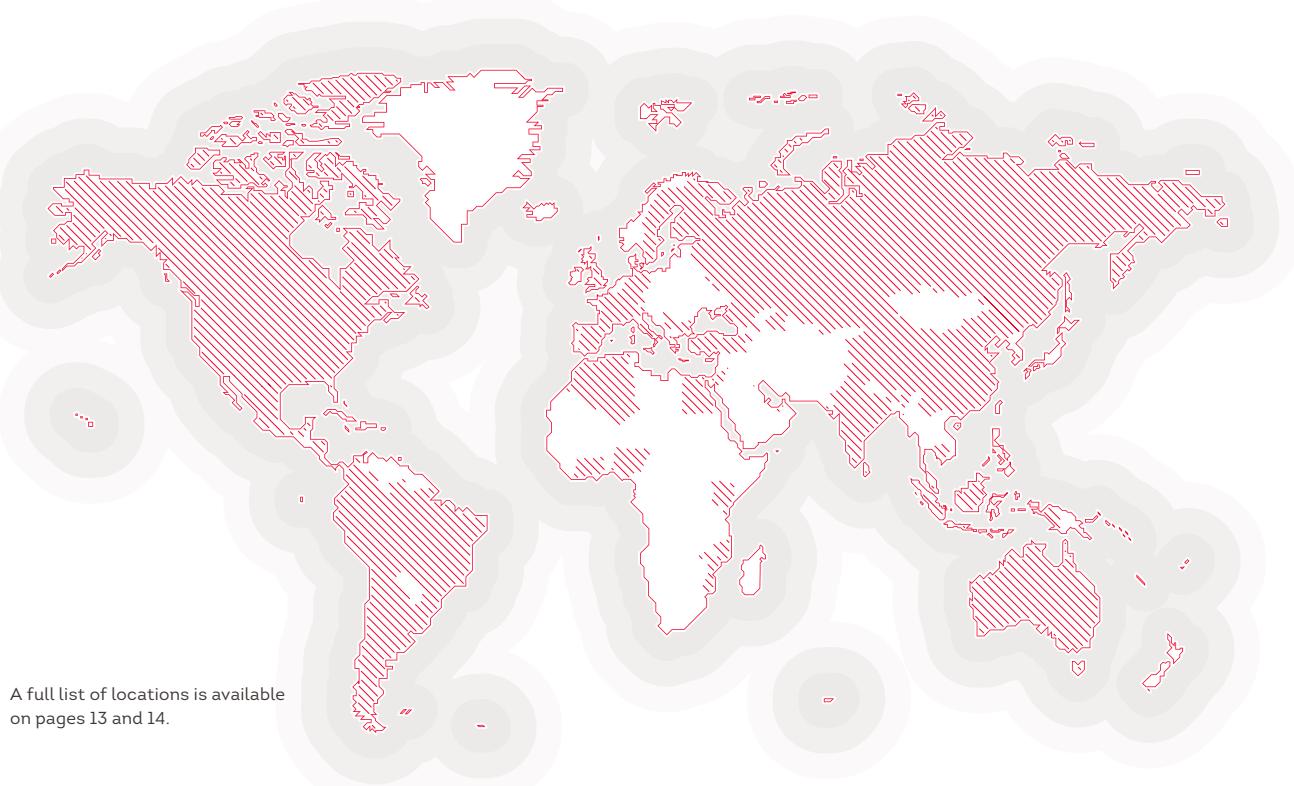
Landlords get the highest productivity from their retail areas, maximizing their revenues when working with Dufry. We offer a full range of retail concepts

adapted and customized to any specific location, complemented by the most comprehensive portfolio of global and local brands. We enable landlords to offer their travelers attractive commercial spaces, thus increasing revenues from non-aeronautical sources and further optimizing their overall business performance.

Novelties and exclusive products confirmed as important trend.

For shareholders, Dufry is the world's leading global travel retailer, offering an attractive investment opportunity to participate in a growing industry and a company that focuses on profitable growth and strong cash generation. Despite the current challenging business environment, travel retail is a structurally resilient growth industry with a proven track-record. For further information on our equity story, please refer to section Investors on page 66 of the 2020 Annual Report.

GLOBAL PRESENCE



Business diversification maximizes opportunities and mitigates risks

Diversification has always been a fundamental element of our strategy for a number of reasons, which contribute considerably to minimizing risks and providing consistent growth opportunities. In our understanding, diversification includes aspects such as geographies, market sectors, channels as well as, ever increasingly, also digitalization.

Geographic diversification is the best way to benefit from the ever-growing number of travelers worldwide, as we can leverage the captive audiences in our locations. Our global presence also allows us to evaluate thoroughly the opportunities of new projects in any location by capitalizing on the expertise of our local teams. Their clear understanding of the local market characteristics forms the foundation for a close collaboration with landlords and other local business partners, to effectively develop new businesses.

Our wide geographic footprint in 64 countries and the fine-meshed network of locations and shops is also a unique marketing asset we can offer our brand partners. It allows them to engage directly with a growing number of customers through a window display in and access to any given mature or emerging market. Today, Dufry is not only the global market leader in travel retail, but also by far the most diversified player in the industry.

Furthermore, geographic diversification considerably mitigates risks generated by external impacts in single markets or regions. This has been widely proven in 2020, when our global footprint mitigated the impacts of geographically differing restrictions and containment measures associated with the pandemic. Furthermore, Dufry has limited exposure to single contracts as best illustrated by the share of individual concessions in the Group. With the largest concession accounting for around 6% of our business, and with the ten biggest representing less than 25% of 2020 sales.

Diversification by channel and sector widens the scope of the company providing access to additional customer groups and behaviors. In this context, the cruise and ferry businesses, train stations, and also border shops and downtown locations such as hotels, casinos and leisure resorts are gaining in importance.

On the duty-free side, the airport channel is expected to continue to be the largest and fastest growing part of our business. We continue to see additional potential in further developing the cruise ship and ferry business, duty-free border shops – currently mostly in South America – and downtown duty-free shopping in selected markets, mainly in Asia, where this type of operation is particularly popular, due to specific local regulations.

Diversification: by geography, by channel, by sector – and digitally.

Cruise lines offer an attractive channel to engage with customers during a longer time period, and ferries have been quite resilient even throughout the current crisis. Despite the momentary challenges the cruise business is experiencing, we are convinced that this type of vacation will continue to be “en vogue” in the long-term.

The duty-paid sector also has considerable development potential in airports, since the expected growth of domestic passengers – including intra-EU travel – is similar to that for international travelers. In the 2020 recovery phase of the pandemic, this sector has temporarily gained over-proportional importance as domestic travel and flying – due to less travel restrictions – has picked up faster than international travel. Furthermore, this sector is fragmented even more than duty-free, thus offering attractive new expansion opportunities.

The newest development within duty-paid is the new concept store ANECDOTE opened at The Circle at Zurich Airport in November 2020, which offers travelers and residents of the Greater Zurich area a vast variety of global brands and local premium labels at fantastic prices. The assortment covers all core categories such as perfume and cosmetics, food and confectionery, wines and spirits, sunglasses as well as fashion, accessories and convenience. We also continue fostering the expansion of our successful duty-paid retail concepts, Hudson and Dufry Shopping which are already implemented in several markets and have potential for further deployment. Hudson is a well-estab-

lished convenience store concept that has been very successful in North America over the past 30 years and which, since 2009, we have deployed in 17 countries world-wide such as Italy, Switzerland, Brazil, UK and China among others. Dufry Shopping is a duty-paid concept that offers a high-quality assortment of international brands in an exclusive setting, similar to a duty-free travel retail store, but targeting domestic passengers.

We originally piloted Dufry Shopping in Brazil in 2014, expanding to 7 locations across the country and the immediate success has led us to a strategic decision to roll out this concept into other countries. The first Dufry Shopping store outside Brazil opened in 2017 at Las Vegas McCarran International Airport. This was followed by the Malta Dufry Shopping in 2018 and by the contract signed in 2019 with Newark Liberty International Airport for a new Dufry Shopping, and the newest shop in Salt Lake City, which both opened in 2020. Also in 2020, we further opened Dufry Shopping stores at the Fortaleza airport in Brazil and at Odessa airport in Russia. Based on the positive results with 13 Dufry Shopping locations in 4 countries so far, we are convinced that this concept can be successfully rolled out to other markets globally.

Accelerating digitalization

Digitalization is the newest form of diversification and it will change the way business is done in travel retail. Its characteristics, which allow to considerably increase customer engagement cross-channel, cross-geographies and cross-sector, and to serve customers from when they plan their trip to the moment when they return home, are a great asset. Implementing digitalization not only means at the shop front, but also with respect to the whole back-office and support area of the company, where digitalization opens new opportunities to simplify processes and increase efficiency. The recently announced joint-venture with Alibaba will further accelerate our digital initiatives and shows how these types of partnerships will shape the future of travel retail.

Growing opportunities of digitalization.

At Dufry, we are excited about the possibilities and opportunities these new technologies offer. In the past three years, we have successfully built and deployed

our digital platforms, which allow us to engage more frequently with customers and to provide them with additional services, with the ultimate goal of driving sales. For Dufry, digitalization is and remains a key element of our strategy, which supports and evolves a strong business model to the next level and continuously improves our offer to the travelers we welcome in our shops.

Normally customers come to our stores while they are waiting to board their plane or train, or while they enjoy their stay on a ferry, cruise liner, in a casino or hotel. They enjoy strolling through the attractive retail spaces and take away memorable shopping experiences. Sales are often generated by impulse decisions and/or immediate needs, which protect travel retail from the direct competition of online platforms. To attract more customers to our stores we want to provide a superior customer experience and in addition, create further value through a more efficient business. Thus, the use of digital and online technology is changing our business in three major areas: how we engage with our customers, how we sell products, and how we organize our processes internally and in the value chain.

Specifically, this means that we will be further increasing personalized digital communication with customers at home, during their whole journey, and in particular when they are at the airports close to our shops. We are also digitalizing the shops to increase conversion rates and to simplify in-store processes, focusing on areas such as product consultations, payments, locations-specific promotions etc. Finally, we will further improve customer service and individualize product offers for specific customer profiles, based on advanced research and data analytics facilitated by digital tools.

Financial discipline focusing on returns

At Dufry, we have a disciplined financial approach to all our projects, be they organic or acquisitions. We carefully analyze every project or significant investment with detailed projections and with a focus on minimum return requirements. This includes a careful assessment of the initial investment needed to build and set up the stores as well as the cost structure, profitability and cash flow generation of the business once it is operational and over time. This culture of giving importance to returns and cost control has allowed us to grow our business profitably and capture opportunities in many different markets.

As part of our financial risk management, we minimize business risks by implementing a highly variable cost structure. These defensive characteristics help to protect the business in case of downturns, which are usually local and temporary, thus providing a solid and resilient profile. The outbreak and spread of the COVID-19 pandemic in 2020 and the company's ability to react fast with the adaptation of the company and cost structure to the new market challenges, is an impactful example of the highly variable degree of our cost structure.

Resilient cash flow generation.

Dufry's typically strong cash generation capacity is a combination of the company's usually solid profitability and the low capital intensity of our business. Pre-pandemic and based on the 2019 business performance, Dufry would expect to further improve its cash generation capacity in line with top-line growth. Post full recovery and going forward, we are confident that cash generation capacity will continue to be one of the key drivers of our strategy implementation, and will even accelerate based on the structural measures taken.

Organic growth complemented by acquisitions

Dufry's fundamental growth strategy continues to be characterized by a combination of organic growth as well as M&A opportunities with increased visibility on the pace of recovery. Although, the current COVID-19 pandemic might slightly delay some expansion projects from a landlords' perspective in the short-term, travel retail remains a resilient industry on a mid- to long-term horizon, and we expect to see further growth and partnership opportunities going forward.

With respect to organic growth, the travel retail industry has the unique advantage of benefitting from a secular increase of travelers around the world and offering the great opportunity to directly engage with them. This characteristic clearly differentiates travel retail from any other retail channel. Consequently, organic growth will continue to be an important driver of Dufry's development going forward. We will focus on driving sales through implementing best-in-class shop concepts in duty-free and duty-paid, by further deploying our digital strategy and by evolving the

proven marketing and promotional activities we have used and fine-tuned over the years. Besides benefiting from additional passengers in line with regional developments, we expect to further increase our retail space, be it through expansion in existing locations or by winning new contracts in airports and alternative channels. A specific focus will be on growth acceleration in Asia, with first projects being implemented in Hainan in 2021 already, based on the JV with Alibaba Group and the collaboration agreements with Hainan Development Holdings. Specific to the US market, the scope of alternative channels also includes F&B shops, as this segment is of great importance for North America and represents a synergy potential for our existing travel retail footprint. At Dufry, we traditionally maintain a sizeable project pipeline, allowing us to grow our retail space in different channels, regions and sectors.

Offering the best retail experience for international and domestic travelers in multiple channels, Dufry currently generates about 56% of its revenues in duty-free and 44% in duty-paid operations, with both sectors continuing to offer further, substantial growth opportunities.

Long-term passenger growth remains a key driver in travel retail.

Despite the consolidation seen in travel retail over the last years, the industry remains relatively fragmented, with the top 10 players controlling just over half of the market and the remaining market consisting of small and medium-sized operators. We expect to be able to capitalize on M&A, with a focus on Asia and on F&B or by complementing our presence in other existing markets. Furthermore, the joint-venture with Alibaba Group to partner in the Chinese travel retail market is promising to drive our growth in Asia and with Chinese customers worldwide, while also accelerating our digitalization through the extensive know-how in this area, which Alibaba can contribute.

The full reintegration of our Hudson subsidiary, previously listed at the NYSE and completed in the fourth quarter 2020, will not change the overall group strategy from an operational perspective. With respect to

North America we will continue to expand our footprint with duty-free and duty-paid operations complemented by airport F&B. You can find out more about the North American region on page 52.

Long-term industry fundamentals remain strong despite short-term challenges

While in 2020 tourism and travel were heavily impacted by the spread of the pandemic, we have also seen encouraging behaviors from passengers around the world, who have resumed travelling as soon as restrictions were lifted. This is an important indication that the fundamental resilience of travel retail is unchallenged and that the industry will confirm its attractiveness as a growing retail channel featuring its own growth dynamics, which are not comparable with high street retail.

While visibility on the travel pattern recovery remains low, pre-pandemic, external industry specialists such as Air4Cast estimated global passenger numbers to grow by around 4% per annum, which translates to a potential of over 300 million new customers for the industry every year. This underlying growth potential is further increased by the development of innovative commercial concepts with landlords and brands, as well as Dufry's acceleration of its digitalization to drive change in the way travel retail evolves. We believe that being the global market leader also means being at the forefront of this development.

ESG STRATEGY

ONGOING EVOLUTION OF DUFRY'S SUSTAINABILITY ENGAGEMENT

Every day our employees serve close to 800,000 customers in our over 2,300 shops in 64 countries around the world. We closely cooperate with our landlords in more than 430 locations; regularly engage with our brand supplier community on customer expectations, and maintain an open dialogue with our shareholders and other interest groups. This continuous interaction with our main stakeholder groups informs our sustainability journey. We recognize that the impact of our operations goes beyond generating financial returns and we are fully committed to contributing to the travel retail industry, society and the environment, through the advancement of our sustainability goals.

Dufry's ESG strategy defines the scope of our sustainability commitment. It focusses on four key areas, in which we can actively contribute to fostering high standards of environmental stewardship and social equity, while still delivering financial returns to our investors.

Customer Focus, Employee Experience, Protecting Environment and Trusted Partner frame our initiatives and build on the intelligence gained through stakeholder engagement and the material topics identified in our materiality matrix.

We first reported our sustainability goals and achievements in accordance with the Global Reporting Initiative guidelines in 2017 as part of our annual report. The formalization and implementation of our ESG strategy builds on our sustainability initiatives to date and its implementation will be steered by the Dufry ESG Committee and supervised by our Lead Independent Director at the Board of Director level, thus fully integrating sustainability in the overall company strategy to deliver sustainable and profitable growth.

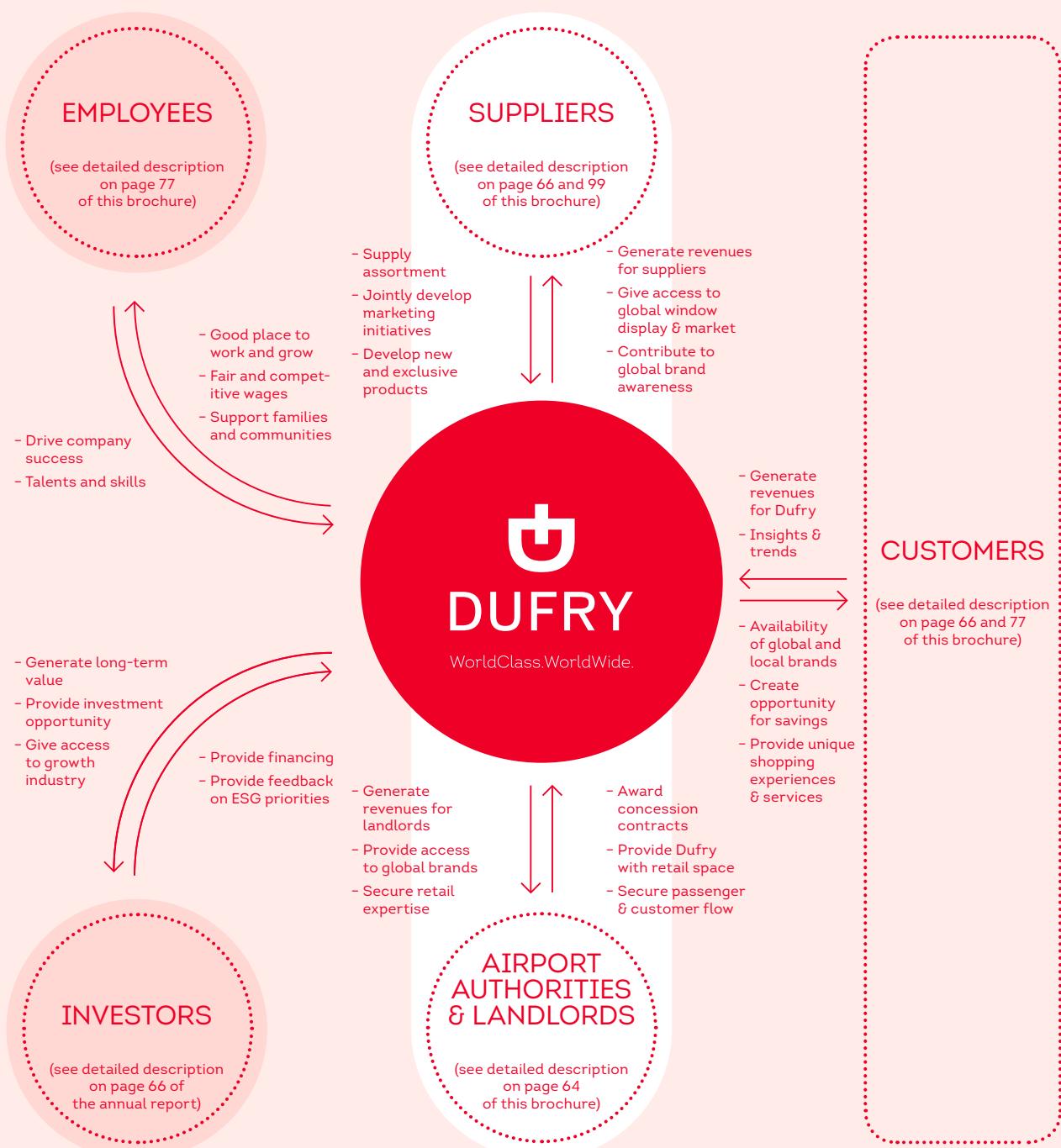
Julián Díaz González
Chief Executive Officer

DUFRY ESG STATEMENT

“Sustainability is an inherent element of Dufry’s business strategy aiming for sustainable and profitable growth of the company. Our ESG engagement is focused on four key areas, where we want to have a positive impact within the scope of our stakeholder eco-system and beyond: customer experience; employee wellbeing and advancement; protecting the environment through the responsible use of our planet’s resources and being a trusted partner for all our stakeholders.”

ALIGNING OUR BUSINESS ECO-SYSTEM ... →

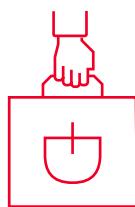
Our ESG focus areas build on and reflect the sustainability expectations of the main stakeholder groups in our business eco-system. The clear classification simplifies the identification of material topics and the development of the related ESG initiatives to achieve the defined goals.



→ ... WITH OUR ESG FOCUS AREAS

CUSTOMER FOCUS

- Product Safety
- Sustainable Products
- Responsible Marketing
- Digital Tools
- Customer Service & Guarantee Service
- Customer Safety
- Customer Privacy & Data Protection



EMPLOYEE EXPERIENCE

- Attractive working Environment, Conditions & Incentives
- Training & Development
- Career Progression and Recruitment
- Non-discrimination, Diversity, Inclusion
- Health & Safety
- Internal Communication



DUFRY'S FOCUS AREAS AND RELATED TOPICS



- Respectful use of Natural Resources
- CO₂ Footprint and Energy Consumption
- Waste Management
- Sustainable Logistics & Supply Chain

PROTECTING ENVIRONMENT

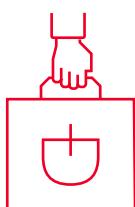
- Corporate & Sustainability Governance
- Dufry Code of Conduct & other policies
- Supplier Code of Conduct
- Stakeholder Dialogue
- Partnerships with Landlords and Suppliers
- Sustainable Growth for Investors
- Community Engagement

TRUSTED PARTNER

GLOBAL APPROACH AND BOUNDARIES OF FOCUS AREAS

Dufry is a global travel retail operator with over 2,300 shops across 64 countries. As a pure retailer, the company focusses on selling products from global and regional renowned brands and neither produces its own products nor does it use private labels. Some brand partners supply Dufry with exclusive products or travel retail exclusive products and formats, which are produced by the respective brands and are selectively distributed through these channels.

CUSTOMER FOCUS

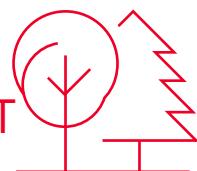


Customers are one of Dufry's most valuable assets. Under this area of focus, Dufry monitors all interactions of the customer journey, from the sourcing of products from our brand partners until these are handed over to the customer at the shops or at home in case of home-delivery for some duty-paid products and the post-sale services. The scope includes in particular:

- Ensuring that products on Dufry shelves adhere to the product safety principles stipulated in the Dufry Supplier Code of Conduct, which is regularly updated and re-certified with suppliers.
- Responsible marketing communications, both in-store and through our pre- and post-sale points of contact with customers, as well as product warranties and refund policies.
- Data protection and security of customer and company information.

Customer feedback, concerns and suggestions are regularly gathered through own field research and interviews conducted across the 50 major airports where Dufry operates as well as through the Customer Service department, which offers direct email or phone access to the company.

PROTECTING ENVIRONMENT



Dufry operates shops in highly regulated, third party-owned premises, such as airports, train stations, cruise ships, seaports and downtown resorts, and does not operate production sites. Hence, within our sphere of influence, Dufry focuses on the following opportunities to positively influence the environmental impact of its business:

- Closely aligning with the landlords' ESG strategies and reducing as much as possible its own impact. To this purpose, Dufry is member of several landlords' ESG committees and of the ACI Europe Climate Task Force.
- Monitoring the CO₂ footprint of stores, main offices, warehouses and transportation of goods. Here Dufry is tracking emissions starting from product delivery to the distribution centers or local operations until these are handed over to customers. Shipment of goods from the supplier's site to Dufry's premises lies within the ESG scope of suppliers.
- Collaborating with global and regional service providers for logistics, selected, among other criteria, based on their waste management, recycling and circular economy capabilities.
- Operating a central Shop Design department, which defines sustainable shop design strategies including the selection of materials with respective guidelines and regulations. Dufry collaborates with a limited number of regional material shop equipment and furniture suppliers, who have to comply with the relevant specifications.
- Responsible use of natural resources and optimizing waste management, including among others the reduction of plastic use.
- Engaging with brand partners for good ESG stewardship.

GLOBAL APPROACH AND BOUNDARIES OF FOCUS AREAS

This business model approach is a point of consideration and reflects in Dufry's boundary setting for some of the Focus Areas as described below. These Focus Areas are the foundation stones of our sustainability strategy and reflect the structure around which Dufry pursues its long-term goal of being a sustainable and leading travel retailer.

EMPLOYEE EXPERIENCE



Dufry employees are ambassadors of the company and first point of interaction with our stakeholders. Operating in 64 countries, cultural and gender diversity is an inherent element of Dufry, who strongly believes in the value of having local people in local operations – Dufry counts more than 130 nationalities among its workforce. Under this premise, Dufry focuses on:

- Continuously evolving all employee interaction: recruiting, training & career development as well as retention & retirement schemes.
- Developing and rewarding staff through global programs including induction, product & service as well as development and inclusion trainings.
- Fostering a culture of equal opportunity, offering attractive employment conditions, where everyone receives equal treatment regardless of gender, color, ethnic or national origins, disability, age, marital status as well as sexual orientation, religion or any other non-merit factor.
- Preparing the next generation of Dufry leaders. Maintaining a global talent pipeline and management system complemented by hiring external talent thus securing Dufry's ability to evolve staff's skills in line with the market and business model requirements.
- Guaranteeing full compliance with local and regional labor regulations and the ILO conventions.
- Complying with all applicable health and safety regulations. This is a fundamental element considering that most of our staff render their services in highly regulated premises governed by landlords' and country legislation.
- Actively communicating and promote dialogue with employees and their representatives, including legally recognized unions and internal forums representing employees' interests.

TRUSTED PARTNER



The long-term sustainability of our business relies on our capacity to build trustful relations with all our stakeholders. Therefore, Dufry has identified specific priorities to focus on. In particular:

- Permanently evolve its robust Corporate Governance, including the adaptation of Dufry's Code of Conduct & other policies, to reflect the needs of the business model, the company strategy and the expectations of stakeholders.
- Continuously assess and monitor Dufry's business environment and related risks thus permitting to secure sustainable long-term growth and to establish respective audits and controls where needed.
- Align the composition and the skills of its Board of Directors to reflect the company's global presence, its business model as well as the consideration of cultural, gender and ethnic diversification aspects.
- Supervise our ESG/Sustainability strategy at the highest governance body as part of the overall company strategy evolution based on an ongoing stakeholder dialogue.
- Support wealth creation of the local communities.
- Continue to foster the well-established dialogue with key stakeholders such as landlords and suppliers.
- Comply with rules and regulations, including internationally accepted human rights standards and zero tolerance policy in respect of bribery and corruption by any of its employees, directors and officers in this regard. The company's Compliance Office and Internal Audit departments perform regular compliance trainings and control adherence to the respective policies.

ESG ENGAGEMENT FULLY INTEGRATED IN COMPANY STRATEGY

In order to achieve the overall goal of generating a sustainable & profitable growth with positive contributions for all stakeholders, the full integration of the ESG strategy is a key element. Building on the underlying business model, the four ESG Focus Areas contribute to the implementation of business initiatives and procedures.

IMPACT

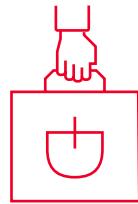
SUSTAINABLE & PROFITABLE GROWTH
GENERATING POSITIVE CONTRIBUTION
FOR STAKEHOLDERS

IMPLEMENTATION

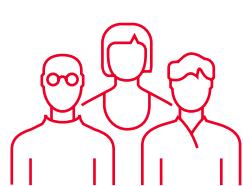
BUSINESS INITIATIVES &
PROCEDURES

ESG FOCUS AREAS GOVERNED BY DEDICATED,
INTERDISCIPLINARY ESG COMMITTEE

CUSTOMER
FOCUS



EMPLOYEE
EXPERIENCE



PROTECTING
ENVIRONMENT



TRUSTED
PARTNER



FOUNDATION

UNDERLYING BUSINESS MODEL
AND COMPANY STRATEGY

IMPLEMENTATION OF SUSTAINABILITY STRATEGY SUPERVISED BY HIGHEST GOVERNANCE BODY

The implementation of Dufry's ESG strategy is supervised by the Lead Independent Director and driven by the interdisciplinary ESG Committee, which includes all the key operational functions.

1. At the level of the Board of Directors the implementation of the ESG strategy is supervised by the Lead Independent Director. The Board of Directors is regularly informed on the ESG strategy implementation.

2. The interdisciplinary ESG Committee defines and drives the implementation of the ESG strategy. It meets every two months and is attended by: CEO, CFO, Chief Corporate Officer, Chief Commercial Officer, CEO Operations, Chief Compliance Officer, General Counsel, Global Internal Audit Director, Chief Organization & Transformation Officer, Global Head of Corporate Communications & Public Affairs.

3. Day-to-day implementation of Dufry's ESG strategy is executed by the ESG Department as part of the Corporate Communications & Public Affairs department.



DUFRY'S ESG REPORTING STANDARDS

Regular ESG Reporting



Dufry reports on the ongoing evolution and achievements of its ESG engagement on an annual basis, with a dedicated ESG Report presented in accordance with the Global Reporting Initiative (GRI) and forming an integral part of the Group Annual Report. The ESG Report also includes the Progress Report of the UN Global Compact.

The annual ESG Report provides detailed insights on the implementation of the strategy and includes Dufry's Materiality Matrix reviewed on an annual basis to assess any potential changes in the scope of the company's material topics. Moreover, the report includes the specific goals and their achievement level.

While following the GRI Reporting Initiative (GRI) guidelines as a basic approach, the reported indicators are also mapped and aligned with the covered UN Sustainable Development Goals for better comparison.

SUSTAINABILITY REPORT 2020



Click on the icon to view Dufry's Sustainability Report 2020

Signatory Member of the UN Global Compact



Dufry is a signatory member of the United Nations Global Compact, the world's largest corporate citizenship and sustainability initiative, and supports the Global Compact's 10 principles in the areas of human rights, labor, environment and anticorruption, reinforcing the company's commitment to responsible business practices on a global basis. The respective UN Global Compact Progress Report is also part of and included in Dufry's ESG Report.

As part of this commitment Dufry engages in collaborative projects, which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals, for which Dufry has been actively supporting the UN SDG #YouNeedToKnow Awareness Campaign since 2016.

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2020



Click on the icon to view Dufry's UN Global Compact Progress Report 2020

Sustainable Development Goals

In the spirit of the SDG Target 12.6, that encourages companies to adopt sustainable practices and integrate sustainability information into their reporting as a way to understand, communicate, and better manage their contributions to the SDGs, Dufry maps and links the SDG targets with the existing GRI indicators. This additional step facilitates the understanding of Dufry's efforts towards sustainability while clearly showing the progress in the company's commitment to support this global UN initiative.

SUSTAINABLE DEVELOPMENT GOALS



Dufry store at Arlanda-Stockholm airport,
fully refurbished following sustainability-
friendly design and construction.



STOCKHOLM DUTY FREE

Discover many great offers plus
new and exclusive products
instore today

Allergy Tested CLINIQUE 100% Fragrance Free

ELLAUDER



ENSAI



CHECK-IN
TO BEAUTIFUL SKIN



3

WHY DUFRY?



GENERAL TRAVEL RETAIL SHOPS

The general travel retail shop is the most commonly used concept at Dufry, covering the full range of categories, such as perfumes & cosmetics, food & confectionery, wines & spirits, watches & jewelry, fashion & leather, tobacco goods, souvenirs and electronics and others.

General travel retail shops carry a large product assortment and are typically located in central areas with high passenger flow, mostly in airports, but can also be in seaports and other locations. In airports, both departure and arrival areas can be fitted with this shop concept. In the duty-free segment, these shops can be identified by carrying the name of several retail brands in our portfolio, including Dufry, Nuance, World Duty Free, and Hellenic Duty Free among others, or a name combination linking to the specific location, such as Zurich Duty-Free or Stockholm Duty-Free. As of December 31, 2020, Dufry operated over 945 general travel retail shops.

In 2017, Dufry introduced the new generation store concept, increasing customer communication through digital technology, with the first three stores opened in Madrid (Spain), Melbourne (Australia), and Cancun (Mexico), followed by four in Zurich (Switzerland), a second one in Cancun and one in Heathrow T3 (UK) in 2018. In 2019, Dufry added 4 new generation stores: in Buenos Aires (Argentina), Amman (Jordan), Malaga and Alicante (Spain). In 2020, the number of highly digitalized shops which included specific elements of the new generation store, was increased to 50.



el club RED by Dufry y
as exclusivas en tus viajes.
[y.info/registrate](http://www.dufry.com/club/red/info/registrate)

Bebidas Liquors



DUFRY SHOPPING

Dufry shopping offers domestic passengers a similar shopping experience to the one offered to international travelers in a classic general travel retail duty-free shop, but in a duty-paid environment instead, with a wide assortment of different product categories and including a similar brand variety. In this context, Dufry Shopping fulfills more of a convenience aspect as there are a number of countries where domestic travelers account for the majority of passengers, specifically in large countries such as China, the United States and Brazil, where this concept can offer additional potential.

The concept was first introduced in Brazil in 2014 and was quickly expanded to 7 other locations in the country. The concept is also present in the United States with a Dufry Shopping store at Las Vegas McCarran International Airport and at Malta International Airport. The newest Dufry Shopping stores were opened in 2020 at Newark Liberty International and the Salt Lake City airports in the U.S. as well as at the Fortaleza and Odessa airports in Brazil and Russia respectively.



DUFRY SHOPPING



BRAND BOUTIQUES

Dufry is a partner of choice for global brands to showcase their products in dedicated retail spaces and to mirror their high street image. To best meet each location's traveler profile, we design these shops as standalone boutiques or integrate them as a shop-in-shop in our general travel retail stores. Brand boutiques exist in both duty-free and duty-paid areas and enhance the traveler's experience, allowing the creation of an exciting shopping mall environment.

As of December 31, 2020, Dufry operated close to 216 brand boutiques, such as: Armani, Burberry, Bally, Bottega Veneta, Bvlgari, Cartier, Clarins, Chloe, Coach, Ermenegildo Zegna, Etro, Gucci, Hermès, Hugo Boss, Jimmy Choo, Jo Malone London, Lacoste, LaPrairie, Lindt, Loewe, Longchamp, MAC, Mango, MaxMara, MCM, Michael Kors, Montblanc, Omega, Polo Ralph Lauren, Salvatore Ferragamo, Swatch, Swarovski, Tod's, Tory Burch, Tumi, Versace, Victorinox, Victoria's Secret and others. See also a selection of brands on page 67.



ANI



CONVENIENCE STORES

Our convenience stores offer a wide product assortment that passengers may want or need when traveling. The range includes soft drinks, confectionery, packaged food, travel accessories, electronics, personal items, souvenirs, newspapers, magazines and books. Within this concept, we use different brands according to the passenger profile and the location. North America is home to most of our convenience stores, with more than 583 shops. In addition, we operate 94 convenience stores outside North America.

"Hudson" is our most important brand in the convenience segment with strong customer recognition and it is highly valued by passengers. As "The Traveler's Best Friend", our goal with Hudson is to provide passengers with anything they may need during their journey.

Hudson is a successful, very flexible concept operated at airports within international and domestic areas, as well as in other channels such as railway stations and other transit locations. Hudson shops are carefully designed and facilitate orientation through whimsical, color-coded signage to attract customers' attention to four distinct selling areas: Media, Marketplace, Essentials and Destination.



EXIT

Hudson

BUY 2 &
SAVE
2 FOR \$10

SPECIALIZED SHOPS

Specialized shops and theme stores are shop concepts that offer products from a variety of different brands, belonging to one specific product category or which convey a sense of place. We often use this concept for products such as watches & jewelry, sunglasses, electronics, spirits, food and destination products, in locations where we see potential for a shop to carry a broad product range relating to one specific theme. These shops can be located in airports, seaports and on-board cruise liners, as well as in hotels or downtown locations.

Examples of the shop concept names include "Colombian Emeralds International", a dedicated watches & jewelry format used in the Caribbean market; "Kids Works" with its wide selection of toys, dolls, games, books and apparel for children and "Tech on the Go", focusing on the needs of the tech-oriented traveler offering electronics and accessories. Further examples are "Sun Catcher" for sunglasses; "World of Whiskies" and "Tequileria" for a selection of finest single malt or blend whiskies and tequilas; "Master of Time" for luxury watches and jewelries; "Temptation" and "Timebox" for fashion watches and accessories; "Sound & Vision" for multi-brand electronics; "Travel Star" for luggage and travel essential products and finally "Atelier", a women's leather accessories store.

As of December 31, 2020, Dufry operated close to 520 shops under the Specialized Shops/Theme Stores concept.



TIMEBOX

NGLASSES
TIQUE

← Είσοδος
Gates A 1-23
← Χώρα Αεροπορικών Εμβολίων
Business Lounges

ERGON
.E. ELI + CUISINE



SAVE

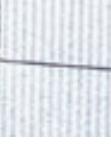


TISSOT

BESTELLA BARTLETT



SEKONDA



RETAIL EXPERTISE



CUSTOMER-FOCUSED ACROSS THE OPERATIONS

Throughout the world, Dufry tailors its retail environments and sales channels to meet customer needs, reflecting passenger profiles and volumes while incorporating a true flavour of local culture and history. With a base of more than 2.5 billion potential international and domestic customers worldwide, we aim to capture each customer's full potential by working with airport authorities and other partners to develop customised retail concepts and exciting commercial areas. In this context our latest concept is the New Generation Store, which considerably improves customer engagement through an extensive use of digital technology. It allows to change languages and marketing content several times during the day, in order to best match the passenger profile present in the shops at any time of the day.

Dufry's duty-free and duty-paid operations are extremely diverse, with over 2,400 stores located across airports, cruise lines and ferries, railway stations, downtown, airlines (in-flight) and on-line.

Departure shops

Ranging from 10 m² to 3,000 m², our departure shops can be located in the airside or landside and offer duty-free and duty-paid goods targeting a passenger base of international and local shoppers. In each location, the product assortment, shop floor plan, promotions, pricing policies and operations are differentiated depending on the respective customer profiles and spending patterns. In response to our customers' habits in departure shops, we have implemented "walk-through" stores – a specific design where the entire passenger flow goes directly through the shop – which emphasize sales and spend per passenger.

Over
2,300
stores



Arrival stores

Arrival stores offer consumers a convenient way of shopping upon arrival at their destination without the need to carry items throughout their whole journey. These stores are highly valued by local travellers returning home enabling them to shop before leaving the airport and to avoid carrying extra weight during their flight. Located both airside and landside, the stores can offer duty-paid or duty-free goods and, as with our departure stores, product assortment and layout are determined by customer profiles and spending habits.



A VARIETY OF SPECIALIZED SHOP FORMATS

In order to capture the traveler's full attention and to transmit an impression of competence, specialized shops can come in many different formats and under a variety of individual names. While in some cases they reflect the category name of the products sold, on other occasions fantasy names are used to position the individual formats. Some of our most common formats are presented on the coming pages and are typically used in several locations across the globe.

Perfume & Cosmetics

Perfume & Cosmetics is one of the largest and most important categories in travel retail. The key emphasis of this category is placed on luxury, exceptional service, convenience and premium quality. Furthermore, value for money remains an essential component of our offer in line with customer expectations and the heritage of duty-free retailing.

We offer a wide range of fragrances from leading brands including luxury and super premium fragrances, contemporary classics, lifestyle & sport fragrances, famous faces, funky fragrances and a selection for children. The category is represented by the most powerful brands, such as Chanel, Christian Dior, Estée Lauder, Guerlain, Givenchy, Lancôme, Clarins, Jo Malone, YSL, Paco Rabanne and many more.

Fragrance Boutique and Beauty Collection

Fragrance Boutique is a store concept containing multiple perfume brands, while Beauty Collection focusses on premium skincare, cosmetic and fragrance brands.

Health & Wellness

Health & Wellness is dedicated to health and wellbeing. It offers a wide range of beauty products, bee products, ginseng, nutrition, personal wellness vitamins and products especially for mother to be and children.

Local Fine Food

More and more consumers are looking for high quality local food products, either for gifting or personal consumption. Our Local Fine Food concept is divided into sweet and savory sections, offering a wide choice of high quality products from local and regional producers.



Whiskey Boutique

Liquor is also one of the most important categories in travel retail, playing an important role in satisfying consumer needs and engaging them in the retail environment. In our Whiskey boutiques we offer customers the best selection of products and brands across the sub-categories - Malt Whisky, Deluxe, Whisky Blends and Irish Whiskey.





World of Wine

We apply a clear segmentation to our wine offer to help demystify the category and make wine shopping a pleasure for customers. Our World of Wine boutiques are easy to navigate, with wines first divided into red and white, and then by respective old world and new world countries. Each segment is presented by different regions or grapes and includes wines at a good range of prices. The stores offer some of the best-known brands from countries across the world including France, Italy, Spain, Australia, New Zealand, South America and South Africa.

Atelier

Atelier is our multi-brand women's leather accessories store focused on premium brands, with a strong presence in international markets. The store concept is inspired by an artisan's workshop, reflecting the intrinsic, timeless value of leather accessories for travelers. Atelier offers a range of upmarket brands including Furla, Lancel, Longchamp, Marc by Marc Jacobs, MCM, Michael Kors, Roeckl, See by Chloe and many more.

Boutique

Boutique stands for exclusiveness, glamour and sophistication. It is a small to medium specialist store, where customers can find a unique selection of minimum three or more mid to high-end fashion brands within the same retail area. The Boutique logo combined with a directory showing the available brands makes it an exceptional shop concept.

Attitude

Attitude is a multi-brand fashion shop concept adapting the idea of an industrial environment combined with urban street inspired art. The shop design is a mix of raw materials that are complimented with bold colors which create together an exciting visual experience for the young attitude shopper.

Sun Catcher and Sunglasses Boutique

Sun Catcher and Sunglasses Boutique are our store concepts for eyewear. Whereas Sun Catcher focus is on fashion, Sunglasses Boutique offers premium luxury. Both store brands deliver performance in one engaging and cohesive concept. They set out to elevate the entire eyewear category, and reflect our unique philosophy of putting the consumer shopping experience at the heart of our thinking.

Temptation & Timebox

Temptation & Timebox are one of the most experiential retail concept stores in the fashion watch and accessories category, offering an exciting combination of products, visual merchandising, store design and in-store entertainment. Temptation & Timebox offer a range of brands including DKNY, Fossil, Michael Kors, Pandora, Swarovski, Thomas Sabo and many more.

Master of Time

Master of Time is our latest and most luxurious multi-brand concept store for watches and jewelry, presenting the best international brands from the luxury and premium segments. The assortment covers timeless iconic styles, best sellers and the latest innovations from each brand. The brands are grouped according to product segment and brand adjacency, from luxury to premium watches and jewelry. Master of Time's portfolio of luxury and premium brands includes Breitling, Bulgari, Carrera y Carrera, Damiani, Dior, Gucci, Montblanc, Omega, Roberto Coin and many more.

Travel Star

Our luggage and travel aids, multi-brand concept store, Travel Star has been conceived with the traveler in mind. It is the number one destination for luggage and travel goods, combining innovation, design and performance. Travel Star goes beyond selling luggage: it ensures reliability and efficiency for travelers for years to come by providing high quality products from trusted brands that guarantee excellent after-sales care. Travel Star offers a range of brands including Eastpak, Longchamp, PackEasy, Rimowa, Samsonite, Tumi and Victorinox.

Sound & Vision and Tech on the Go

Sound & Vision Enriching Life is our multi-brand electronics store which can be found at Hong Kong International Airport. The store offers shoppers the widest possible variety of state-of-the-art technologies and emphasizes experiential shopping across different zones such as cameras & camcorders, mobile phones, notebooks, games and accessories. Committed to "enriching life", the store also offers interactive spaces including an "Apple Leisure Station" where customers can experience the brand's most popular products first hand.



Sound & Vision Enriching Life hosts a rich portfolio of high-end international electronics brands. In addition to Apple, Blackberry, Braun, Canon, Casio, Disney, and Fujifilm, choices include Hasselblad, HTC, JVC, Lamborghini, Leica, LG, Microsoft, Monster Headphones, Nikon, Nintendo, Olympus, Osim, Panasonic, Philips, RIO Beauty, Samsung, Sony, Toshiba and many more.

Tech on the Go focusses on the needs of the tech-oriented travelers offering them electronics and accessories.

PROVIDING A SENSE OF PLACE

Thinking...

An example for this shop type is "Thinking España". The "Thinking" logo adds the country and it is a shop concept which conveys a strong sense of place and intends to let customers reviving memories through a shopping experience with a typically local product offer at the airport by reminding that it is the last chance to get souvenirs and food from local brands and producers before leaving the country.

The Spirit of...

Examples for this shop type are "Spirit of Kazakhstan" or "Spirit of Arabia". The "Spirit of" logo adds the country and is a shop concept which is a native duty-free concept store. The main idea is to offer our customers the sense of belonging, through a simple souvenir- and food store that inherits the local essence.



CHANNELS



To achieve full potential in each market, Dufry operates different channels and develops specialized concepts which are tailored to engage consumers in any travel environment.

Airports

The most important channel for Dufry is by far the airport business, which has always been the traditional channel for travel retail. Airports offer a whole array of possible concepts and formats which Dufry covers with its dedicated shop designs. Be it landside or air-side, be it duty-free or duty-paid, general retail shops or sophisticated brand boutiques, Dufry offers airport authorities comprehensive support options and to successfully develop retail spaces and on how to maximize sales and revenues.

Border shops

Dufry operates border shops targeting customers, who live within a certain distance of a country border or travel across countries. The border shops typically offer price advantages generated either by market price, tax or currency fluctuation differences for a variety of product categories. In 2019, Dufry opened its first border duty-free shop in Brazil, in the city of Uruquaiana, offering a core category duty-free assortment covering 850 m² of retail space. This new channel is an opportunity to further expand the duty-free

business in Brazil. We currently operate a number of shops in several Greek border cities and we are actively working on further developing this channel in Latin American and Asian countries.

Cruise liners and ferries

In addition to 23 ferries in Greece and the 13 ferries from P&O, which serve several routes across the Channel, the North Sea and the Irish Sea, Dufry operates on board 37 cruise liners world-wide, where we have a "captive audience" of consumers for 7 – 14 days. Therefore, the aim for this particular channel is to create shops that enhance the shopping experience and encourage passenger relationships that continue for the duration of the whole journey. In 2019, Dufry added 19 cruises and ferry ships to the existing portfolio with a total commercial space of more than 5,200 m².

Across the cruise liners – which cover routes from the USA to the Caribbean, Alaska and Europe – Dufry operates a total commercial space of almost 14,000 m², ranging from 80 m² to close to 2,000 m² per vessel. These stores offer duty-free sales on cruise ship-branded souvenirs, spirits, tobacco, perfumes & cosmetics, food, jewelry & watches, from leading brands across the world. In 2019, Dufry signed a new agreement with Holland America Line to operate duty-free shops on board of 6 new ships for 5 years, adding more

than 1,500 m² of retail space, consolidating the partnership with one of the leading cruise operators.

Railway and underground stations

Dufry operates convenience stores and newsstands in several intercity railway stations, including Milan, Hong Kong, New York and Washington DC, offering newspapers, magazines, books, confectionery and a large range of tobacco products. Since 2018, Dufry also operate shops in the Eurostar departures terminal at Kings Cross St. Pancras International railway station and the new state-of-the-art West Kowloon MTR station serving the high-speed rail, which connects Hong Kong with mainland China.

Downtown, hotels and resorts

Our business has expanded to retail outlets downtown and in hotels, casinos and resorts, allowing us to engage the traveling consumer beyond the airport environment. Dufry operates a shopping mall store of around 1,150 m² in the Malaysia Genting Highlands Casino, an integrated resort located in the Titiwangsa Mountains, northeast of Kuala Lumpur. We also operate retail outlets at all Center Parcs resorts in the UK and Ireland. In downtown, hotels and resorts we currently operate almost 100 shops, 27 of which are in hotels located in popular tourist destinations. We see

downtown, hotels and resorts as a worthwhile alternative channel and are looking forward to expanding our presence in these areas. The newest downtown duty-free operation with Dufry participation is the Global Duty Free Plaza at the Mova Mall of Hainan's capital Haikou in China.

In-flight services

Dufry offers in-flight sales on board Air Arabia. Developed in collaboration with the airlines and taking into account the destination, the inflight catalogue enables passengers to buy duty-free items during the flight, including perfumes and cosmetics, spirits, gifts, watches and other items from the most renowned international brands. We offer a wide selection of product assortments and, in cooperation with the airline are responsible, for confirming all of the commercial terms as well as negotiating listing fees and marketing contributions.

Diplomatic shops

These shops specialize in providing embassies and diplomatic missions with products at duty-free prices. They are currently operated in Ghana and Australia.



CUSTOMERS LOOKING FOR GREAT EXPERIENCES

In travel retail, customers continue to seek great shopping experiences, exclusive products and novelties. Obviously nobody rejects a "good deal and an attractive promotion" but besides the monetary incentives, the search for something special, unique and individual is the strongest reason for customers to buy in duty-free. Customers gave us valuable insights in the interviews we performed in the summer and late autumn months of 2020. This intelligence confirms that trends identified in recent years continue unchanged, despite the challenging market environment.

Providing a safe shopping and working environment

When the COVID-19 pandemic emerged in 2020, Dufry implemented throughout all locations its Health & Safety Protocol, to provide both customers and employees with a safe shopping and working environment. The protocol contains the basic health and safety measures defined by the company, but also allows to be enhanced and adapted to the location specific government or airport health and safety regulations.

Exclusive memories for family & friends.

Fostering experiences and offering unique products

By assessing customers' expectations, we keep fine-tuning our product assortments and service portfolio to suit the latest needs. We fulfill the current focus on experiences with an array of initiatives, such as airport activations, tastings, beauty treatments, an attractive assortment of novelties and exclusive products, as well as a comprehensive service portfolio. Our well-trained and motivated sales representatives help travelers navigate through a large variety of prestigious brands while providing them with valuable advice and information. For us, a satisfied customer is a customer who can also trust us when it comes to product and store safety and comprehensive after sales services.

Every year, we welcome customers of more than 150 nationalities to our shops every day. Addressing these customers in the right language and presenting them with the right products and promotions is key to driving sales. As part of our shopping experience, the New Generation Store is a cornerstone of our latest approach to retail. We currently have 13 New Generation Stores and the shopping environment within each of them changes its appearance depending on which nationalities are present at the airport at any given time of the day, based on flight schedules. Displays appear in different languages and show the brands that best fit the respective customer profile.

Providing the right information and helping customers understand the product characteristics in different languages is a considerable challenge as well. Therefore, in 2020 we have further accelerated our initiative to equip our shop staff with tablet computers to provide customers with extensive information in several languages, ranging from product specific data or allowances at their destination. Going forward, we also plan to offer payment services through the tablets and eliminate the need to go to the tills.

Comfortably pre-order at home

Convenience is always a key sales proposition, and thus also a priority for Dufry. We believe that engaging with our customers before they enter our shops and well before they reach the airport, provides them with a great opportunity to pre-order products online before they even start their trip, and collect them conveniently once at the airport. Dufry's "Reserve & Collect" service is already available in 175 locations in 44 countries around the world and new locations are being added constantly – the full list is available on our website under: www.shopdutyfree.com

Red By Dufry

"Red By Dufry" is Dufry's loyalty program which takes the concept one step further for travelers. Red By Dufry works primarily through a mobile application

430

Dufry operates
in over 430 locations
in 64 countries
worldwide.

(app) and via the traditional earning of points, the program offers exclusive advantages such as discounts at Dufry stores and specific airport benefits. Moreover, members of the program are identifiable through the app's beacon technology once they approach the airport and receive personalized notifications on promotions and offers tailored to their preferences. This allows Dufry to increase conversion of travelers into customers and to attract them to the shops. Red By Dufry is already live in 239 locations in 48 countries and is being continually expanded to further operations worldwide. A full list of the locations where Red By Dufry is implemented can be found here: www.redbydufry.com

Forum – Social media for brands and travelers

Forum is Dufry's social media platform that provides stories from bloggers and influencers, as well as background information from brands in an exclusive and aspirational environment. Moreover, Forum by Dufry connects with all our other digital initiatives such as Red By Dufry and Reserve & Collect, while initiating the engagement with our potential customers when they are planning their journey or even before that. Forum is designed to support the inclination to shop with us, to change customer perception and to position Dufry shops as the place to find the latest trends and novelties for the main product categories – visit Forum by Dufry at: <https://forum.shopdutyfree.com/en>

True global return guarantee

Dufry is the only global travel retailer in the industry to offer a true global return guarantee. No matter whether you purchase something in Melbourne, Bali, St. Petersburg, Barcelona, São Paulo, Las Vegas or elsewhere in any other of our shops in the world: if there is a problem with any product that you purchased at a Dufry store, we will replace, refund or exchange your product within 60 days of purchase. In 2020, Dufry's customer service representatives, who can be reached in several languages by phone, email or online chat, attended around 68,900 customers

from 107 countries. Dufry's customer service team and policies guarantee full customer satisfaction and are the best example of our commitment to an outstanding customer experience day-by-day.

Constantly enhancing customer service.

Customer Satisfaction & Product Safety

Customer satisfaction and safety is our first priority. As a priority, we ensure that all products comply with legislation and health and safety requirements. Dufry complies with legal requirements at every location in which we operate and takes a proactive approach, working with governments and regulators to clarify any concerns. Through active membership in the industry's trade associations, Dufry helped shaping robust Codes of Conduct (e.g. UK Code of Conduct on disruptive passengers, UK Code of Conduct on VAT, ETRC Code of Conduct on Sale of Alcohol, DFWC Code of Conduct on Sale of Alcohol). Moreover, Dufry has defined its own Supplier Code of Conduct and shared it with its supplier community. More details are available in the ESG Report on page 80.

Responsible Marketing & Customer Communications

In its advertising and marketing initiatives, Dufry shows the same responsible stance that it shows in all its other activities. We commit to comply with all regulations and rules in every advertisement and published communication in the countries where we operate. We also expect the same behavior from our suppliers when using the space that we make available in our stores for advertising and promotions. When it comes to product labeling, we ask our suppliers to comply with the regulations of all the locations where the product is sold. Given that our stores operate in an environment where we serve many nationalities speaking different languages every day, we are proac-

239

Dufry's loyalty program
Red By Dufry is already available
in 239 locations.

tively engaging with our industry trade associations to find off-the-label solutions. As much as possible, and in locations where we have our shop tablets in use, we can provide product specification translations in 10 languages.

Customer privacy & data protection

Management and protection of customers' private data in the processes involving the handling of client information is another area of importance for Dufry – particularly in the context of the further expansion of our digital strategy and the respective customer services it contains. Moreover, as a requirement of customs authorities, airport authorities and also for contractual reasons, the customer's personal data is collected, processed and retained in accordance with the privacy statement listed on the Dufry website.

Additionally, the company's Reserve & Collect and Red By Dufry services, require additional personal customer information to provide them with newsletters and marketing & advertising materials. To protect and ensure customer data is handled correctly, Dufry applies high security standards thus ensuring compliance with different legal frameworks. The company has a number of systems and security processes in place, including a robust cyber security system, a data protection policy and specific training for employees dealing with personal information, as well as internal procedures and policies, which follow relevant laws and regulations.

In this context, in 2018, Dufry had already completed a number of processes to secure the alignment of our operations in accordance to the EU General Data Protection Regulation (GDPR). Specifically, this work involved expanded documentation and information requirements, privacy impact assessments and the right of individuals (mainly customers, employees, partners and suppliers) to request access to, or to correct, delete, object to processing of their own personal data and to request data portability. All of this was com-

pleted ahead of the GDPR implementation deadline of May 2018, and Dufry keeps monitoring new developments of data protection regulations and will adapt accordingly where required.

Moreover, the Group also undertakes internal Data Protection Audits and intrusion tests, on top of permanently discussing and improving the protection of customers' personal data in dedicated meetings held quarterly. For any customer, employee or third party who wishes to report a grievance or who has questions regarding Dufry's data privacy, there is a specific email address to contact the company, with respective inquiries being coordinated by the Internal Audit, Loss Prevention and Enterprise Risk Management (ERM) department.

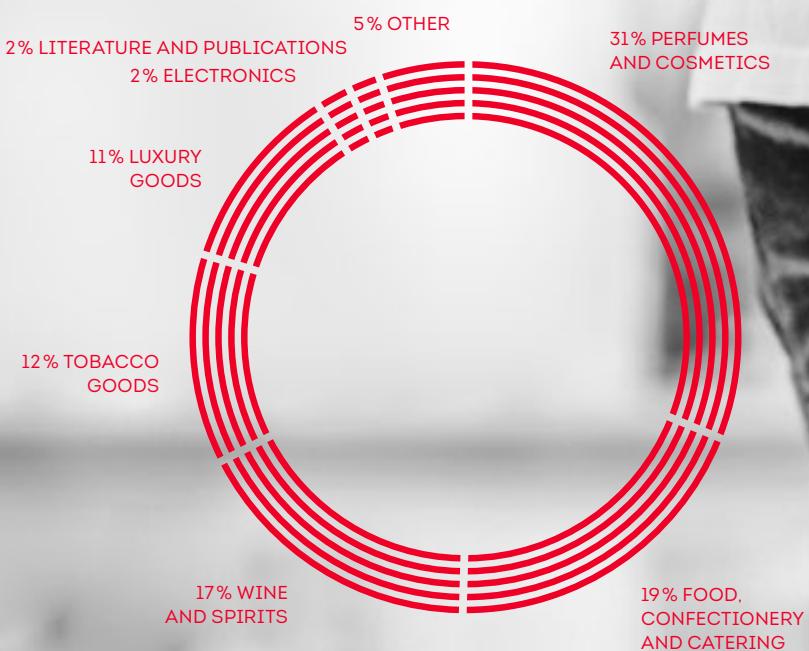
Dufry's expertise recognized by the industry

In 2020, Dufry's customer focus and retail excellence has been recognized by different industry partners again. A complete list of the 2020 awards is available on our website: www.dufry.com/en/company/our-award

MORE THAN 50,000

items are available
in our portfolio
for our customers
to choose from.

NET SALES BY PRODUCT CATEGORY 2020



AIRPORT AUTHORITIES & LANDLORDS

LEVERAGING PROFITABLE RETAIL CONCEPTS FOR VALUE CREATION

Dufry strives to create value for landlords through our ability to deliver best-in-class retail concepts, alongside our deep understanding of customers including their expectations and shopping behaviors. The trust our landlords have placed in Dufry has allowed our company to become the market leader in travel retail, currently operating over 2,300 shops in 64 countries located in airports, seaports, railway stations, downtown areas, border crossings, cruise liners & ferries, hotels and other locations with captive audiences.

Benefitting from the widest industry experience

Maximizing returns on the available retail space, by creating highly innovative and attractive shopping experiences for customers is a common goal that Dufry shares with its landlords. Combining extensive expertise in all technical and regulatory aspects in the markets in which we operate, along with a comprehensive portfolio of attractive retail concepts tailored to the individual needs of both duty-free and duty-paid environments are our key competencies. Moreover, first hand customer insights, collected through detailed regular research in our key locations and online engagement, allow us to develop successful marketing initiatives tailored to meet the requirements of every single airport or any other shop environment. Our worldwide presence and the extensive intelligence by traveler profile are core competitive advantages and key drivers to increase sales and profitability, combined with our ongoing evolution of shop design and customer services.

Real Partnership is key for value creation

The 2020 business year and the highly challenging environment created by the global spread of the COVID-19 pandemic has significantly highlighted the importance of real partnerships to drive success. Finding highly flexible solutions and short-term alternatives for cooperation could only be achieved through a high level of trust and shared objectives, which have been key characteristics of travel retail in the past, but have become essential in 2020. Our many years of ex-

perience in the business show that the closer both parties work together and align their common goals, the greater the opportunity to generate value – and this will be true even more going forward. By joining forces, we can create inviting and attractive commercial spaces that maximize spend from the passengers' arrival at the airport until their boarding – and if legislation allows for arrival duty-free after landing.

Strong partnerships drive success and profitability.

Recent examples of refurbishments and expansions of our shops confirm the value of coordinated and targeted strategies. Projects developed in 2020 at the airports of Odessa (UKR) and Singapore as well as in Salt Lake City and Boston (US), and the refurbishments completed at the operations in Corfu, Mykonos and Thessaloniki (GR), Antalya (TUR), Belgrade (SRB) or Nashville (US) are a few examples of how Dufry and landlords can work together to optimally structure passenger flows, improve the appearance of commercial spaces and expand retail offerings to considerably increase sales.

Dufry's New Generation Store – tailored customer communication

With four New Generation stores opened in 2019 in Buenos Aires (ARG), Amman (JOR), Malaga and Alicante (ESP), we complemented the nine earlier ones in Madrid (ESP), Cancun T3 and T4 (MEX), Melbourne (AUS) and Zurich (CH), as well as at London Heathrow T3 (UK). In 2020, Dufry continued to expand its digital technology by implementing digital elements as part of the refurbishments done throughout the year in over 50 shops.

Dufry's New Generation Store concept makes extensive use of digital technology to increase communication with passengers at the airport. The digital route allows Dufry to approach potential customers in an even more personalized way than ever before and to flexibly adapt in-store communication during the day to the changing nationalities and customer profiles, thus significantly enhancing the communication's impact. The sense of place of our shop designs, an important aspect for landlords, is also secured in the new concept, as the format provides for a high degree of customization. Dufry knows how to perfectly match these requirements with efficient retail concepts, to best serve travelers' needs and to generate value for landlords and Dufry alike.

Long-term concession portfolio.

Deployment of our digital strategy improves conversion and boosts the visibility of operations

In 2020, Dufry further accelerated the deployment of its digital strategy elements. Besides the New Generation Stores, services such as Reserve & Collect and above all the loyalty program Red By Dufry have a global span and are therefore able to promote our operations online and reach travelers across the world. This gives airports and their retail offer additional visibility and exposure, thus promoting them as attractive shopping locations. For a more detailed description of our digital strategy, please also refer to the strategy chapter on page 24.

Successful contract extensions secure future business

In travel retail, concession contracts are a key business driver for retail operators, as they provide the right to sell their products at a given operation. In 2020, Dufry continued to win new contracts and to renew existing concession contracts, thus successfully strengthening the remaining average lifetime of its portfolio, which is currently 6 years. Within our concession portfolio, 27% of our contracts have a remaining life-time of one to two years; 29% of three to five years; another 29% of between six and nine years, and the final 15% have a remaining duration of ten years or more. In average, Dufry renews existing contracts that generate between 10% and 15% of our sales every year, while at the same time adding new contracts.

39 new shops added to our first-class concession portfolio

In 2020, Dufry opened and expanded 39 new shops adding over 9,600 m² of retail space across all divisions. At December 31, 2020, the entire concession portfolio of the group included retail space of close to 470,000 m² thus strengthening our portfolio, despite some crisis-related closures we had to perform.

Dufry's concession portfolio is highly diversified and well balanced across emerging and mature markets on all six continents. This considerably reduces risks of being exposed to single markets and operations; the largest concession only accounts for approximately 6% of turnover; while the 10 biggest concessions represent less than 25%.

Focusing on investment returns

In 2020, our organization has followed its approach of financial discipline even more closely when evaluating new projects and opportunities – a methodology successfully developed in the past, which has proven its value during the present challenging environment. Projects are analyzed individually on a commercial and financial basis. The many aspects of a project being put together include development potential and analyzing initial investment requirements, as well as the expected development of passenger numbers and profile perspectives. Through a strict evaluation of these criteria and our disciplined approach to returns, we ensure that our concession portfolio remains of the highest quality and that each concession offers attractive returns for the Group. This methodology is applied for all project types, irrespective of whether we participate in a tender process, engage in direct negotiations with landlords or perform acquisitions.

SUPPLIERS ENJOYING A UNIQUE OPPORTUNITY FOR GLOBAL BRAND POSITIONING

Dufry is the largest global travel retailer and offers suppliers a unique opportunity to position their brands worldwide across a variety of shop concepts. This includes a network of over 2,300 shops across more than 430 locations in 64 countries on 6 continents. As Dufry operates duty-paid and duty-free areas alike, the company can serve both domestic and international travelers equally interested in convenience products and luxury shopping experiences. In a normal, pre-pandemic environment, over one billion passengers regularly passed through locations where Dufry operates shops, making us the perfect partner and ambassador for global brands.

Personally engaging with customers in a fast growing channel

Travel retail is a growing channel with a captive, affluent audience, which allows brands to personally engage with customers in an exclusive setting. This makes travel retail a highly attractive and Dufry a preferred partner for global and regional brands. A tight collaboration, leveraging our global network, our superior execution and our strong customer service forms a comprehensive offer for our brand partners.

We increasingly partner with global brands on strategic initiatives, marketing campaigns, global promotions or product launches, that contribute to increase income for us and the brands. In this context, we offer each brand a customized approach to create common goals for the supplier and for Dufry on specific actions and distinctive campaigns to be implemented on an individual basis. Both parties establish clear targets and evaluate the effectiveness of their joint initiatives. In 2020, various initiatives were implemented to support re-openings and bring attractive offerings to customers. The attractiveness of our joint offerings became prevalent in a higher spend per passenger in the second half 2020 once travel resumed. It also shows that customers feel comfortable in our stores, which fulfill the new safety measures and security protocols, while still providing a unique experience.

Taking customer experience to the next level

In recent years, a growing number of brand partners have developed Dufry-exclusive products, which together with novelties, limited editions and travel exclusives, considerably augment and differentiate the customers' shopping experience. Internal research also shows that personally engaging with customers in the shop substantially increases spend per ticket – and what could be a better topic on which to base that more personal engagement, than an exclusive or a newly launched product?

Centralized procurement and logistics

With a focus on generating efficiencies, Dufry is permanently streamlining its key processes. Through our centralized procurement and logistic functions, we have considerably simplified the entire supply chain.

Our Global Category Managers act as key relationship managers for brands and coordinate activities with suppliers. They define brand plans with suppliers and negotiate all contractual parameters. Dufry has also centralized and simplified the ordering process, by internally aggregating the orders from the different retail operations and sending a consolidated order to suppliers. Accordingly, we have adapted our logistics organization with three distribution centers in Uruguay, Switzerland and Hong Kong, which operate additional warehouses in Hong Kong, Runnymede (UK), Barcelona (Spain) and Miami (USA) and provide the timely shipping of goods to our operations. The process benefits both Dufry and suppliers, as it allows us to order and ship larger volumes to the distribution centers, thus increasing flexibility in product allocation by shop and maximize product availability.

BRAND UNIVERSE

1,000

Dufry works with over
1,000 of the most renowned
global and local brands.



LOGISTICS

As a global retailer, present in over 430 locations in 64 countries, we fully recognize the vital importance of logistics in getting close to more customers, and ensuring our day-to-day and long-term success.

Taking logistics to the next level

Our logistics network is based on 3 regional distribution centers based in Europe, America and Asia.

From the Distribution Centers products are distributed to all the airports in which Dufry operates stores either directly or through a network of country warehouses. In order to adapt our service to the wide variety of operation sizes and locations we supply goods through different distribution channels (direct shipments from vendors, deliveries from our own stock in the distribution centers, cross docking etc.), minimizing the ordering cycle lead time and optimizing logistics costs and inventory levels in our distribution network.

Our excellent relations with the different logistics service providers working in our supply chain lead to a continuous search for improvements in our logistics processes, organization and systems.

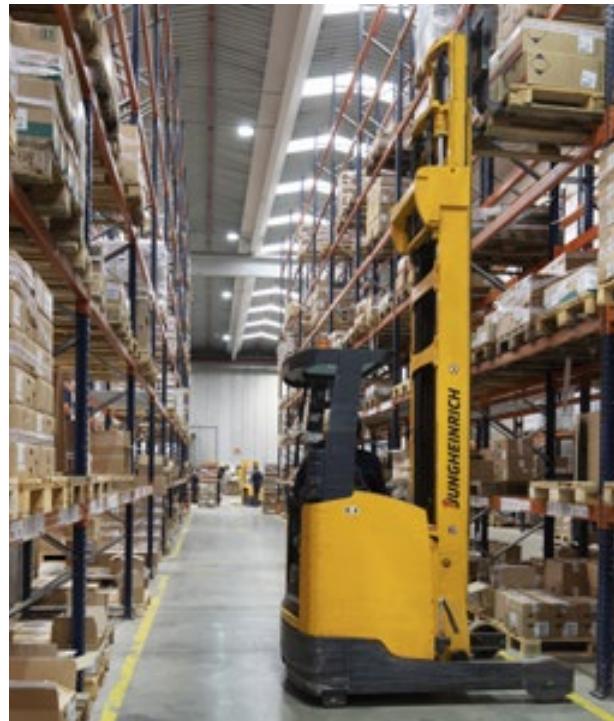
At the same time, we lead collaborative planning and total supply chain optimization initiatives with all our main suppliers. Through all these initiatives we jointly work to improve the end-to-end supply chain in terms of lead times, products availability, logistic costs and inventory levels.

A thorough logistics plan has been defined to ensure our logistics are "best in class" in the travel retail environment.

In order to follow up on improvements on a weekly basis, we globally control the main key performance indicators at distribution center and retailer level including: levels and quality of the inventory; out of stocks; total ordering cycle lead-time, from our suppliers to our distribution centers and from the distribution centers to the retailers, as well as the costs of the total supply chain as well as inventory levels and quality.

Suppliers benefit from Dufry's centralized purchasing & logistics

The world-wide geographic footprint and the centralization of global functions generating efficiencies are two core elements of Dufry's business model. The centralized purchasing and the logistics functions gener-



ate a variety of benefits for suppliers, which include not only monetary efficiencies but also ensure superior service levels for the end-customer. With respect to Global Purchasing, our Global Category Managers coordinate the major activities centrally, facilitating the interactions with suppliers. The definition of the Brand Plan as well other contractual parameters are largely coordinated centrally. This also includes the ordering process itself, where Dufry transmits one consolidated order to suppliers, after having internally aggregated the orders of the individual locations. An approach that considerably simplifies the order process and reduces costs overall.

A similar concept, which generates additional efficiencies for both partners, is applied for logistics. In order to support our activities in 64 countries and still benefit from being a single group, Dufry has set up three supply chain regional organizations: One in Uruguay, one in Switzerland and one in Hong Kong, which also operate centralized logistics and warehousing platforms in Hong Kong, Miami (USA), Barcelona (E) and Runnemede (UK). Suppliers can thus efficiently ship larger units to our logistics platforms, while Dufry can better manage individual shop supply, ensuring improved product availability for customers and thus ultimately improving sales.

IT SOLUTIONS

Dufry has grown to become a powerful global organization and thus requires a WorldClass IT infrastructure to support operations in their daily business and secure further growth. To this end, a business-driven IT strategy has been established to support Dufry's global processes

Beyond the adoption of state-of-the art technology and data warehousing capacities, that permits real-time decision process across all operations. In the last few years Dufry reinforced its cybersecurity systems and foundations to back the digital strategy development of the company.

Enhancing our expertise with innovative IT solutions

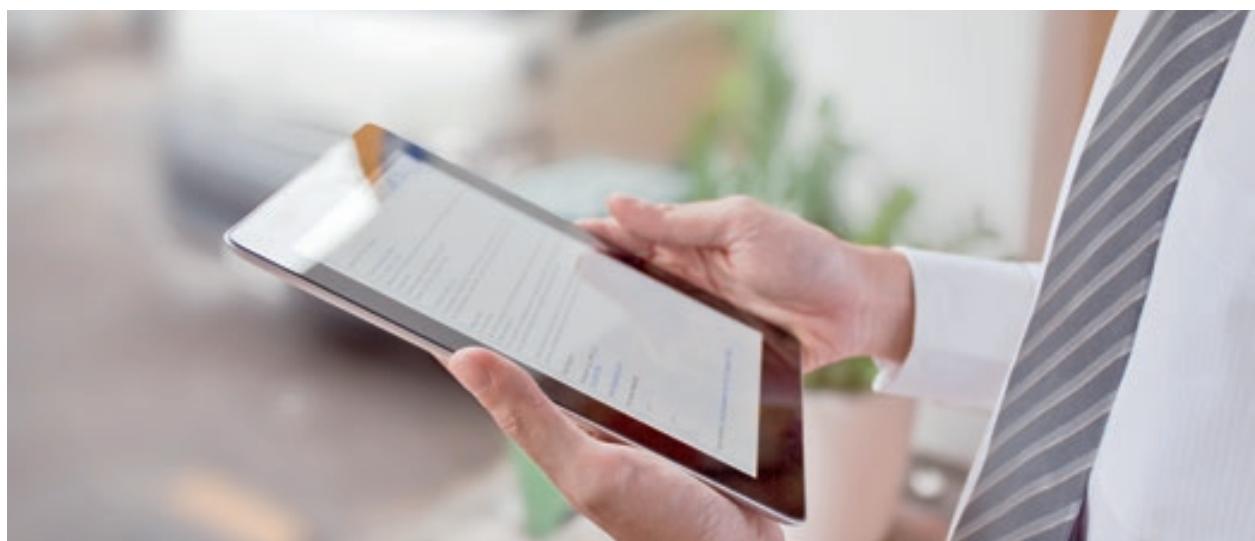
Given the business' rapid growth over the last few years, having a solid IT structure is crucial. Dufry has introduced a number of IT solutions which support the business and differentiate it from the competition.

A number of other applications exist to support decision-making processes in departments across the organization. Our commercial team, for example, benefits from tools that help to select the best promotion in a given location or identify the right pricing policy for a certain product category. The company has developed a range of corporate applications, adapted to travel retail, which capitalize on synergies and enhance the performance of current and new companies within the group. This includes a Commercial Data Warehouse that enables insights to commercial data (Dufry Insights), an Oracle (Hyperion) Financial Management

Application for financial reporting and consolidation, a Global Advertising and Promotion Management Application, a Global Price Policy & Analysis Application as well as a Sales Incentive Application (SIP) and a Shift Planning Application.

Moreover, a standard ERP (Enterprise Resource Planning) SAP & Gamma Solution adapted to the travel retail industry allows Dufry to standardize reporting and track day-to-day local business operations, sales and stock levels. Meanwhile, the POS project (TP.NET & ITek) is standardizing all software and hardware at the registers. This will both add flexibility and speed, and enable the implementation of new initiatives generating increased sales and supporting organic growth, while optimizing the customer experience.

In the past year, we have continued to standardize and implement our global ERP and POS solutions in more than 10 additional locations (across different countries that includes UK, Turkey, Uruguay, Kazakhstan, Serbia, Russia, Hong Kong, Macau, South Korea, Singapore, US locations and Brazil, as well as on board our cruise line operations) as part of enabling a standard business operating model. On top, by the end of 2019, and as part of our digitalization process, we had launched more than 175 Reserve & Collect websites in 44 countries that expand the sales channel, deployed our global customer loyalty program Red By Dufry (based on mobile App) to engage with our customers in 239 locations across 48 countries and equipped our staff with sales tablets in 111 locations in 35 countries.



EL MÉR

CONFECTIONERY

Great Offers

Great Offers

4

LOOKING FORWARD



ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) REPORT

OUR COMMITMENT TO SUSTAINABLE GROWTH

Dufry is a global travel retail operator with over 2,300 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas. We employ 17,795 employees (FTEs) across 64 countries and we represent over 1,000 different global and local brands in our stores. Dufry is part of the Swiss Market Index MID (SMIM) on the SIX Swiss Exchange and has a balanced share of large and small shareholders.

This sustainability report has been prepared following the guidelines of the Global Reporting Initiative (GRI) Standards, Core Option, and covers our environmental, social and governance (ESG) activities, performance and approach for the year 2020 focusing on the topics we have determined to be of greatest importance for Dufry and its stakeholders. Compared to our 2019 report, in 2020 we are voluntarily reporting information related to three additional GRI indicators: Emissions, Environmental Compliance and Public Policy. The decision to start reporting on these indicators was in response to Dufry's commitment for greater transparency and gives stakeholders a better understanding of our ESG strategy, despite the fact that these topics have not been defined as material for Dufry.

As we continue evolving our ESG reporting, in this year's report we have also embedded the UN Sustainability Development Goals (SDGs) and included information on the respective GRI and SDG indicators in the corresponding sections, where Dufry plays a role in progressing towards specific goals, thus enabling the reader to obtain a better and more transparent understanding of our report.

In early 2020, Dufry became a signatory member of the UN Global Compact. As part of this additional commitment, a progress report has also been prepared and is available, together with the GRI Index and the Sustainability Report Annex, included at the end of this publication. These documents supplement

the information disclosed in Dufry's Annual Report (including the Corporate Governance and Remuneration Reports embedded in the Annual Report). All these reports are also available online as individual files in the sustainability section of our corporate website: www.dufry.com/en/sustainability-dufry

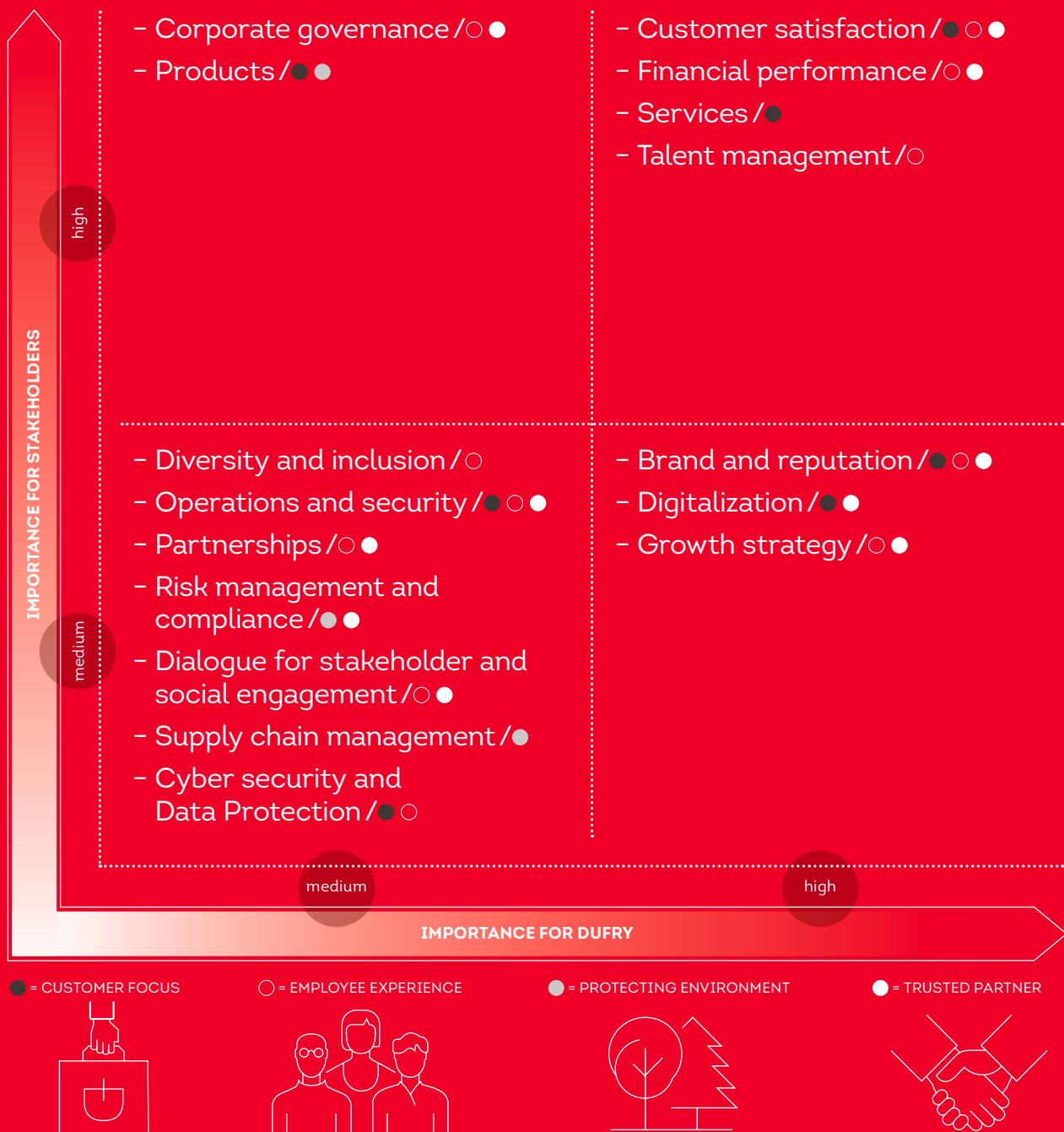
Dufry's materiality assessment

Dufry launched its sustainability reporting in 2016 with the publication of its first materiality assessment supported by Ernst & Young. This resulted in the publication of our first Materiality Matrix, outlining the topics considered most relevant to both our stakeholders and our business. This first step towards establishing a solid sustainability reporting framework continued with the publication in 2017 of Dufry's first Environment, Social and Governance (ESG) Report, prepared in accordance with the Global Reporting Initiative (GRI) Standards.

The initial Materiality Matrix was created through a scaled process, which began with the assessment of a number of internal and external sources such as our existing policies and regulations, publicly available materiality assessments of peers, the SASB requirements (Sustainability Accounting Standard Board) and the report of the Governance & Accountability Institute. As a next step, we gathered stakeholder feedback, mainly through various internal sources, but also through our role in trade conferences and associations, one-on-one discussions and the ongoing dialogue with stakeholders.

Our vision of sustainability however is not a static one, and Dufry conducts periodic and comprehensive materiality assessments to identify our most relevant reporting topics from an ESG perspective. During the reporting year 2020, we re-assessed the accuracy of our matrix with formal and informal feedback from both internal and external sources, including financial and ESG analysts, business partners and industry associations. As a result of the assessment and

MATERIALITY MATRIX



Note: Within boxes topics are listed in alphabetical order

compared to 2019, when we added Data Protection and Cyber Security as an additional topic, no changes were introduced to our materiality matrix in 2020. As previously mentioned however, we voluntarily agreed to report on additional indicators, even though not considered material to our business, to provide a wider understanding of Dufry's ESG impact.

Articulating Dufry's ESG vision and strategy

In 2020, Dufry significantly enhanced its sustainability engagement across the Group by building on major milestones reached at the end of 2019 and the beginning of 2020. Firstly, Dufry revised its Sustainability Strategy to present four focus areas – "Customer Focus", "Protecting Environment", "Employee Experience" and "Trusted Partner", which reflect the business model and build on the company's stakeholder ecosystem. This enables Dufry to define clear focus areas

where the company can make relevant ESG contributions. Dufry's Sustainability Strategy and the four focus areas are described comprehensively in this 2020 Annual Report on pages 70–78.

Secondly, Dufry strengthened its ESG governance structure with two new developments: the implementation of the Lead Independent Director function (appointed in July 2019), supervising the Group's ESG engagement at the Board of Director level, as well as the setup of a dedicated ESG Committee (in September 2020), led by the CEO and representing all key functions of the company. These initiatives contribute to both formalizing Dufry's UN Global Compact commitment and strengthening the ESG integration within the overall company strategy.

IMPROVEMENTS CARRIED OUT DURING 2020

CUSTOMER FOCUS

- Set up a comprehensive program to educate all members of our staff involved in the sale of alcohol products based on principles and guidelines set by the DFWC
 - Continued to enhance our shopping environments with the opening of 9,600 m² of additional retail space and refurbishment of stores representing 12,800 m² – equal to 3 % of Dufry's total retail space
-

PROTECTING ENVIRONMENT

- Strengthened corporate Environmental Management System to support environmental strategy development
 - Implemented plastic bags decommissioning plan with expected completion in 2021–2022
 - Mapped Dufry's GHG emissions including data from operations representing 64 % of our global sales as well as the vast majority of the logistics network
 - Increased stakeholder dialogue on environmental issues, especially with logistics partners
-

EMPLOYEE EXPERIENCE

- Successfully completed re-certification of Equal Salary Certification in Switzerland
 - Realigned training and development program for employees
 - Expanded internal communication channels to improve reach to non-desktop employees
 - Adapted health & safety store and office protocols to protect employees and customers in the context of the COVID-19 pandemic
 - Initiated evolution process of our women@dufry initiative to extend its scope to diversity and inclusion
-

TRUSTED PARTNER

- Implementation of strong ESG Governance structure
 - Development of Dufry Sustainability Strategy
 - Update of Dufry's Code of Conduct and public disclosure of the Supplier Code of Conduct
-

OBJECTIVES

Dufry's success goes beyond commercial and financial performance and we understand that our business activities also have an impact on the communities in the countries in which we operate. Since 2019, Dufry has supported the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption. We regularly align our overall sustainability strategy with these ten principles and develop relevant initiatives geared to achieving a more sustainable business, including:

CUSTOMER FOCUS

- As the leading global travel retailer, we aim to further improve the overall traveler experience – in our shops we welcome customers from over 150 nationalities every day – and initiate growth opportunities that benefit brands, airports and travelers alike, by developing attractive shopping environments.
 - We are committed to providing responsible retailer training for the sale of alcohol products to store and office staff involved in the sale of alcohol.
-

PROTECTING ENVIRONMENT

- While in 2020 we have fully revised Dufry's Sustainability Strategy, the ongoing verification of the strategy and alignment with any new requirements remains a central focus.
 - During 2021, we will continue the assessment of our environmental impact with the aim of establishing measurable objectives and a robust reporting structure, which will enable Dufry and its stakeholders to have an even better understanding of the environmental footprint of its operations.
-

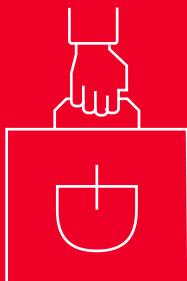
EMPLOYEE EXPERIENCE

- Diversity and inclusion remain an area of focus for Dufry. Our corporate global initiative, launched in 2016 to bring together female leaders across the business from a variety of functions and geographies, continued in 2020 with the mission of ensuring women's advancement at Dufry. It supports talented women to rise to leadership positions within the company, and helps employees better manage work, family and life-balance topics. The goal of this initiative is especially important to give visibility to women that are progressing in the company, as it gives inspiration to others. Other corporate initiatives, such as the talent program (more details available in the "Employee Experience" section of this report) strive to incentivize women's progression within Dufry.
 - The ongoing development of fair compensation and of gender-pay gap reduction programs remained an important part of our efforts in 2020. Through different initiatives across locations such as the UK (one of Dufry's largest operations) and Switzerland, compensation schemes were analyzed and remediation plans established if needed.
 - Fostering dialogue with employees is a vital part of our strategy, based on the understanding that our staff are our most valuable asset. In 2019, we conducted a new wave of the Engagement Survey with the participation of 25,213 Dufry employees – representing 73% of our workforce at that time. Follow up meetings and plans to improve engagement have been put in place and will continue in 2021 and beyond.
-

TRUSTED PARTNER

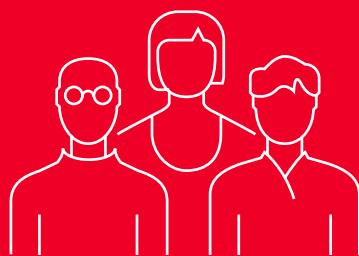
- Through our shop network, we directly and indirectly support the local economies of the countries in which we operate: either by employing local staff, sourcing local products, or by paying taxes. Providing jobs and quality working conditions and opportunities, including our training and development programs, are important contributors to developing local wealth.
 - Continuing our plan to monitor our supply chain sustainability and include additional suppliers who have accepted the terms of our Supplier Code of Conduct. In 2021, we will launch the re-engagement process with our key suppliers to agree to the terms of the updated Dufry Supplier Code of Conduct.
 - While in 2020 we have fully revised Dufry's Sustainability Strategy, the ongoing verification of the strategy and alignment with any new requirement remains a central focus.
-

CUSTOMER FOCUS



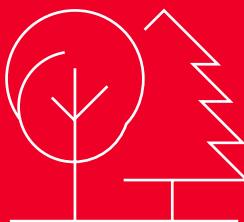
- Product Safety
- Sustainable Products
- Responsible Marketing
- Digital Tools
- Customer Service & Guarantee Service
- Customer Safety
- Customer Privacy & Data Protection

EMPLOYEE EXPERIENCE



- Attractive working Environment, Conditions & Incentives
- Training & Development
- Career Progression and Recruitment
- Non-discrimination, Diversity, Inclusion
- Health & Safety
- Internal Communication

PROTECTING ENVIRONMENT



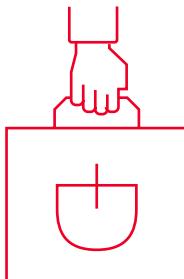
- Respectful use of Natural Resources
- CO₂ Footprint and Energy Consumption
- Waste Management
- Sustainable Logistics & Supply Chain

TRUSTED PARTNER



- Corporate & Sustainability Governance
- Dufry Code of Conduct & other policies
- Supplier Code of Conduct
- Stakeholder Dialogue
- Partnerships with Landlords and Suppliers
- Sustainable Growth for Investors
- Community Engagement

CUSTOMER FOCUS



GRI INDICATORS:

[401-1](#), [403-1](#), [404-1](#), [405-1](#), [406-1](#)

SDGs:

5.2

8.8

12.8

[16.1](#), [16.3](#), [16.10](#)

To succeed as a company, Dufry must put the customer at the center of every decision we make. This has been the philosophy of the company since its foundation, and it's what has brought Dufry to its current leadership position in the travel retail industry. Our main mission is to meet and exceed customer expectations, which we achieve through the combination of sourcing unique product choices, providing attractive shopping environments and offering special shopping experiences. Our customers' expectations however have evolved in recent years and have become more sophisticated. The traditional price-value proposition has been enhanced with additional elements, as consumers today demand higher standards of sustainability from retailers. From privacy and data protection, to responsible marketing and communication practices, or product and supply chain stewardship, there are many elements of our offer that receive special attention from Dufry and that enable us to be a more sustainable travel retailer.

Creating the best shopping experience

Our corporate brand statement, WorldClass.WorldWide, reflects our ambition to create the best possible shopping environments to capture the interest of travelers and to generate attractive buying opportunities. That is the main pillar of our future growth. This best shopping experience is based on three main elements: store, product and service.

When Dufry develops or refurbishes its stores, special attention is paid to creating a strong sense of place, thus linking the shopping environment to the individual country's cultural heritage, where the stores are located. The powerful combination of state-of-the-art store designs with local motifs and references, alongside a carefully curated selection of local products acquired from local suppliers, results in unique shopping spaces that enable customers to experience a full cultural immersion in the destination with a true "sense of place". Dufry cooperates closely with airport authorities and brand suppliers on elements including

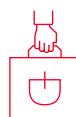
store design, passenger flows and allocation of commercial space.

This collaborative work results in improved passenger services, as well as more visibility and opportunities for brands. Testimony to this collaboration is the remarkable example of Heathrow Airport in London, where Dufry operates a large proportion of the stores in all its terminals. In 2020, Dufry's retail offer in Heathrow was once more recognized by Skytrax winning the accolade of Best Airport Shopping in the world for the eleventh consecutive year. This recognition is of special interest for Dufry, as the Skytrax award survey gathers the opinion of over 13 million airport users, from 100 different nationalities, across over 550 airports.

Delivering consistent outstanding customer service is Dufry's main aspiration. No matter where our stores are located, the ultimate objective of Dufry's Customer Retail Excellence program – which we continued to rollout during 2020 – is to give our customers the best possible shopping experience. This program focuses on:

- Reinforcing customer service through ideal staffing levels according to store traffic and sales
- Providing employees with a clear focus and target for each shift
- Empowering teams through strong leadership
- Enhancing selling capabilities around our products, promotions and special lines/offers

In supporting this rollout, 13 Academy Stores spread across the four main regions have been rolled out globally. Located in Stockholm, Zurich, Athens, Madrid, Marrakesh, Jordan, Toronto, New York (Newark), Cancun, São Paulo, Buenos Aires (Ezeiza), Melbourne and Bali, these stores served to test concepts and best practices, and function as a reference for stores in other airports and geographies. Much of the training and development associated with the rollout of this program was postponed in 2020 due to lockdowns and



airport restrictions caused by COVID-19. There is however a strong commitment to continue with the program as we gradually return to normality.

In 2020, Dufry also continued equipping its staff with digital tools such as the Sales Tablets (now available in 111 locations in 35 countries, mainly in duty-free and larger departure walk-through stores) for improved customer service. Sales tablets enable staff to give our customers a more personalized shopping experience, adjusting the offering to their specific preferences and needs. They also provide our staff with additional product information and details of other products to complement or enhance the customer's purchase. A further level of service customization is achieved when tablets are used in conjunction with other Dufry digital services, such as Red By Dufry.

The digitalization of our stores and services including Reserve & Collect or Red By Dufry, are covered in more detail in the Customer section of the annual report (pages 58 – 61). They constitute an important part of our customer value proposition and are critical to drive customer engagement and loyalty, hence, closing the virtual circle of the perfect customer journey.

Engaging with responsible suppliers

Dufry does not produce any goods nor sell any white-label products. As a pure retailer, all products available on our shelves are produced by third party companies. As explained in the Trusted Partner section of this ESG report, Dufry expects all of its suppliers to comply with the law, stipulated contract conditions and international best practices in respect of human rights and the environment, as well as health and safety and labor standards. To ensure this, Dufry has updated its Supplier Code of Conduct, available on the company's website, which stipulates the provisions required to be a supplier to Dufry. As an additional step, in 2018 Dufry approached its main product suppliers – covering over 40% of Dufry's sales volume – to secure their acknowledgement of and agreement with the Supplier Code, and hence ensure the provisions included were accepted, establishing a 3-year cycle for reassessment. In 2021, Dufry will again approach the suppliers who previously acknowledged the terms of the Supplier Code to recertify, as well as approaching additional suppliers to acknowledge and agree to the terms of the Supplier Code.

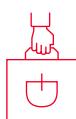
Responsible marketing

Dufry's responsibility goes beyond the products sold and includes its marketing practices (see Customer section of the Annual Report). Traditionally, Dufry has played an active role in the main travel retail associations and in the self-regulation of marketing practices, especially for the sale of alcohol. Dufry has contributed to the development of the Duty Free World Council's (DFWC) Self-Regulatory Code of Conduct for the Sale of Alcohol Products in Duty Free & Travel Retail – called Responsible Retailer of Alcohol Products. This Code of Conduct, which complements existing codes and guidelines followed by individual alcohol manufacturing companies and other bodies, is widely accepted by most travel retailers worldwide and was signed and implemented by Dufry in late 2017.

The DFWC's Code of Conduct provides a unique standard for promoting responsible retailing of alcohol products in the duty-free and travel retail channels, establishing clear guidelines for commercial communications, sales of product in the travel retail and duty-free environments and for product sampling and tasting at the point of sale. The Code of Conduct is publicly available from the DFWC website www.dfwcouncil.com.



In 2020, we took an additional step forward and made inroads towards obtaining the DFWC Responsible Retailer accreditation. This accreditation is granted after all members of our staff involved in the sale of alcohol products – both at store and office levels – are trained on the above-mentioned code through a DFWC developed training module. We have planned the execution of this training in 2020 and will launch it during 2021.



Understanding our responsibility, we have made significant progress in:

- Ensuring that products on Dufry shelves adhere to the product safety principles stipulated in the Dufry Supplier Code of Conduct
- Responsible marketing communications, both in-store and through our pre- and post-sale points of contact with customers, as well as in product warranties and refund policies
- Data protection and security of customer and company information
- Regularly gathering customer feedback, concerns and suggestions through our own field research and interviews conducted either online, or across the 50 major airports where Dufry operates, as well as through the Customer Service department, which offers direct email or phone access to the company

Customer privacy and data protection

Dufry is committed to safeguarding the privacy of its customers and their personal information. Dufry may have access to. Dufry has implemented the necessary management and Cyber Security systems to treat any customer's personal information as confidential, securely store such personal information to prevent unauthorized access to it, and ensure that such personal information is only collected, used and otherwise processed for legitimate business purposes in accordance with the privacy statement listed on its website and applicable laws.

Dufry offers two website applications that collect some personal information from customers – the Reserve & Collect service and a loyalty program called Red By Dufry. These customer engagement channels have experienced a significant increase in registered users. Some personal information and preferences



of these customers are collected during the registration process so that Dufry can provide more personalized communication and in-store experience.

Online transactions

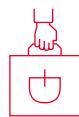
While Dufry is undergoing a digital transformation of its business and embracing digital technology across multiple customer touchpoints, the company still doesn't handle online transactions that include payment for duty-free goods – exceptions are made for some locations, where respective customs regulations allow for this kind of service. The above-mentioned Reserve & Collect service only allows customers to reserve products and collect them at their preferred airport location at the time the customer flies. Normally however, it is not until customers collect the products and show their boarding passes as required, that the payment is processed. This is due to customs regulations that only permit Dufry to sell duty-free products at the airport location itself.

Data protection

Dufry's Group Data Protection Policy sets out strict requirements for the processing of personal data of customers, business partners, employees and other third parties whose personal information Dufry may have access to. It meets the requirements of the European General Data Protection Regulation (GDPR) and globally ensures compliance with the principles of national and international data protection laws in force all over the world, including, amongst others, the Payment Card Industry Data Security Standard (PCI DSS) and the Sarbanes-Oxley Act (SOX). The policy sets a globally applicable data protection and security standard for our company and regulates the sharing of information between our Group companies.

Our employees, as well as third-parties who provide services on Dufry's behalf, are required by policy and process, as well as by contract, if applicable, to treat customer information with care. Our processes are designed to preclude unnecessary access to confidential information and Dufry has administrative, technical and physical safeguards that reflect this obligation. Dufry regularly reviews and enhances related procedures and policies.

The Group also undertakes internal Data Protection Audits and intrusion tests on a regular basis, while quarterly meetings are held to discuss and improve the protection of customers' personal data. Anyne



wishing to report a grievance or ask a question regarding Dufry's data privacy policy, or to access, delete, correct or transfer his or her personal information, can address such subject data requests to privacy@dufry.com.

In 2020, Dufry did not report any incident regarding a breach of customer privacy.

Cyber Security

Dufry is continuously monitoring, reviewing and upgrading its processes to protect its business from potential cybersecurity threats that ultimately could end with theft of data. At a global level, Dufry has a Global IT Security Team that is responsible for keeping IT threats away from Dufry's business, understanding emerging threats and investing in the necessary technology to mitigate potential new risks.

In this regard, Dufry has a number of systems and security processes in place, including a robust IT security system and a number of internal policies and procedures complying with applicable laws and regulations and included in the company's Global Information Security Policies.

Dufry performs regular tests of its systems and takes several measures to improve cyber security, prevent malware infections and avoid data breaches. Amongst others, Dufry:

- Encrypts customer, payment and any sensitive data and limits access to it
- Keeps software up-to-date by installing updates and security patches implemented as a result of newly discovered vulnerabilities
- Secures point of sale (POS) devices and applications

- Performs regular vulnerability testing to identify weaknesses
- Monitors all activity in Dufry's systems and data for any anomalous activity and indications of threats
- Uses (and promotes amongst its employees) secure passwords and two-factor authentication
- Runs antivirus software continuously, periodically scanning systems for malicious files

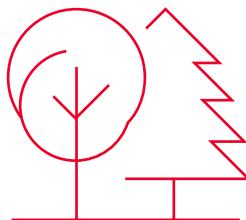
Security Awareness Program

As part of the Security Awareness Program, Dufry conducts regular internal communications campaigns and training of all employees regardless of function and location. The content of this communication and training program includes relevant and individual steps towards achieving a secure IT environment, including:

- Email and messaging management
- Internet browsing
- Mobile device security management
- Password safety
- Social engineering awareness
- Social networks awareness
- Safe remote work
- International travel
- Physical IT security
- Protection of personal computer and home network



PROTECTING ENVIRONMENT



GRI INDICATORS:

201-2
301-3; 302-1,3; 305-1, 2, 4; 307-1

SDGs:

3.9
7.2, 7.3
8.4
12.2, 12.4
13.1
14.3
15.2
16.3

Roadmap towards environmental sustainability

2020 was a milestone year in Dufry's environmental footprint, as specific efforts carried out in the past by individual operations are now orchestrated systematically and aggregated at Group level. Striving towards improving our environmental footprint, we have taken the necessary first steps to build our environmental sustainability strategy on these solid foundations.

The established environmental management system permits Dufry to assess and understand its impact on the environment with a systematic and consistent approach, subsequently enabling the company to define the main lines of our goals and actions. In some areas, where we have direct and stronger possibilities to influence our footprint, we have already actioned specific initiatives to reduce our footprint, such as the replacement of plastic bags (see page 85). In other circumstances, where our business model provides less potential of directly influencing our footprint, Dufry significantly increases its stakeholder dialogue – mainly with the airports and supply chain – to explore opportunities to reduce the impact further.

As previously indicated in this report, Dufry operates shops in highly regulated, third-party owned premises such as airports, train stations, cruise ships & ferries, as well as seaports and downtown resorts. This means that for most of the stores, a large proportion of the utilities consumption, such as water or energy usage and sourcing in the shops, cannot be directly changed or influenced by Dufry, as these factors are predetermined by the landlords and the given building construction. Likewise, as a pure retailer, Dufry does not develop own product labels,

does not operate any own manufacturing sites, and only sells third-party products directly sourced from its brand partners.

The company therefore concentrates its energy-saving and emission reduction efforts mainly in the areas of supply chain & logistics, its own office premises and in the planning of new stores or in the refurbishment efforts of existing shops. With respect to shop-design, the focus is on the related construction materials, fitting equipment and lighting in accordance with several sustainability criteria. Additionally, Dufry takes part in industry-wide initiatives such as the ACI Europe Climate Task Force, geared to reducing greenhouse gas emissions, and it closely collaborates with local airport departments in their efforts to reduce and offset emissions.

Dufry's environmental management

As a signatory member of the UN Global Compact, Dufry has formally adopted the precautionary approach principle to its operations. The company follows a consistent process to assess its operations from an environmental perspective, to identify current or future environmental impacts of its activities and to promote initiatives that respect the environmental balance and comply with existing environmental laws and regulations.

In this regard, in 2020 we have conducted constructive dialogue with stakeholders in the areas in which we can actively influence the environmental footprint, to assess the impact and eventually implement measures to minimize or even to offset the impact. As a first step, we have mapped our CO₂ emissions across



our supply chain and set up the structure to gather emission-related information in a consistent manner.

The boundary for Dufry's area of responsibility for emissions and its related CO₂ footprint, covers impacts generated from the moment our suppliers deliver their products to our distribution centers and warehouses, until the point at which we sell the products in the stores. The delivery of the products to our distribution centers, or in some areas directly to the shops, is within the responsibility of the suppliers. Our scope also includes the stores and the respective office and management buildings.

Whilst the current scope of the data gathering does not yet cover all locations, it provides first valuable insights towards building a robust environmental management system and strategy. The data gather-

ing scope will be further extended in 2021 – additional information is provided in the emissions section.

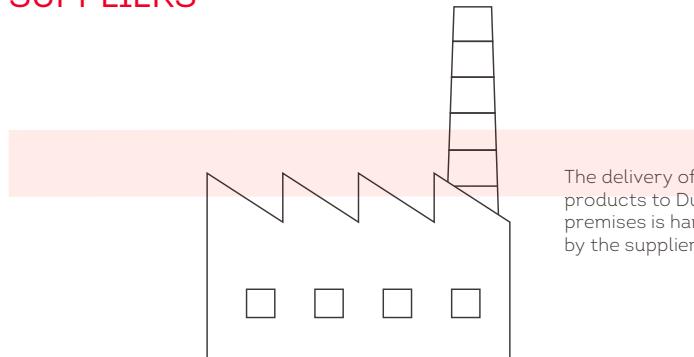
Resource consumption and CO₂ footprint

To better assess and understand the environmental impact of Dufry's activity when it comes to resource consumption and emissions, we have identified four different areas of our business that permit the company to track and, in a second stage, implement the necessary measures and goals to minimize the impact. These include shops, supply chain and warehouses, and office environments.

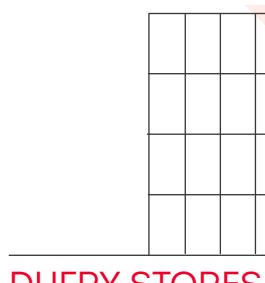
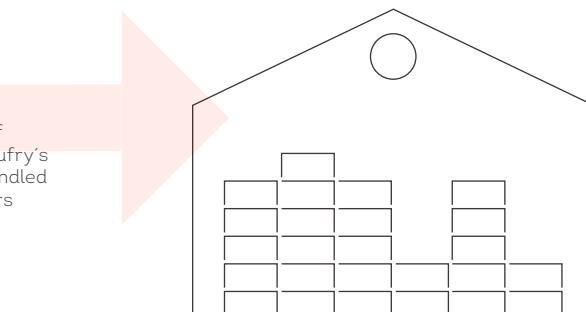
With respect to the types of resources used and the information collected, electricity and fuel consumption are the most material aspects of our footprint; water consumption is marginal and restricted to normal use by our employees and cleaning services within our premises.

TRANSPORTATION CYCLE

SUPPLIERS



DISTRIBUTION CENTERS





Stores

Most of the electric energy consumption of Dufry's activity happens in the store environment. Lighting, refrigeration and air conditioning of over 2,300 stores are the largest contributors to our energy consumption and, consequently, to our CO₂ footprint. The direct influence of Dufry on these is however limited due to the nature of our business. Dufry stores are mostly located in third-party owned premises and in highly regulated environments, where Dufry has little or no choice when selecting power sources.

Based on the utility invoices issued by landlords for the year 2020, we have identified emissions and resource consumption for operations covering 64 % of our global sales, including some of Dufry's largest operations (the UK, Spain, Brazil or Mexico). This scope will be further extended in 2021 by adding more granularity and additional locations, where possible. In this context it is important to understand that in several locations, the utility invoices from landlords provide a combined charge by square-meter, which does not allow identification of specific amounts of single resources used and more specifically to isolate electricity consumption, thus this part of the business is currently not covered.

Distribution centers and warehouses

The second-largest contributor to Dufry's environmental footprint is the transportation of goods. Dufry operates four major warehouses located in Barcelona (SP), serving Europe, Africa, the Middle East and Russia; Runnymede (UK) for the UK market; Hong Kong, serving Asia and Australia, and a fourth one in Miami (US) for our operations in the US and Canada, as well as in Central and South America. These main logistics centers receive major shipments from the suppliers and further distribute products to our respective operations. Whenever possible, freight is carried by sea and we aim to consistently select the most efficient means of transport in terms of CO₂ emissions. Furthermore, the vast majority of our long-haul logistic partners are either ISO 14001 accredited and / or have strong environmental management procedures in place.

Additionally, we have over 25 local warehouses, which redistribute goods received from the central warehouses to the operations. These are located where Dufry holds several significant operations within the same country in terms of volumes transported. In general, distribution to individual stores is done by

road. These road transports are mostly outsourced to national and international specialized partners, some of which have implemented their own environmental strategies. Only a minimal part of the company's transportation – mostly in the UK – is done with a Dufry-managed transportation fleet. Through the high efficiency in our logistics chain, we ensure that the environmental impact of transporting goods is kept to a minimum.

The vast majority of shipments of goods from the supplier's site to Dufry's Distribution Centers is excluded from the assessment, as these emissions lie within the ESG responsibility of the suppliers.

Office environment

Beyond stores and warehouses, Dufry has office premises in a number of operations across the world. Main ones include the Group's Headquarter offices in Basel (CH), Bedfont Lakes in Feltham (UK), Madrid (ESP), East Rutherford (US), Miami (US) and Rio de Janeiro (BR). Within these premises, energy consumption is mostly related to lighting and heating. A number of individual measures, such as automatic switch off for lighting and heating systems, presence detector activators and staff awareness campaigns, have been implemented in Dufry offices to reduce utility consumption. Additionally, we advise our employees to assess the overall necessity of any travel and consider using alternatives to travel, such as virtual meeting systems (videoconferences, teleconferences, computer live meetings, etc.) and we promote more environmental alternatives for our employees daily commuting, such as public transport offers.

Greenhouse Gas Protocol

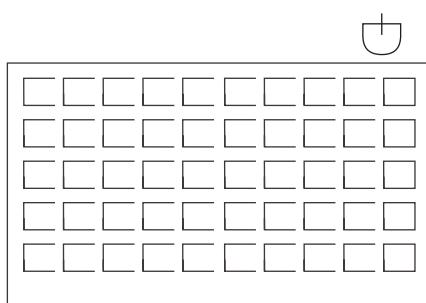
Dufry follows the Greenhouse Gas Protocol (GHGP) standards to report CO₂ emissions. This protocol is the most widely used international accounting tool for governments and businesses to understand, quantify and manage greenhouse gas emissions and classifies emissions into three scopes.

- Scope 1: Direct greenhouse gas emissions from sources owned by the company. For Dufry, Scope 1 emissions are limited to those from the fuel used by Dufry-managed transportation fleets and fossil fuels used mainly for heating purposes.
- Scope 2: Indirect greenhouse gas emissions from electricity use. In the case of Dufry these include electricity consumption in stores, offices and warehouses.

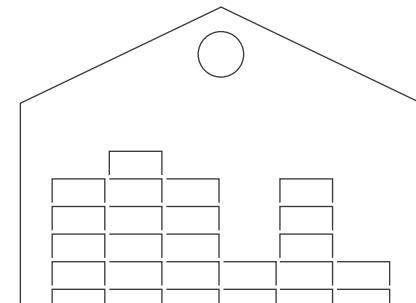


DUFRY EMISSIONS MAPPING

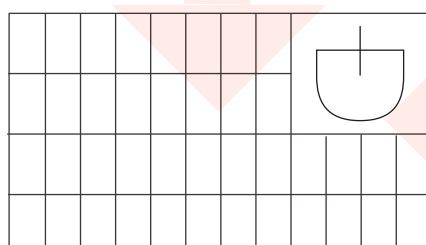
DUFRY OFFICES



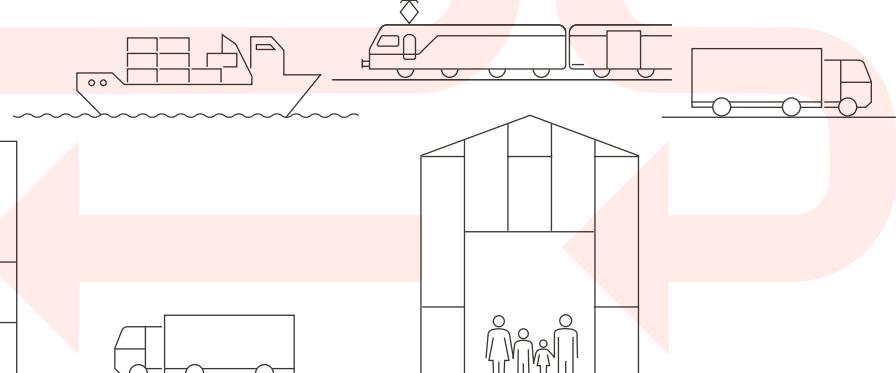
DISTRIBUTION CENTERS



DUFRY STORES



LOCAL WAREHOUSES



ENVIRONMENTAL INDICATORS AND CONSUMPTION DATA

Energy Consumption		2020	2019
Electricity ¹	kW/h	92,147,772	120,857,266
	Tons of CO ₂ Eq.	21,290	27,923
Diesel ²	Litres	185,439	691,362
	Tons of CO ₂ Eq.	466	1,736

GREENHOUSE GAS EMISSIONS

In tons of CO ₂ Eq.	2020	2019
Scope 1 ²	466	1,736
Scope 2	21,290	27,923
Scope 3 ³	1,451	5,117
Total	23,206	34,776

Carbon Intensity	2020 ⁴	2019
Tons of CO ₂ Eq. by m ² of comm. space	0.0495	0.0740

¹ The scope of the 2019 data represents 57% of sales, whilst the 2020 data represents 64% of sales, due to a larger number of Dufry entities reporting emissions data.

² Includes consumption of Dufry-managed goods transportation in the UK, Jordan and Morocco.

³ Includes emissions data from Dufry's logistics partners, accounting for over 55% of the total volume transported globally.

⁴ Carbon Intensity calculated over the total square meters of commercial surface operated by Dufry (469,990 m² in 2019 & 469,041 m² in 2020).



- Scope 3: These are the emissions released by third parties when they provide their services to Dufry. For Dufry, these include mainly logistics.

Moving to non-plastic shopping bags

Starting in the last quarter of 2020, Dufry gradually began replacing plastic carrier bags at all its duty-free operations globally, with more environmentally friendly ones made of compostable and recyclable materials. The only exception for the time being is that of STEBs (Secure Tamper Evident Bags). These are necessary for certain airport purchases such as liquor or tobacco, as per the requirements of the International Civil Aviation Organization (ICAO) and regulations of certain airports. For this type of bag, Dufry is also exploring recyclable or degradable alternatives that will meet ICAO's and airports' regulations. Once the substitution of the single-use plastic bags is fully completed, the company will reduce plastic usage by 7.3 tons per annum.

The single-use plastic bag phase-out is coupled with point-of-sale communication campaigns to raise awareness and encourage customers to reduce single-use plastic consumption and replace it with more sustainable alternatives. The company has also agreed to adopt a global price scheme for carrier bags as an additional way of raising awareness and reducing plastic consumption overall.



This formal decommissioning of single-use plastic carrier bags follows other measures adopted in previous years, geared at reducing plastic consumption across our operations, such as offering more sustainable alternatives, including re-usable or jute bags.

Waste and recycling

Avoiding any waste in the first place or recycling it, is an effective way to save valuable resources. In our warehouses, packaging materials, which mainly consist of cardboard, paper, plastic film and wood, as well as electronic and plastic consumables such as neon lamps and PET, are sorted into different containers and sent for recycling. The recycling process is outsourced to specialized service providers.

In the shops, waste produced by our operations is mostly packing material handled through the landlord's waste disposal system and recycled accordingly where possible. In many of our locations, we are taking measures to reduce single-use plastics film, such as replacing roll containers used to move products from warehouses to the stores. The new models, which include closures on four sides and at the top, drastically reduce consumption of the plastic film needed for the covering and the plastic shrink wrapping used with the old system.

With regard to cartons and pallets used to transport and protect products, Dufry reuses the same units as much as possible, thus consistently reducing consumption of new resources.

Lastly, in our offices, the reduction of paper consumption is one of our ongoing challenges. Dufry has put in place local initiatives to reduce paper and other office material consumption, including tips to reduce paper usage, such as printing double sided, avoiding printing of the legal text at the bottom of emails, and encouraging people only to print when necessary. The adoption of IT solutions, such as the electronic invoice management system, is also helping to reduce the amount of paper used in the day-to-day work of our staff and contributing to the protection of resources.

Store development and sustainable construction

Dufry takes a sustainability approach when designing, constructing and refurbishing stores. In the design phase and the selection of materials, we choose the most environmentally friendly options and use lo-



cally sourced furniture and materials whenever possible, to reduce environmental impact. The shop design department is centrally organized at the Group level. It develops guidelines and defines several industry standards enabling us to create attractive shopping environments, while at the same time reducing energy consumption by using renewable or recycled materials. To this end, specific policies are in place to manage the use of materials: timber policy, cement and virgin aggregates policy, hazardous chemicals policy, guidelines and energy targets for brand partners for the supply of branded display devices. These guidelines have to be followed by local construction teams and their respective sourcing of materials.

Dufry's biggest impact on the environment when it comes to shop development, is in relation to its energy consumption. Being a public space, airports have to provide well-lit facilities and naturally, this is a substantial part of their energy consumption. The main focus therefore is on substituting traditional lighting for more energy-efficient lighting systems (e.g. LED) on ceiling and furniture displays, and on using A-rated electronic devices (e.g. air conditioning, refrigerators) in our stores, resulting in a significant drop in the overall energy consumption.

The sustainability approach to store construction however goes beyond the environmental dimension. Besides complying with the provisions of the Dufry Supplier Code of Conduct when selecting local construction partners, we ensure that they also comply with social and environmental regulations, hence, ensuring the efforts initiated in our design studio result in truly sustainable spaces for our customers.

Partnership and engagement at operations level

Dufry engages with its stakeholders to promote environmental protection practices wherever this is possible. We actively participate in sustainability committees with our airport partners, with the aim of identifying areas where we can collectively reduce the environmental footprint of our operations. For some of our operations, Dufry has a designated sustainability manager in charge of liaising with landlords and other airport stakeholders to drive sustainable practices. Either through innovative technologies, adaptation of passenger flows or rethinking the recycling processes in place, we are contributing to the common goal of making airports a more sustainable space.

Airport Carbon Accreditation

The Airport Carbon Accreditation is an Airport Council International (ACI) Europe certification program that independently assesses and recognizes the efforts of airports to manage and reduce their carbon emissions. It defines six different levels of certification: 'Mapping', 'Reduction', 'Optimization', 'Neutrality', 'Transformation' and 'Transition'.

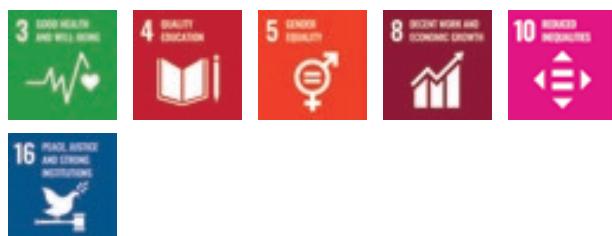
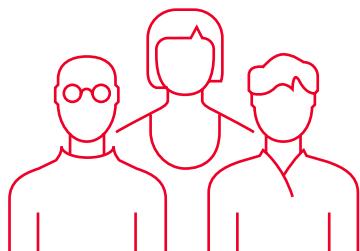
In order to achieve the Optimization accreditation (level 3 of 6) and above, airports need to actively engage with airport stakeholders, as they need to develop a more extensive carbon footprint to include specific Scope 3 emissions and the formulation of a Stakeholder Engagement Plan to promote wider airport-based emission reductions. In many cases, these plans also involve Dufry as the operator of airport stores.

In 2020, according to information from Airport Carbon Accreditation, 61 airports reached the optimization level (level 3) and 64 airports achieved carbon neutrality (level 4) and superior accreditations. Considering both of these groups, Dufry operates stores in 44 of these 125 airports, including Dallas Fort Worth, Athens, Helsinki, Stockholm Arlanda, Zurich, London Heathrow, London Gatwick, Abidjan and Queen Alia Airport in Amman, Jordan.

ACI Europe Climate Task Force

In 2019, Dufry joined the ACI Europe Climate Task Force as the representative of the travel retail industry. The mission of the Climate Change Task Force is to follow up on the implementation of ACI Europe's Climate Resolution from June 2019, which includes the preparation of guidance material for members, to support them in achieving the Net Zero 2050 commitment. Net Zero aims to reduce emissions under the airport's control down to zero. This is achieved by reducing energy and fuel consumption through the design of new energy-efficient infrastructure amongst other recommendations. Retailers play an important role in the airport ecosystem and Dufry, as the largest global travel retailer, contributes to the work of the task force with its vision, experience and recommendations in the regular meetings held.

EMPLOYEE EXPERIENCE



GRI INDICATORS:

[401-1, 403-1, 404-1, 405-1, 406-1](#)
[407-1, 410-1, 415-1, 419-1](#)

SDGs:

[3.3, 3.5, 3.7, 3.8](#)
[4.3, 4.4, 4.5](#)
[5.1, 5.5](#)
[8.2, 8.5, 8.6, 8.8](#)
[10.3](#)
[16.7](#)

Every Dufry employee is an ambassador of the company. Whether in stores, offices or warehouses, all members of our staff contribute with their day-to-day work to shape the company and evolve our brand. For this reason, Dufry places great importance in building a great and unique place of work for its staff, ensuring it delivers the best in terms of fair and equal conditions, healthy and safe working environments, attractive salaries, promotion and retention strategies, avant-garde training programs and anything that contributes to generate high engagement levels amongst our staff.

Building on our core brand values – Global, Focus, Delivery and Solid – Dufry has developed a number of policies and procedures that ensure a consistent experience across the 64 countries in which it operates, and which represent the foundation of the future of Dufry. The rollout of the Business Operating Model (BOM) completed in 2018, that served to standardize processes and procedures, and ONEDUFRY, to harmonize values and principles as well as streamline the cultural transformation of the Group, have fostered the setup of a true global company with the highest employee standards.

Dufry had 17,795 people (FTE) working for the Group at December 31, 2020, compared to 31,336 at year-end 2019. The decrease in the number of employees is related to the extraordinary trading conditions of 2020, resulting from the COVID-19 pandemic, and the need to secure the resilience of the company. Due to the pandemic, some airports remained closed or maintained only very low levels of traffic compared

to previous years. In order to adapt the company to the business environment, Dufry had to reduce personnel expenses and adjust the company structure. This reduction included early retirement schemes, holding off on seasonal staff employments, government support programs and the reduction of positions across Dufry's global operations at all levels of the organization. Dufry has progressively re-incorporated staff members on furlough when and where possible and in line with the partial and temporary recovery of the travel activities. Uncertainty and lack of visibility regarding the speed of recovery of air traffic, does, however, currently not allow to define possible future staff re-integration scenarios.

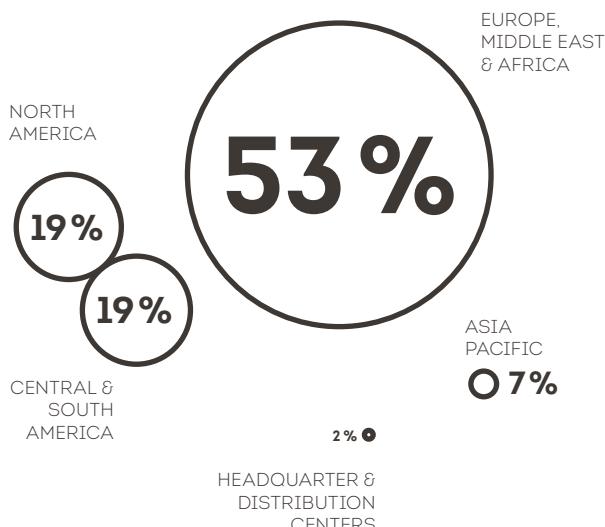
Across the 64 countries where the company is present, Dufry generates an additional contribution to the wealth of local communities and society by offering working opportunities to third party employees and the respective generation of additional salaries and tax payments. In this context, our 2,300 plus stores are not just sales locations for our brand partners to sell their products, but also labor opportunities for over 2,200 people that work in our stores representing these brands and other service providers. From beauty advisors to IT developers, they all contribute to create a World Class shopping experience and benefit from accessing a dynamic market and work opportunities. As described above, the collaboration with these third-party employees was also impacted in 2020 by the spread of the COVID-19 pandemic.

OVERVIEW EMPLOYEE STRUCTURE 2020

	HQ	Europe, ME & Africa	Asia Pacific	North America	Central & South America	Total
FTEs	408	9,924	664	2,866	3,933	17,795
Headcounts	442	11,712	1,502	4,334	4,163	22,153



EMPLOYEES BY REGIONS



EMPLOYEES BY GENDER



Creating a great place to work

Making Dufry the place where our employees want to continue working involves investing time and resources to continuously assess and identify opportunities where Dufry can improve its culture, thus contributing to retaining talent and helping staff achieve their highest potential. Dufry is working relentlessly towards providing the best working conditions for our staff and gathering their feedback with regular employee surveys (see corresponding section on page 101 within this report).

Compensation and benefits

Dufry offers its employees competitive salaries and incentives as a way of attracting and retaining tal-

ented staff. Dufry's standard compensation includes a fixed and a variable performance-based compensation that rewards the individual efforts of staff members. Variable pay is linked to individual and company objectives.

We regularly review and discuss professional development with employees and link their performance to incentives. Performance reviews are an important aspect to a long-term, successful employer-employee relationship. Therefore, it is important for us to build a constructive dialogue between each individual employee and manager regarding goals, priorities and personal development. All our staff members receive an annual performance review aimed at evaluating their performance and identifying further personal development potential for next career steps.

Our staff also enjoy additional benefits that vary from one location to another, and which include medical insurance or transport allowances. The company is working on the rollout of a global online staff shop – Emporium – that will give staff (including family and friends) access to a curated selection of goods and products sold in our stores at competitive prices. Emporium is currently available in key locations – such as the UK, Spain and Switzerland – and will be further deployed throughout 2021.



Cultural diversity and inclusion

Developing a diversified workforce is a core value for Dufry and something that our company is very passionate about. Unlike traditional retailing, our industry operates in multinational and multicultural environments. Being present in 64 countries, Dufry engages on a daily basis with customers, suppliers and colleagues from more than 150 different nationalities.



ties. To succeed in this industry, it is paramount to understand cultural differences as a way of engaging and better serving our customers.

Diversity is an essential asset to – and integral part of – our company and Dufry promotes an inclusive corporate culture that understands and celebrates diversity in all its forms, be it in gender, age, race, culture, beliefs or creed. Our workforce comprises colleagues from more than 130 nationalities across all functions and levels of the organization. This has been a consistent situation for many years and we continue to believe that this broad cultural diversity represents a unique competitive advantage. We also view it as a key element in the successful development of our Group and in the implementation of our long-term growth strategy.

For our employees, our company represents a truly international working environment, with colleagues from around the world and interesting career opportunities and tasks. The staff in Dufry's shops in each country are predominantly local. Our presence in 64 countries around the world makes us an important employer in many locations, with many of our operations being located in emerging markets. This, in addition to bringing expertise and experience on how to operate an international business, contributes to local development and wealth.

Equal employment

We offer and promote working environments where everyone receives equal treatment, regardless of gender, color, ethnicity or national origins, disability, age, marital status, sexual orientation or religion. In addition, we adhere to local legislation and regulations in all the countries in which we operate. Any form of child labor or forced labor is strictly forbidden and clear recruitment procedures and regular workplace controls ensure that this never happens at any location.

Anti-discrimination, diversity and ensuring equal opportunities are and have always been important social and corporate issues for Dufry across all locations, especially (but not exclusively) in developing countries. Many locations in which the Group operates still pose challenges to the guaranteeing of equality. We monitor these countries closely to ensure we provide equal opportunities to all our staff. As explained on page 96 of this brochure, the company

has in place whistleblower mechanisms to denounce discrimination cases if they happen.

We provide our employees with fair and competitive wages based on each individual's background and experience, their particular job within our organization, the appropriate market benchmark in the respective countries and locations, as well as her/his performance. The remuneration structure of our employees is assessed on a regular basis to make sure there is no discrimination related to any kind of diversity.

Equal salary certification in Switzerland

Dufry became equal salary certified in Switzerland at the beginning of 2019 and has been re-certified in 2020. This certification underscores the commitment to a fair and unbiased reward structure, which enables employees to develop and thrive in their careers. The certification process took place in three stages through statistical evaluation, on-site audits and interviews with individuals and panel groups. All phases of the certification and re-certification processes were performed at the Basel Headquarters and the Zurich airport operation and gave proof on how management systems, HR policies and processes integrate the dimensions of equal remuneration.



Diversity promotion forums

In order to preserve gender diversity and stimulate the dialogue about gender-related issues and concerns, Dufry developed an internal forum – called Women@Dufry – that addresses today's challenges for women in their work place, in order to ensure that our female employees can fully develop their potential and career opportunities within the company. This initiative is sponsored by the Group CEO, is strongly supported by the members of the Board of Directors, and is represented by selected female executives of the company. It enables the company to understand and recognize the challenges that everyone, both male and female, faces and to ensure we put in place the necessary resources to address any



issues. In 2021, the company plans to further enhance and develop the reach of this initiative by broadening its scope to cover additional diversity and inclusion matters other than gender equality.

In the United States, Dufry's subsidiary Hudson formed the Hudson Diversity & Inclusion Taskforce in September 2019. Made up of 18 members across functional and geographical locations in Canada and the U.S., this initiative has the mission of identifying, understanding and eliminating barriers to ensure we deliver a truly diverse workplace for our employees. Discussions and the work of this committee are focused on recruitment practices, career roadmap & development, succession planning, compensation & benefits, work-life balance and organizational culture.

Health & safety

Workplace safety is a priority and an essential commitment for the company in our stores, offices and warehouses. The company ensures that all activities are carried out safely by taking all possible measures to eliminate (or at least reduce) the risks to health, safety and welfare of employees, contractors, customers, visitors and any other person who can be impacted by our operations.

The majority of our workforce operates in airports, seaports, cruise ships and similar environments. As a basic pre-requisite employees have to comply and follow the respective airport's, seaport's or vessel's safety rules as these environments are highly regulated. On top of this, Dufry has specific health & safety regulations for its employees, including internal policies and guidelines – both global and local –, which may go beyond the legal health and safety requirements.

Dufry generally strives to achieve high occupational health & safety standards and actively encourages compliance across the whole Group beyond the specific 2020 pandemic-related initiatives. As a result, Dufry has a number of different Health & Safety Policies throughout the organization. Regardless of the specific requirements of each local legislation, there are certain principles that all these policies adhere to, including:

- Adherence to country, state and local health & safety legislation and any other requirements.
- Workplaces operated as safe and hazard-free spaces.

- Employees having the necessary skills and training to perform their duties.
- Employees having been informed of the contents of the policy.
- All the elements and protective equipment required for employees to carry out their job safely having been provided.
- The Group also has procedures in place in case of emergencies.

Management of occupational health and safety management processes change from one location to another, with a number of common guidelines that apply to all our operations, including the following:

- All Dufry operations provide information to employees on topical issues and health and safety initiatives, including workers who are not members of our staff but work on our premises.
- Health and safety activities are regularly reviewed to ensure issues are effectively managed and improvements are made where necessary. In some of our locations, reviews include employee representation consultations (where appropriate).
- Responsibility for the governance and review of health and safety sits with local operations and HR teams.
- At airport and seaport environments, close collaboration with landlord teams is maintained to ensure compliance with their own H&S regulations and management process.

COVID-19

The outbreak of COVID-19 posed an additional health and safety risk for Dufry, as well as for the whole retail industry. In response to this challenge, Dufry developed a global coronavirus in-store Health & Safety Protocol, which provided guidelines and recommendations to protect the health and safety of employees and their families, as well as customers, business partners and other stakeholders. This protocol established the main guidelines and allowed flexibility to adapt them on a location-by-location basis to adhere to the landlord's and local authorities' requests. Similar protocols were developed and deployed across all Dufry offices and warehouses. Across all locations, the company also guaranteed the provision of signaling elements and protective elements – such as facemasks and alcoholic gels – as requested by local health and safety protocols.



Promoting a healthy working environment

Ensuring a safe workplace is a duty of all members of our staff. Whilst the joint work of local Health & Safety Committees and HR teams is crucial in identifying potential risks and hazards, workers are also encouraged to report to these teams any work-related hazards or hazardous situations. The same process is used for workers to remove themselves from work situations that they believe could cause injury or ill health. Work-related incidents are investigated and reported to management to ensure remediation plans (where needed) are designed and implemented ensuring that processes are duly updated in cooperation with the Health & Safety committees.

Additionally, Health & Safety Committees undertake regular worksite analysis to identify potential risks and hazards. This analysis aims to identify existing hazards, as well as conditions and operations in which changes might occur to create hazards. Results of these assessments are shared with the local HR teams and management.

The highest incidence of occupational accidents is, of course, among store and warehouse staff. The greatest risks to which Dufry workers are affected include:

- Risks related to material elements, objects, products and constituent elements of machines or vehicles
- Falls at the same level
- Incidents with transport and transfer devices.



Training on health and safety is critical to promote a safe work environment. We therefore conduct induction sessions with new members of our staff and hold regular training sessions with all of our staff, both in stores and offices, ensuring understanding of the policies and procedures. If needed, this training is extended to workers who are not members of our staff

but do work on our premises on behalf of third-party service providers.

Airport security practices

Due to the nature of our business, most of our staff are located in airport environments, either working in stores, in airport offices and/or in airport warehouses. As part of the airport eco-system, our staff have to adhere to and follow the security principles and processes established at the specific airports where our stores are located. Most of these regulations and policies are harmonized across the world to ensure consistent levels of safety and consumer protection. Worldwide safety regulations are set by the International Civil Aviation Organization and within Europe by the European Aviation Safety Agency. In order to work in our stores, members of our staff need to obtain the corresponding airport authorization, which in most cases involves training courses on security measures and procedures in the airport environment.

The Dufry employee journey

Dufry has comprehensively mapped all stages of an employee career in our company, starting from when an employee applies to a position until the moment an employee leaves the organization. All the steps in between these two points and the experiences that the employee has is what Dufry calls "the employee journey", and it is the company's systematic approach to identify all opportunities Dufry has to feature a great place to work in our organization.

To simplify the assessment, Dufry establishes four critical stages on this employee journey: recruitment, training, career progression and recognition.

Recruitment

To ensure "Fair Play" in everyone's professional career development, Dufry's recruitment process ensures that all applicants are treated fairly, and each applicant is given the same opportunity to be considered, so that the most suitable person can fill the position. The selection is based on the applicant's competencies, skills, results delivered and the decisions taken regardless of: race, color, religion, sex, sexual orientation, age, gender identity or gender expression, national origin, political orientation, disability or other discriminating factor.

Available positions are first published internally to ensure opportunity and growth of internal talent. Du-



Dufry's recruiters review the skill pipeline of internal employees ahead of engaging with external hiring professionals. Referrals and recommended potential internal candidates are encouraged and evaluated in the same process against other potential candidates. Job offers are typically also posted on the Group's website, www.dufry.com/careers.

To ensure fair play in the selection process, all interview evaluations by Dufry recruiters and hiring managers are reported in the Dufry HR portal Dufry Connect. If any gap or personal development need of the selected candidate are identified, recruiters are instructed to incorporate that information into the new employee onboarding and development plan.

Training and education

Dufry's training methodology follows the "Four E's model": Educate (Formal education), Experiences (Development), Environment (Culture of learning), and Exposure (Connections with other colleagues and professionals).

Dufry employees benefit from an extensive learning catalogue that covers programs to improve their performance in their current positions and also professional development programs to support career progression. Training is offered through several formats, including face-to-face as well as virtual and online training sessions on soft and hard skills. Training is open to all employees and managers at all levels and across the entire organization and all geographical locations. During 2020, and despite some training programs being interrupted as a consequence of the pandemic, 27,393 formal training hours were provided by Dufry.

Some of Dufry's global learning programs include the following:

- Global Welcome – Designed for office and retail staff alike, the Global Welcome is a comprehensive on-boarding program for newcomers aimed at shortening the learning curve. In 2020, over 980 new joiners were trained on this program.
- Dufry Growth and Dufry Leaders Growth – This program for our office staff aims at developing knowledge and skills around functions and departments and preparing mid-level managers to take the next step in their career progression. During 2020, we had 187 new enrolments to this program.
- Retail Champions program – The cornerstone of our Learning and Development strategy for retail staff, this program has been designed to provide our professionals with the tools, knowledge and capabilities they need to perform well in their jobs and develop to their full potential at Dufry. 544 employees, and 27 store leaders, have benefited from this program (interrupted during business closure).
- Future Store Leaders program – A development program aimed at developing the next generation of store leaders by providing hard and soft skills required for their promotion, which in 2020 had 89 participants from Dufry's seven largest operations.



This set of training programs is complemented with product training programs for our store teams, typically delivered by the brands and local teams.

During 2020, we have accelerated the deployment of our online training capabilities sustained over:

- Dufry Connect – Dufry's HR portal, which permits establishing personalized learning programs for every employee based on their role, position and professional category.



- Elucidat – Simplifying the creation of training and learning courses by our learning & development teams to reach 100% of our staff.
- Coursera – An online based training platform for management roles.

The introduction of these platforms, together with the continuous rollout of sales tablets and communications tools for our non-desktop employees (further explained in the Connecting with our Employees section on page 94) is increasing the reach of both product and skills training and benefiting a higher number of employees. These tools have been instrumental over the lock-down periods, enabling our staff to remain engaged and up to date in readiness for the gradual re-opening of the business.

Career Progression

Dufry ensures that future and long-term management needs are being addressed by an optimal balance of promoting internal high-level personnel and hiring external talent (for example in new countries where we start operations). Dufry operates a global, systematic process to identify high-potential talent in the organization and to develop them toward key roles in our business model.

We strongly believe that talent management and succession planning are key activities for a sustainable business. Accordingly, we develop new and existing candidates for more senior management roles and we carry out yearly reviews of the quality of our talent pipeline at two levels:

- The first level concentrates on a limited number of candidates who already have management experience and would be able to take over one of the senior positions in our organization. At year-end 2020, this pool of talented individuals included 70 high-potential managers. With these managers, we address and safeguard succession in specific key management positions.
- The second level focuses on our stores. Amongst the top-performing store personnel and supervisors, we have identified over 200 "Retail Talent" employees as of year-end 2020, on whose development we will focus in order to ensure a quality store-management succession pipeline.

Dufry also established a mentoring program to support employees in taking ownership of their development and helping them maximize their potential and accelerate their leadership development. The men-

toring program pairs Dufry leaders (mentors) and talented staff (mentees). Mentors use their experience and professional background to provide guidance and support to mentees on their learning journey. The first edition of this program started in 2018 and 30 mentoring peers were formed. This program is expected to be resumed during 2021 with additional mentors and mentees.

Awards and staff recognition

Employee recognition is an important way to value employee and team achievements. Every year, Dufry celebrates the One Dufry Awards, which recognize excellence and celebrate the success of our people worldwide who are dedicated to delivering.

The awards are divided in five categories:

- Best Leader Story Award recognizes individuals who have demonstrated the right behaviors and character and shown exceptional performance in Driving Employee Experience.
- Best Customer Experience Award, recognizes the highest scores measured by our Mystery Shopper Survey.
- Best Partnership Initiative Award, which recognizes an outstanding initiative with a supplier, business partner, landlord, inter-company or other party, that was innovative, well designed, well executed and impactful.
- Best Business Growth Story Award recognizing the greatest business growth stories, including – but not limited to – a new store opening, a new airport/ seaport/border/ or other development, growth of a product category, a business channel, or an existing store that has delivered exceptional growth.
- Best Organic Growth Award, which recognizes the country with the strongest year-on-year organic growth.

Engaging with our employees

Understanding our staff concerns and needs is critical for Dufry. For this reason, Dufry fosters a dialogue with its employees and invests in developing the necessary tools to promote communication across all levels of the organization.

Engagement survey

To better gauge our performance both within our company and relative to our competitors, we conduct regular employee engagement surveys that serve to gain understanding of employee perception of the company and identifying areas of improvement. We



ensure that the surveys always involve a substantial proportion of our employees, and that they reach out across the world. The last wave of our employee engagement survey was done in 2019 with very positive results: 75% of our staff responded that they were satisfied working for Dufry (vs. the retail industry average of 63%), and 78% would recommend Dufry as a place to work. The next survey is expected to be carried out during 2021.

Freedom of association and collective bargaining

Dufry respects legally recognized unions and internal forums created to represent their employees' interests. The company's policy on collective agreements is tailored to each location in which it operates, as each location is subject to its own specific laws and regulations. As an example, the current practice in some of the main Group operations is described below:

- In Brazil, there is a collective agreement in place which covers core employee related topics such as salary reviews, general allowances (meal, transport, benefits, etc.), work contract restrictions/special conditions, work shifts, vacations, health and safety, contributions, benefits, awards and requirements related to employee's guarantees.
- Greece has a collective agreement in place ruling the main employee topics.
- In Spain, Dufry has a collective agreement in place that covers all employees, except senior management. The agreement, negotiated between the company and a committee made up of employee representatives and labor union members, outlines conditions such as salary, holiday days and health and safety in the workplace, along with other HR related matters.
- In the UK, Dufry has an employee forum - "Voice" - made up of staff representatives. This forum is as a partnership between the company's management and its employees to influence and communicate business changes.
- In the US, there are a number of recognized trade unions that Dufry engages with, including Unite Here, Workers United, United Food and Commercial Workers, Teamsters, Newspaper Guild and Culinary Workers.

As mentioned at the beginning of the Employee Experience section, during 2020 Dufry had to undertake changes in the organization to adapt the company to the new business environment. The role of staff representation to support the company in adopting

these measures has been critical in both, supporting management as well as communicating with and supporting our staff.

Connecting with our employees

During 2020, we have continued with the rollout of technologies and tools to reduce the information gap between desktop and non-desktop staff. Sales tablets, available in a growing number of our operations, are permitting a more fluid communication, especially with our sales staff and, as indicated before, expanding the learning possibilities.

Over the year, we have also progressed with the roll-out of Beekeeper. This app-based solution enables employee connection, facilitates workplace engagement and increases productivity through unified communications. Through Beekeeper, we are sharing with the more unconnected members of our staff information related to our company, as well as information related to their day-to-day work environment (such as shifts, product information, events in store, etc.). The app also features tools for internal chats and communications and the sharing of information in a very similar environment to that of the most recognized social networks. Currently, Dufry has 11,300 live users on the Beekeeper platform, reaching more than 50% of its workforce and expects to fully roll-out the app globally during 2021.

Finally, Dufry also utilizes a number of other internal communication vehicles to facilitate the dissemination of corporate news and to keep our staff updated and engaged. These include the company's corporate magazine Dufry World – published in five languages four times a year – the company's intranet Dufry Gate, and regular e-newsletters that serve to communicate with our staff globally.

TRUSTED PARTNER



GRI INDICATORS:

[102-12, 13, 16, 17, 18, 20, 22, 23, 24, 26, 28, 30, 31, 32](#)
[201-1, 4, 204-1, 205-2, 206-1,](#)
[407-1, 410-1, 415-1, 419-1](#)

SDGs:

[5.2, 5.3, 5.5, 5.7](#)
[8.1, 8.2, 8.3, 8.8](#)
[9.1, 9.4, 9.5](#)
[16.1, 16.3, 16.5, 16.6, 16.7](#)

Dufry is aware that the long-term sustainability of its business relies on the capacity to build, establish and maintain trusted relationships with all our stakeholders as described on page 32 of this brochure. That means going beyond the strict compliance of legal frameworks and leading the way in terms of sustainability. For doing so, Dufry has set up main lines of action, which include the following:

- Corporate Governance – Continuous assessment of our corporate governance structure and policies to ensure compliance with the applicable legal framework, as well as the Dufry Code of Conduct to reflect stakeholder's needs and expectations.
- Alignment of ESG and business strategies – Ensuring that critical business decisions made to drive Dufry's sustainable and profitable growth also consider potential ESG impacts. Dufry's ESG strategy is supervised by its highest governance body and ensures alignment of business and sustainability strategies, as well as sustainable value creation for our stakeholders.
- Compliance and control – Setting up robust internal bodies and structures that ensure education and control over compliance of codes and regulations, including internationally accepted human rights standards and a zero tolerance policy in respect of bribery and corruption.
- Stakeholder dialogue and engagement – Understanding the needs, concerns and expectations of all our stakeholders and participating in discussions about topics impacting our industry.
- Wealth creation – Delivering value to our shareholders remains a key priority for Dufry. Furthermore, Dufry is aware that the impact of its operations goes beyond that of revenue generation and its activity can generate a positive impact where it operates its stores. Favoring local economies, ensuring a fair sal-

ary and working conditions, sharing of expertise and partnering with local companies is part of this area of focus.

ESG governance

Dufry's top-management oversees the development and implementation of Dufry's ESG Strategy. Since 2019, the highest responsibility over ESG-related decisions relies on the Board of Directors' Lead Independent Director who, among others, oversees the Group's ESG strategy development and execution, ensuring alignment with the business strategy.

Execution of the sustainability strategy is led by the Group CEO. He presides over the interdisciplinary ESG Committee, which meets every two months and is attended by several members of Dufry's Global Executive Committee team (GEC), as well as Global Heads of other relevant functions. This committee meets at least six times a year and is supported by Dufry's ESG department for the day-to-day execution of the strategy.

Socio-economic compliance

Having operations in 64 countries means complying with different national laws and regulations, as well as maintaining an active dialogue to foster ongoing stakeholder and social engagement. For this reason, from a global perspective, Dufry's position towards compliance necessarily needs to have a more holistic and broader approach by also taking into account international norms and best practices, including the 10 Principles of the UN Global Compact. In this regard, Dufry has a number of initiatives and control mechanisms in place that permit the company to monitor and ensure compliance with national and international laws and follow respective ethical standards.



Governance & corporate policies

Dufry believes that active corporate governance is important to the development of the company and also as a way to ensure the sustainable provision of long-term benefits for shareholders, employees and society.

Dufry's Governance system serves as a control mechanism in relation to a number of elements, including bribery and corruption, tax, executive remuneration, shareholders' voting possibilities and internal control. Most of these topics are covered in the Corporate Governance Section.

Especially relevant for the sustainability of our industry is the corruption and bribery phenomena, which can be the cause of negative economic, social and environmental impacts. From a business perspective, corruption distorts the functioning of the market and undermines governance institutions and in general, the rule of law.

In the case of Dufry, the subject of corruption is of considerable importance, as the company expands its operations to many countries with elevated corruption levels and participates in many public procurement processes to bid for airport, seaport and other concessions around the globe each year.

Dufry prohibits bribery and corruption at all times and in any form. We believe that in order to remain a solid business leader, all business must be conducted ethically and in full accordance with all applicable laws, rules, and regulations. Dufry requires all of its employees, officers and directors to behave at all

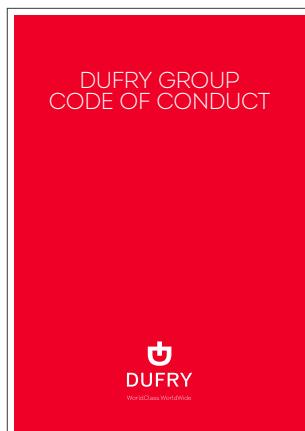
times with honesty, ethics and within the confines of applicable law and in full compliance with Dufry's Code of Conduct. Where laws, rules or customs exist that are different from the principles set out in the Code of Conduct, Dufry employees, officers and directors are required to follow whichever sets the higher standard in this regard.

Dufry also wants its employees, officers and directors to fully respect the safeguarding of integrity and fair dealing when carrying out their activities on behalf of Dufry and to promote the sustainability, diversity, decent work, human rights, zero tolerance to harassment and discrimination standards adopted by the Dufry Group as set out in the Code of Conduct.

Dufry's Code of Conduct outlines the types of conduct, which are not permissible, and imposes strict rules in relation to charitable contributions and sponsorships, as well as gifts, hospitality and entertainment expenses and facilitation payments, to minimize the risk of corruption. In addition, the rules require careful due diligence to be conducted on any external partner Dufry is working with, including a procedure that must be followed to vet all new joint venture partners, consultants for business development projects, counterparts to M&A transactions and other similar counterparts.

Dufry also conducts compliance training of employees, officers and directors, as applicable on an ongoing basis. These training sessions reflect the ongoing changes introduced in our Code Conduct. Dufry's Compliance Department regularly evaluates the content of Dufry's training on Compliance and Corporate Policies. The efforts of the Compliance Department are fully coordinated with, and supported by, the COOs of each Region and the respective HR departments, who help identify the individuals, including new hires, who should receive the training.

Dufry properly investigates all complaints and prohibits retaliation or discrimination against any employees, officers and directors who report a concern made in good faith. Since 2018, two new Group-wide reporting channels have been initiated to sit alongside the email reporting channel compliance@dufry.com: (1) a world-wide, toll-free hotline in 9 languages (English, Spanish, Portuguese, French, Italian, Mandarin, Russian, Greek and German) also accessible via local dial-in numbers for all countries in which Dufry operates; and (2) the online reporting website www.dufry.com/compliance.



Click on the icon to view the
Dufry Code of Conduct



dufry-compliance.com. These reporting channels, run by an independent third party, ensure the integrity of such investigations by acting as a centralized contact point, through which any wrongdoing or corruption concern are reported directly to the Compliance Department for further investigation.

Individuals who receive training have been selected based on the following criteria:

1. Community heads at Headquarters (Finance, Treasury, Procurement, Business Development, Internal Audit, HR, IT, Commercial, Marketing, Customer Service)
2. Local managers with exposure to business development, external partners and third-party contractors
3. Managers with exposure to procurement negotiations
4. Managers with exposure to government officials such as airport authorities, customs or other public authorities
5. Managers with signatory power or appointed as directors or officers of a Dufry Group subsidiary
6. Investor Relations managers
7. Members of the Legal and Governance Department
8. Members of the Internal Audit Department, Loss Prevention and ERM department
9. HR managers worldwide.

GOVERNANCE & CORPORATE POLICIES TRAINING

DIVISION	Managers trained/ retrained in 2020
HQ	235
Europe & Africa & Middle East	327
Asia Pacific	108
North America	122
Central and South America	127
Total	919

As reflected in the table, during 2020, over 900 managers at all levels of the organization have completed this training. Dufry employees, who are not included in the list above, are familiarized with Dufry's governance and corporate policies via a series of videos available through various internal channels, including the Group's intranet Dufry Gate, or the learning management system Dufry Connect, among others. New employees, officers and directors are provided with a copy of the Dufry Code of Conduct when they join the company and are required to acknowledge acceptance of its terms in writing. Additionally, Dufry em-

ployees, officers and directors have access to all of Dufry's compliance and corporate policies, including its Code of Conduct on Dufry Gate for their reference.

Risk management and control

Dufry adopts a risk management model based on three levels. This model is applicable to all subsidiaries of the Group. The company is supported by an Enterprise Risk Management software called GRC (Governance, Risk and Compliance), which allows a comprehensive identification and management of potential risks that may affect the business.

First level - The commitment of Dufry and all its subsidiaries with integrity and transparency begins with its own staff. Dufry requires all its employees, officers and directors to act at all times in accordance with the provisions of the Code of Conduct. The latter describes the types of behavior not allowed, and imposes strict rules regarding the operation of the business.

In addition, the rules require each employee, officer and director to perform due diligence and carefully assess new external partners with whom Dufry plans to work, including a procedure to be followed to examine all new minority partners, consultants for business development projects, partners for transactions & M&As and similar counterparts.

Second level - There are different governance functions across the organization including the Compliance, Legal, Finance and Human Resources departments in charge of monitoring the main risks and establishing the most appropriate controls to mitigate, as well as ensuring compliance with the policies and procedures of the Group. The scope of the Compliance and Corporate Governance function is based on the following pillars:

- Review and compliance with the set of global company policies
- Establishment of the overall framework of approvals of the Group and establishing a policy of "four eyes" for validations
- Training, both for the members of the staff identified with greater exposure to risk and for the rest of the employees
- Global corporate risk management
- Creating internal communication channels to ensure the integrity of the compliance program.



Third level – The Group's Internal Audit provides independent and objective monitoring and consulting services designed to add value and improve Dufry's operations. This function covers all subsidiaries and applies a systematic and disciplined approach to evaluate and improve the effectiveness of governance processes as well as risk management and control, including assessing risk management procedures and the potential committing of fraud. The main risks identified in the course of internal audits are reported to senior management and the Audit Committee of the Board of Directors, and its status is updated periodically until resolution or acceptance are given by the governing bodies.

Stakeholder interaction and dialogue

Engaging with our stakeholders on a regular basis to understand their expectations, needs and concerns is part of our ongoing commitment to sustainability. We interact with our stakeholders in a number of different ways, both formal and informal. For 2020, the group of relevant stakeholders included in our materiality assessment remains valid, and includes airports and other landlords, customers, employees, investors (incl. shareholders, bondholders and lending banks), public authorities, suppliers, media and communities.

The eco-system illustration included in the ESG Strategy on page 32 graphically describes the close interaction of Dufry with its core stakeholders. Especially remarkable is the interaction with both suppliers and landlords, which permits Dufry to provide a superior service to customers. Known in the industry as the Trinity (airport authorities & other landlords, retailers and suppliers), the tight lines and collaboration between these three groups allow for an improved dialogue and mutual understanding between landlords, retailers and suppliers, to the ultimate benefit of our customers. This interaction has been especially critical and valuable during 2020 in helping us to find common solutions to mitigate the impact of the COVID-19 pandemic and its effects over travel.

Beyond the Trinity described above, our employees and investors are the other two key stakeholders contributing to our company's success. Dufry however, holds relationships with a larger group of stakeholders, which include:

- **Travel Retail Associations and Industry Bodies:** Dufry is an active member of each of the relevant regional and national industry associations in the geographies in which it operates (see pages 56/57). We are proud to have senior staff members on the Board of some of the most respected industry bodies – ETRC, MEADFA, IAADFS, ASUTIL, UKTRF or the Duty Free World Council. This gives Dufry a voice in industry debates, ensuring that it plays a proactive role in shaping the industry's future.
- **Government & Public Institutions** – The relationship with this group is of major importance, as they are the generators and guardians of laws and regulations that circumscribe Dufry's operating environment. New laws and regulations can have a significant impact on the business and Dufry needs to be aware of any changes and be prepared to influence draft regulations and react to comply as needed.
- **Service Providers** – Understanding the relationship of Dufry with key service providers – mainly with IT, and logistics suppliers among others – is fundamental for Dufry to have a more holistic view of its ESG impact and to assess and eventually address improvement areas.
- **Media** – Is an important group for Dufry as it permits the company to communicate with some of our main stakeholders. Dufry strives to build strong and close collaborative relationships with media and our communications teams maintain direct and long-term relations with media representatives and influencers and provide them with timely information on a wide range of global, regional and local topics.
- **ESG Community** – Comprised of ESG rating agencies and the ESG community of the travel retail and airport industry, the relationship with this group of stakeholders permits our company to have a better understanding of the main topics of concern on a global basis and identify areas of improvement within our ESG reporting and communication.
- **Communities and Charities** – As part of its social commitment, Dufry supports many activities in communities in which it operates. Dufry has a particular focus on education, youth development and charities for children and encourages its employ-



ees to work as active members at a local level. For detailed information, please see our Community Engagement section on pages 101–107.



Partnerships with landlords and suppliers

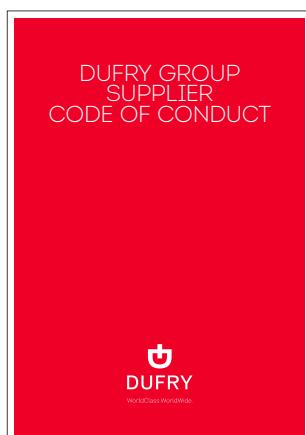
The Trinity approach mentioned above is of special interest for Dufry as a way of achieving the company's ultimate objective of delivering a superior shopping experience for our customers. The pursuit of this objective however requires both joint collaboration – in the way the offer is presented to customers – and in ensuring that the responsibility towards society and the environment expected from Dufry, is also demonstrated by our partners.

Supplier Code of Conduct

As stipulated in its Supplier Code of Conduct, Dufry expects suppliers and business partners to comply with the law, stipulated contract conditions and international best practices in respect of human rights, the environment, health and safety and labor standards. As a further step towards achieving a more sustainable supply chain, in 2017 Dufry developed its Supplier's Code of Conduct, with the purpose of ensuring that our suppliers across all product categories, have in place and apply accepted business stan-

dards, as described by the UN Global Compact, regarding:

- Ethics and integrity
- Labor and employment practices and working conditions
- Environmental compliance and sustainability
- Product safety and security.



Click on the icon to view the Dufry Supplier Code of Conduct

Combined with the Corporate Governance and the Remuneration Reports, both the Supplier Code of Conduct and the Dufry Code of Conduct provide detailed insights on how Dufry assumes its responsibility concerning social, ethical and environmental standards and how we put into practice the principles of sustainable development in our day-to-day work. Both Codes were updated in 2020 to reflect developments in law, regulation and professional ethics and are available in the sustainability section of our website: www.dufry.com/sustainability-dufry

We expect all of our suppliers and business partners to comply with the principles included in Dufry Supplier's Code of Conduct, and ultimately to replicate these standards further down their supply chain. In 2020, we continued our effort, to proactively share the Code with additional suppliers from all product categories, and have planned a complete re-engagement process with all key suppliers for 2021.

Industry recognition

Dufry has a proven track-record in delivering successful shopping concepts, specialized stores and marketing activations, some of them in close collaboration with airport and brand partners. Testimony to this successful collaboration is the Frontier Award



granted to Dufry's UK subsidiary, World Duty Free, and Heathrow Airport for a joint marketing campaign. These awards, known as the "Oscars" of the duty free and travel retail industries, celebrate the very best of innovation and creativity within the travel retail sector. Under the name of "Destination Beauty", a campaign that spanned five weeks and consisted of a series of beauty events covering London Fashion Week and Chinese Golden Week was implemented. The event highlighted five exclusive destination-themed make up styles, created by five leading global beauty houses specific to this campaign and went live across all four terminals at London Heathrow Airport. This is a true example of an outstanding Trinity collaboration between brand partners, airport landlord and Dufry that served to gain international recognition.

This is just one example of industry recognition granted. For a detailed list of other awards won by Dufry, please visit our website at www.dufry.com/en/company/our-awards

Corporate citizenship

Dufry is aware of its responsibilities towards society. As a corporate citizen, Dufry is expected to contribute to the production of higher standards of living, wealth and quality of life wherever the company operates, whilst maintaining profitability for shareholders. Dufry showcases its strong corporate citizenship foundations through its undeniable commitment to ethical behavior when doing business, as described in the Community Engagement section on pages 101–107.

This is paired with Dufry's participation in several industry initiatives geared towards safeguarding the consumer and to environmental protection. Amongst others, Dufry has contributed to the development of

several Codes of Conduct for the travel retail industry (such as the UK Code of Conduct on Disruptive Passengers and the ETRC and DFWC Codes of Conduct on Sale of Alcohol), and is a member of the ACI Climate Change Task Force. Dufry is also a signatory member of the UN Global Compact since January 2020 and has actively promoted the adoption of the UN Sustainable Development Goals (SDG) through awareness campaigns organized in cooperation of airport landlords and the UN.

Stakeholder Value Allocation

As part of its corporate citizenship, Dufry contributes to the economic development of the economies in countries where it operates through the payment of fair and competitive salaries, taxes and the purchase of local products and services. As a way of assessing the economic impact of our business, Dufry annually discloses its stakeholder value allocation, which reflects the direct monetary impact of its operation over its main stakeholders.

Accrued value allocated to our employees in form of remuneration and social security payments amounted to CHF 716.0 million in fiscal year 2020. CHF 325.5 million were interest expenses as payments to our bondholders and lending banks. Due to the loss before tax recognized in 2020 as a consequence of the COVID-19 pandemic, Dufry recorded an income in current income tax, mainly based on tax losses in certain jurisdictions. In addition, the Company generated tax losses which can be carried forward and used against future taxable profits. The total income on income taxes recognized in the income statement 2020 amounted to CHF 130.7 million. As described on page 8 in the Chairman letter, the Board of Directors had originally planned to propose a dividend payment of CHF 4.00 per share to the General Meeting of Shareholders held in May 2020. However, due to the COVID-19 pandemic and the impacts on the industry and on Dufry's business, the final proposal to the General Meeting was not to pay any dividend in 2020, in order to protect the liquidity of the Company. With respect to the 2021 General Meeting of Shareholders, the Board of Directors will propose to keep the dividend payment suspended, thus continuing the strong focus on protecting the liquidity.

Additionally, Dufry contributes every year to a comprehensive number of social initiatives, which are described in the Community Engagement section of this report in page 101.



COMMUNITY ENGAGEMENT

The support of charitable institutions and causes, as a way of giving back to society, has been inherent in the growth and evolution of Dufry since its early years. During 2020, either at global, country or location level, Dufry has lent support – either financially, or by raising awareness, or through the volunteer work of our staff – to a number of nonprofit organizations and social or humanitarian initiatives, as well as supporting cultural events and entities.

2020 will be a year marked by the COVID-19 pandemic and its impact over all aspects of our lives. That has also been reflected in our interactions with the communities in the many locations in which we operate. Aware of the extreme pressure that health and assistance services experienced during the toughest months of the pandemic, we made contributions by donating food, confectionery and sanitary products to hospitals and care homes at the time they were most needed.

Nevertheless, the sponsoring and support of disadvantaged children, young people and their families, together with enabling them access to education, has remained the main line of action in our corporate community initiatives. At country level, similar projects have been supported and, in some of these operations, our employees have actively participated in the process of selecting the projects we support, reinforcing the engagement and motivation to collaborate with the initiatives.

Dufry's support to these causes is sustained in direct monetary contributions complemented by the paramount role of our customers, who help us raising additional funds by buying charitable products in our stores in support of different NGOs, as well as by making donations in the boxes available in some of our airport locations. The pandemic and its impact in terms of the reduction of passenger numbers, has inevitably reduced the amounts raised through the sale of products in our stores. However, it has not stopped Dufry from giving the much needed support, despite the challenging conditions of this year.

Towards the end of 2020, we celebrated the soft launch of Captain Dufry, our first global charitable initiative. Captain Dufry is a soft toy dog and the profits from the sale of Captain Dufry toys will be donated to the SOS Children's Villages. Dufry has supported this charity for over ten years and benefits from this global

initiative will serve to improve the living conditions of many children and their families. Beyond the financial objective pursued with Captain Dufry, this initiative will also serve to increase awareness around SOS Children's Villages and their activities. Captain Dufry has already made his debut in many of our airport stores, and we will continue with his rollout throughout 2021.

We are also very proud of the activities carried out by our staff to support disadvantaged communities and charitable initiatives, often during their own free time. The pandemic has brought new needs that went beyond the material dimension, and these new needs have been addressed by many of our employees, who have gone "above and beyond" in terms of the help they have given to colleagues, neighbors and anyone in need around them. Where and when possible, we have supported and funded them and made the individuals and their great work visible to the rest of their colleagues, by using our internal communication channels. This serves a two-fold purpose, helping them to obtain vital, additional support and also providing a way of recognizing and thanking them for their philanthropic efforts.

The initiatives and projects described in the next few pages represent some of the most prominent projects we support. The progress made and the encouraging results of our on-going support to these initiatives – the earliest Dufry supported project started in 1995 – make us feel very proud and is an incentive to strengthen our ties with them. Despite the COVID-19 related negative impacts on the travel and travel retail industries, and on our business results in 2020, we strongly believe that the most vulnerable in our communities need the continuous support of Dufry and companies like us.

SOS Children's Villages supported programs in Brazil, Mexico and Kenya

Dufry and SOS Children's Villages have been working together for more than ten years, supporting families worldwide with the aim that no child should grow up alone. Back in 2009, Dufry began sponsorship of an initial project focused on preventive care in Igarassu, in the northeast of Brazil. The construction of a social center was a tangible example of investing in the care of children and young people. Dufry has been continuing to support the running costs and training classes of the center ever since. In 2020, our donation benefited nearly 400 infants, young children and teenagers

with their mothers and enabled them to join family strengthening programs focused on building self-esteem, improving gender relations and preventing domestic violence. Mothers were given the opportunity to leave their children in the child-care center during the day so that they could go to work and earn a living for themselves and their children. In addition to supporting this center, Dufry finances the annual family-budgets, medical costs and school fees for children in the SOS Children's Village of Igarassu.

In Mexico, Dufry supports SOS Children Villages Family strengthening programs in Comitán. Located in southern Mexico in the state of Chiapas, historically one of the poorest in Mexico, this city is known for its high rates of poverty and social exclusion. The programs of SOS Children's Villages in the social center in Comitán ensure that children are included in early childhood development programs. The program aims to alleviate hardship in the community in a holistic and sustainable manner, provide childminding and day-care programs, which enable working parents or single mothers to leave their children in safe hands. Mothers hence have better opportunities to go to work and earn their own income, as they can count on day-care solutions for their children. Fathers on the other hand receive awareness raising support in connection with educational matters and are helped and encouraged to become more constructively involved in family responsibility, thus improving the overall quality of life for these families. The financial support covers expenses for food, school expenditures, medical assistance and educational staff. Dufry's contribution in 2020 supported more than 1,000 beneficiaries.

In 2020, Dufry started supporting a family strengthening program in Nairobi, Kenya. This program seeks sustainable and innovative ways to prevent family separation and address the situation of those children who are at risk of losing care from their biological family. The pillars of this program are family empowerment and community empowerment to achieve the ultimate development of children through provision of quality care and protection. Community-based partners are strategically identified, assessed and engaged to help create a strong safety net around the vulnerable children and youth in the community. Diverse partners are actively sought and resources mobilized to increase impact through the provision of proper nutrition, quality education and healthcare, decent housing, training and development for young people, capacity develop-

ment for caregivers and community-based partners, as well as emergency response when necessary.

Beyond Dufry's global contribution to SOS Children's Villages, a number of our operations – including those in Italy, Sweden and Finland – also support the local SOS Children's Villages projects in their corresponding countries. Their contributions, big and small, help this organization in their objective of keeping families together, providing alternative care when needed, supporting young people on their path to independence, and advocating for the rights of children.

Captain Dufry -Dufry's first truly global charity initiative

Supporting charities and contributing to the communities where it operates has always been at the core of Dufry's way of doing business. Over the years this has crystallized in a long list of charitable initiatives supported at local level by our operations. The last quarter of 2020 however saw the kick-off of Dufry's first global charity initiative with the launch of Captain Dufry.

Captain Dufry is a soft toy dog wearing a Dufry scarf and aviator hat with goggles, which is gradually being made available across Dufry stores in 23 countries. However, the most important part of this toy is not that visible: benefits obtained from the sale of Captain Dufry will be donated to charities and, for the next couple of years, Dufry has collaborated with SOS Children's Villages to receive the proceeds of this initiative.

Captain Dufry is available at an accessible price and designed to be an irresistible "feel-good" impulse purchase. This item gives Dufry's customers the perfect opportunity to buy a gift that truly makes children feel special – both their loved ones and those in need of support around the world.

The availability of Captain Dufry in stores is supported with in-store communication and signage to build awareness. Dufry is identifying high visibility spaces across the stores where Captain Dufry is to be made available – including dedicated sales displays and gondolas. On top of this, Dufry customers are offered additional options to donate using the Red By Dufry App, hence, increasing the possibilities of helping this charity initiative even more.

One Water – selling bottles to provide sustainable clean water

World Duty Free continues to be one of The One Foundation's main commercial supporters, a role it has held almost since the beginning of the partnership in 2016. World Duty Free sells the charity's bottled "One Water" and branded jute bags in all of its UK airport stores. To date, World Duty Free has raised £ 2.3 million for clean water and sanitation projects, changing in the process over 417,000 lives.

In 2020, World Duty Free helped continued to help improving water services in low-income areas in Nairobi through the promotion of household connections and pre-paid water dispensers. World Duty Free's support has also helped to repair broken water points in rural communities in Malawi, to train community members to manage and maintain their water points for future sustainability, and to help deliver piped water systems in Rwanda.

Over the years, World Duty Free employees have been selected to go on trips to Malawi as part of a staff incentive to recognize stores that have shown the most growth in terms of One Water related sales. Employees who were nominated to go on the trip, are real advocates for the brand and the experience provides them with a chance to see for themselves the life changing work that One Water is doing. In 2020, six employees from our UK operation traveled to Rwanda to see the impact of The One Foundation's work on the ground and see how this life-changing program is working with key stakeholders such as local government, communities and utility companies to deliver piped water into the districts of Rulindo, Kicukiro and Gicumbi.

These journeys to Africa are a great way to inspire our staff to get involved and keep supporting the One Water projects, taking back to the stores and our customers all that they have learnt.

Awareness campaign of the United Nations' Sustainable Development Goals

The #YouNeedToKnow campaign to raise awareness of United Nation's Agenda 2030 and its 17 Sustainable Development Goals returned for the fourth year in a row to Zurich and Basel airports in January 2020, in time to grab the attention of people heading to the World Economic Forum Annual Meeting in Davos.



The campaign was first launched in Geneva in November 2016. It has since travelled around the world's largest airports, including Zurich, Madrid, London Heathrow, Malpensa in Milano, Mexico and Moscow. Between January 15 and February 14, 2020 the around 80,000 daily travelers transiting through Zurich airport were greeted at a 50 m² pop-up stand showcasing communication material related to the UN Sustainable Development Goals (SDGs), including videos, publications and games, urging them to rally around the Global Goals and think about how to rid the world of poverty, provide quality education, guarantee gender equality and foster economic growth, among the many challenges the world must tackle swiftly.

Charity Water Project in Zurich and Basel Airports

The Charity Water project launched in 2014 as a joint project between Flughafen Zurich AG and Dufry, continued in 2020. With the sale of bottles of mineral water in our airport stores, Dufry has been able to support several charity organizations, which are usually updated every year.

In 2020, Dufry has continued its cooperation with the Children's Hospital (Kinderspital Zurich, locally known as "Kispi"). The Children's Hospital is a non-profit private institution serving all children and adolescents. It is the largest university children's hospital in Switzerland and one of the leading centers for pediatric and adolescent medicine in Europe. Each year, approximately 2,300 dedicated employees are committed to care for the wellbeing of more than 100,000 young patients, from the first day of life to the age of 18. At the same time, with the sale of bottled water in our stores at Basel Airport we continued to support the NGO Krebskranke Kinder Basel, an NGO supporting children with cancer being treated in the University Children's



CAPTAIN DUFRY
Benefits of the sale are donated
to SOS Children's Villages.



1



2

1



1 NAIROBI | KENYA
Dufry supports SOS Children's Village's family
strengthening programs in Nairobi, Kenya.

2 IGARASSU | BRAZIL
Dufry continued to sponsor SOS Children's Village
preventive care in Igarassu, Brazil.

Hospital of Basel. This foundation plays an important role in helping families financially with uncovered costs related to childhood cancer, as well as providing professional support for families in this difficult phase of their life.

Sponsoring children's education in Haiti

As corporate sponsor since 2014, Dufry continued its support to the Hand in Hand for Haiti Foundation, supporting the NGO's Student Sponsoring Program. Hand in Hand for Haiti runs the "Lycee Jean-Baptiste Pointe du Sable", which was built as part of the collective response to the humanitarian crisis in Haiti, following the catastrophic earthquake of January 12, 2010. Through Dufry's sponsorship, children receive trilingual education in French, English and Creole, as well as meals, health services, uniforms and school supplies and free bus transportation to and from school.

Rio de Janeiro, Brazil – Helping to build the future of young teenagers

Since 1995, Dufry has been sponsoring a social promotion program in Rio de Janeiro aimed at improving the skills of young people and, hence, increasing their employability. This program features free professional education to young people from communities around Galeão Airport, including various classes and education modules such as English, computer classes, retail operations, professional orientation, teamwork, leadership, rules of etiquette, ethics and citizenship. The daily classes are attended by 16 to 20 year-old female and male students, who receive free meals, medical and dental care, uniforms, school and educational materials as well as transportation assistance. The commitment of Dufry with this program goes a stage further by supporting attendees in their first steps into professional life. Dufry coaches students on their career progression, alerting them to any job opportunities within Dufry's organization or with external partners and giving support on how to successfully face a recruitment process. This program is also an institution amongst Dufry employees and one of the initiatives Dufry Brazil staff feel very proud of. Our staff in Brazil act as mentors to the program's students and every year, more than 60 volunteers from both Dufry and its Brazilian partners get involved.

Over the 25 years that this program has run, it has proved to be a great success. Employability rates usually reach high levels for participating students and since Dufry started its collaboration, over 730 teen-

agers have benefited. And, whilst during 2020 the education activity was canceled due to the pandemic, Dufry is determined to keep supporting this program.

Hudson supports communities in need

In 2020, Hudson continued its long-term partnership with Communities in Schools (CIS), raising funds through its in-store donation program. CIS is the largest and leading school dropout prevention group in the United States, serving nearly 1.6 million at-risk students. With COVID-19 disrupting in-school learning, Hudson's partnership with CIS was more important than ever this year. Hudson's funds have helped CIS in providing technology for remote learning as well as access to mental health resources, social services and regular meals that students relied on from schools prior to COVID-19. Over the past 10 years, Hudson has raised more than USD 4 million for Communities in Schools, serving more than 15 million students during the duration of the partnership.

In late 2019 and into the beginning of 2020, Hudson also raised funds for Habitat for Humanity of Greater Los Angeles to rebuild areas devastated by wildfires in Southern California. Raising more than USD 136,000 through in-store fundraising, the donations supported the Disaster Relief Program, which serves low-income families whose homes were damaged or destroyed in wildfires. Combined with funds raised previously for Habitat for Humanity wildfire relief, Hudson has donated over USD 336,000 to-date.

Manchester HOME project

Opened in 2015, HOME is Manchester's cultural organization founded by the merger of two of the city's long-standing arts venues – Cornerhouse, established in 1985 and the Library Theatre Company, founded in 1952. World Duty Free's partnership with the Greater Manchester Arts Centre (HomeMcr) supports work with local schools, youth centers and community centers in the Wythenshawe area (south of Manchester).

Since 2016, World Duty Free has funded workshops at The Wythenshawe Community Workshop and projects at the Wythenshawe Primary & Secondary School. These projects provide opportunities to young people and pupils to expand their horizons, develop new skills and increase their confidence. The opportunity for children and young people to take part in creative workshops that help to develop a range of skills are fun, but most importantly, the projects give the group

a chance to maximize their potential for future training and employment.

Mind - for better mental health

On its second year of a three-year partnership, World Duty Free in the UK continued collaboration with Mind, the mental health charity supporting individuals who suffer from mental health problems. Mind empowers people through advice, support and clear information. They campaign to improve services, battle stigma and end discrimination. In addition to its support of Mind, World Duty Free UK staff in Scotland and Northern Ireland continued supporting the Scottish Association for Mental Health (SAMH) and Inspire respectively. All three charities work towards the shared goal of supporting people with mental health problems and promoting awareness and understanding of mental health.

Mental health was one of the side effects of the 2020 COVID-19 pandemic. The months of lockdown and the

anxiety and uncertainty generated by the sickness, have had a huge impact on mental health, with new mental health problems developing and existing ones getting worse. The importance of the work of this NGO hence became even more relevant, and the raising of awareness about mental problems, as well as how to get help and tackle them, became more urgent. The most remarkable event of the year coincided with the celebration of World Mental Health Day, when World Duty Free colleagues in the UK supported Mind through a number of activities organized to raise awareness, connect with colleagues and raise funds.

Fundación Aladina - supporting children with Cancer

Fundación Aladina is a Spanish NGO that provides comprehensive support to many cancer-diagnosed children and teenagers and their families. The support given include psychological and emotional support, as well as material and financial assistance. With its donations, Dufry supported Aladina's Extraordinary Spe-



3



4

3 COMITÁN | MEXICO

SOS Children Village in Comitán, Mexico, improves education and quality of life.

4 THE ONE FOUNDATION | RWANDA

In Rwanda, One Foundation trains community members to manage and maintain water points.

cial, which finances the purchase of prosthesis, wigs, wheelchairs, hearing aids, physical therapy sessions, funerals, and any other expenses incurred as a result of the child's illness. The support during 2020 was especially needed due to the growing needs that emerged as a consequence of the pandemic.

Support to multiple projects in Greece

Hellenic Duty Free Shops supplied fuel to heat up schools in the Northern areas of Greece. It also sponsors a variety of annual events that take place in areas where the company operates and supports a number of organizations through fund raising activities and direct donations. Amongst others, Hellenic Duty Free Shops have supported Make a Wish Hellas, SOS Children's Villages Greece, Galilee Palliative Care Center and the Skytali Hellenic Heart-Lung Transplant Association.

Ongoing support to Richmond Hospital Foundation in Vancouver

For the fourth consecutive year, World Duty Free Vancouver continued its support to the Richmond Hospital and its community of care, by raising over USD 38,000 towards the Acute Care Tower for Richmond Hospital. Realizing the need for a new tower and understanding the impact it will have for health care in the community, World Duty Free Vancouver has committed to raising USD 100,000 towards the ACT (Acute Care Tower) NOW campaign within three years. Richmond Hospital urgently needs a new Acute Care Tower to replace the original hospital tower, which is more than 50 years old, seismically unstable and obsolete with a severely deficient infrastructure and unable to meet the needs of Richmond's dramatically growing and ageing population.

Supporting healthcare workers on the frontline

Dufry and especially our staff were aware of the extreme pressure that the national medical and health services were going through during 2020, especially in the first few months of the COVID-19 pandemic and the latter months of the year. And as Dufry had to start closing down stores due to travel restrictions, there was an opportunity to make donations to hospitals and care homes of the food and confectionery products that would otherwise expire in warehouses across many locations. In the case of the UK, a number of members of our staff volunteered to make multiple product deliveries to selected hospitals and care homes located near the airports where Dufry oper-

ates. This was coupled with lots of fundraising activities to support the UK's National Health Service and other local causes in real need during these challenging times.

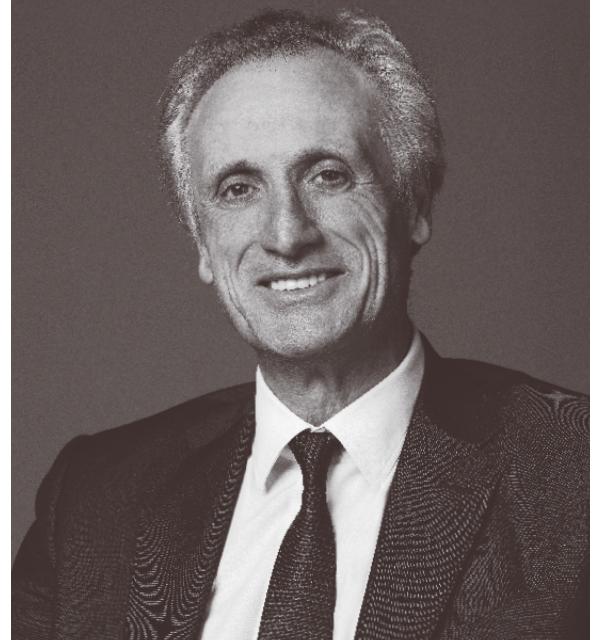
In Spain, over 9,000 facemasks and hydro-gels were donated by Dufry to Spanish hospitals in response to the lack of self-protection materials suffered at the beginning of the pandemic, providing much needed support to medical professionals.

And a long list of other local contributions

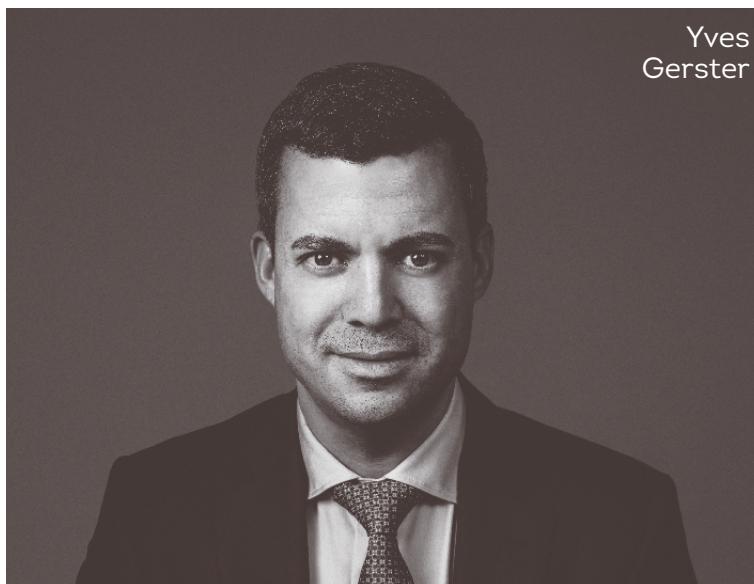
There is a long list of yet more causes our staff contribute to and this has continued to grow in 2020. The high school scholarships program initiated a few years ago in Korea; the supply of school furniture in Argentina; and countless numbers of charity runs, bike rides, bake sales and more to support the many deserving projects. All these initiatives are often initiated by members of our staff and backed by Dufry, both with financial contributions and creating internal awareness to increase participation amongst our employees. We are very proud of our staff and the response given over the year, including a long list of individuals who have cared for those around them and lent support to local communities and colleagues in need, during this very challenging year.

GLOBAL EXECUTIVE COMMITTEE MEMBERS

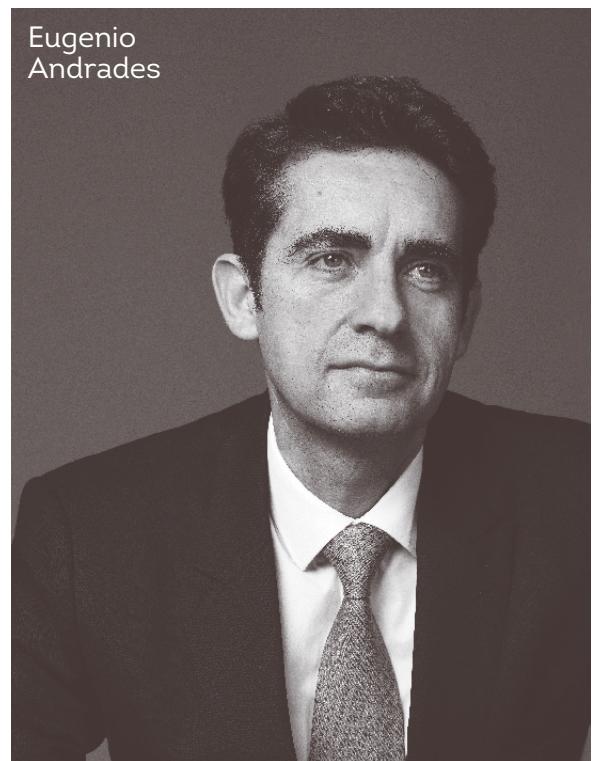
Julián Díaz
González



Yves
Gerster



Eugenio
Andrades



Luis
Marín



Salvatore
Aricò



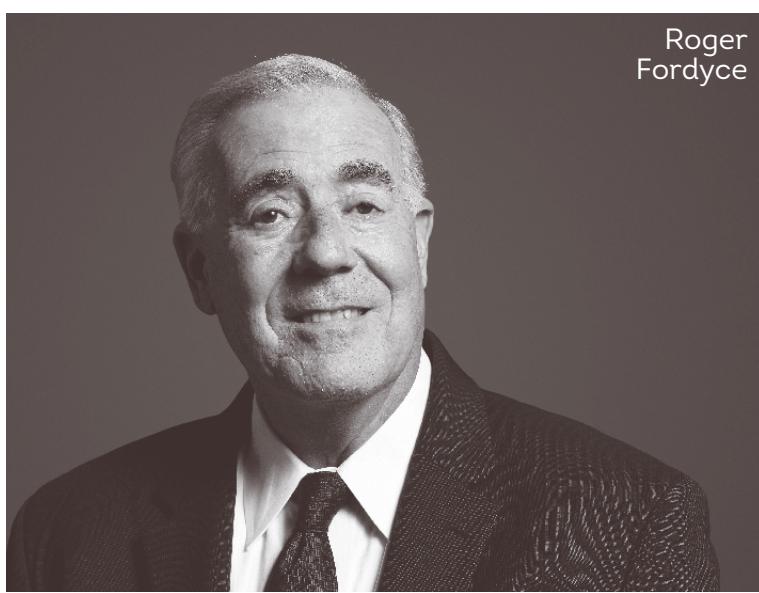
Andrea
Belardini



Pascal C.
Duclos



Roger
Fordyce



AWARDS RECOGNIZING EXCELLENCE IN TRAVEL RETAIL

AWARDS

Dufry constantly strives for operational and business excellence at internal and external level. As in previous years, this has been recognized by the outside world. Dufry is delighted and proud to have received a variety of awards, which reflect its competence as the leader in travel retail worldwide.

2020

Collaboration of the Year Frontier Award

Destination Beauty, a campaign of World Duty Free and London Heathrow Airport that spanned for five weeks and that consisted of an extended beauty event encompassing London Fashion Week and Chinese Golden Week, won the Frontier Award to the Best Collaboration of the Year. These awards, known as the "Oscars" of the duty free and travel retail industries, celebrate the very best of innovation and creativity within the travel retail sector.

2019

DFNI Product Awards 2019

Dufry's new Lindt Chocolate Boutique, which opened at Zurich Airport in April 2019, was awarded in the category "Best New Store" in the DFNI Awards celebrated early end-of-year 2019. The store is an excellent showcase for the famous Swiss chocolate brand. The 130 m² outlet brilliantly engages with millennial travelers courtesy of a fun Magical Selfie Mirror, while the Lindt Master Chocolatier station, Pick 'n' Mix Paradise unit and Gifting Station cater superbly to different confectionery purchasing motivations.

Sunglasses Awards

In the annual Sunglasses Workshop & Awards in Cannes held during the TFWA World Exhibition and Conference, Dufry achieved two awards: 'Best Dedicated Sunglasses Sales Team' for its team at Zurich Airport and 'Best Marketing Activity: On-Airport'.

Duty Free Readers' Choice Awards

Dufry Group won the recognition as the "Best Airport Retailer" in the Americas in the 2019 Regional Duty Free Readers' Choice Awards. The readers of the Americas, Asia and Gulf-Africa Duty Free & Travel Retailing magazines chose the winners by voting online in seven different categories for each of the three regions.

ACI-NA Concessions Awards

Airports Council International-North America (ACI-NA) recognized Hudson in three different categories. The Ink by Hudson store at Tucson International Airport won 1st place in the category 'Best New News & Gift Concept'; the MAC Lips concept implemented at O'Hare International Airport won 2nd place in the category 'Best New National Brand Concept'. And finally in the category 'Best New Local Concept' McNally Jackson Books at LaGuardia Airport got the 2nd place and Palmetto Distillery at Greenville-Spartanburg International Airport the 3rd place.

Mejores Patrones and Best Employer

Dufry Puerto Rico has been awarded 'Mejores Patrones and Best Employer' in the 2019 edition of the awards by the consultancy Kinecentric, in recognition of its high international standards.

The full list of awards won is available at:
www.dufry.com/en/company/our-awards

Publisher Dufry AG, Basel
Concept Dufry AG, Basel
Design, Production and Print
Neidhart + Schön Group AG, Zürich

