

Invitation

to the Ordinary General Meeting of Shareholders of

Dufry AG

The **Ordinary General Meeting of Dufry AG will be held on Thursday, April 27, 2017** at 14.00 hrs (doors open at 13.00 hrs) at the Grandhotel “Les Trois Rois”, Blumenrain 8, 4001 Basel, Switzerland.

Agenda

1. Approval of the Consolidated Financial Statements and the Annual Financial Statements for 2016 and Advisory Vote on the Remuneration Report 2016

1.1 Approval of the Consolidated Financial Statements and the Annual Financial Statements for 2016

The Board of Directors **proposes** that the consolidated financial statements and the annual financial statements for 2016 be approved.

1.2 Advisory Vote on the Remuneration Report 2016

The Board of Directors **proposes** that the remuneration report as shown in the annual report 2016 (pages 229 to 242) be approved on a non-binding consultative basis.

2. Appropriation of Available Earnings

	(in CHF 000)
Result carried forward:	107,635
Net earnings (loss) for the year:	(16,998)
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Available earnings at December 31, 2016:	90,637

The Board of Directors **proposes** that the available earnings be appropriated as follows (in CHF 000):

To be carried forward: 90,637

3. Discharge of the Board of Directors and the Persons Entrusted with Management

The Board of Directors **proposes** that the members of the Board of Directors and the persons entrusted with management be granted discharge for their activities in the financial year 2016.

4. Re-elections to the Board of Directors

4.1 Re-election of the Chairman

The Board of Directors **proposes** that Mr. Juan Carlos Torres Carretero be re-elected as member of the Board of Directors and as its Chairman for a term of office extending until completion of the next Ordinary General Meeting.

4.2 Re-election of Directors

The Board of Directors **proposes** that Mr. Andrés Holzer Neumann, Mr. Jorge Born, Mr. Xavier Bouton, Ms. Claire Chiang, Mr. Julián Díaz González, Mr. George Koutsolioutsos, Ms. Heekyung (Jo) Min, and Mr. Joaquín Moya-Angeler Cabrera be re-elected as members of the Board of Directors for a term of office extending until completion of the next Ordinary General Meeting. The nominees will be elected individually.

5. Re-elections to the Remuneration Committee

The Board of Directors **proposes** that Mr. Jorge Born, Mr. Xavier Bouton, and Ms. Heekyung (Jo) Min be re-elected as members of the Remuneration Committee for a term of office extending until completion of the next Ordinary General Meeting. The nominees will be elected individually.

6. Re-election of the Auditors

The Board of Directors **proposes** that Ernst & Young Ltd be re-elected as the Auditors for the financial year 2017.

7. Re-election of the Independent Voting Rights Representative

The Board of Directors **proposes** that Altenburger Ltd legal + tax, Seestrasse 39, 8700 Küsnacht-Zürich, be re-elected as the Independent Voting Rights Representative for a term of office extending until completion of the next Ordinary General Meeting.

8. Compensation of the Board of Directors and the Group Executive Committee

8.1. Approval of the Maximum Aggregate Amount of Compensation of the Board of Directors

The Board of Directors **proposes** to approve a maximum aggregate amount of compensation of the Board of Directors for the term of office from the 2017 Ordinary General Meeting to the 2018 Ordinary General Meeting of CHF 8.4 million.

Explanations:

The above proposal by the Board of Directors is based on the recommendation received from the Remuneration Committee, which had mandated PwC to carry out a compensation benchmarking for the Board of Directors, based on a group of 18 companies, which are comparable in size, geographic reach and market profile. It also asked for an external expert opinion to review our remuneration system. Such benchmarking and external advice is conducted periodically to update and adjust compensation to current market trends. The remuneration system of the Board of Directors is explained in detail on pp. 231 et seq. of the annual report 2016.

Members of the Board of Directors receive a fixed compensation in cash (except for the CEO, who does not receive any compensation in relation to his position as a member of the Board). As executive Chairman, Mr. Torres Carretero receives a performance bonus. The proposed maximum aggregate amount of CHF 8.4 million for the compensation of the Board of Directors for the period until the next Ordinary General Meeting derives from the following components:

- *Board and committee fees, including the board membership fees, the fee of the executive Chairman and the committee membership fees for the members of the Board of Directors proposed for re-election above.*
- *A cash bonus for the executive Chairman which is based on financial performance of the Company and capped at 150% of the target bonus. The bonus will be approved by the entire Board of Directors upon proposal of the Remuneration Committee. The amount included in the proposed maximum aggregate amount is based on the maximum possible bonus pay-out.*

- *Mandatory social security contributions to be paid (or expected to be paid) by the Company pursuant to applicable law with respect to the compensation of the executive Chairman.*
- *A reserve amount which allows for flexibility in the event of extraordinary events such as adding additional members to the Board of Directors, significant additional workload of all or certain members of the Board of Directors that requires additional compensation, including membership in ad hoc committees, or an increase in mandatory social security contributions due to a change of domicile of a member of the Board of Directors or of applicable contribution rates.*

The actual pay-out, including the distribution among these non-binding components, for the upcoming term of office will be disclosed in the remuneration reports 2017 and 2018, respectively.

8.2. Approval of the Maximum Aggregate Amount of Compensation of the Group Executive Committee

The Board of Directors **proposes** to approve a maximum aggregate amount of compensation of the Group Executive Committee for the financial year 2018 of CHF 53.5 million.

Explanations:

As for the remuneration of the Board of Directors, the above proposal is based on the recommendation of the Remuneration Committee, which mandated PwC to carry out a compensation benchmarking for the Group Executive Committee, based on a group of 18 companies, which are comparable in size, geographic reach and market profile. It also asked for an external expert opinion to review our remuneration system. The remuneration system of the Group Executive Committee is explained in detail on pp. 234 et seq. of the annual report 2016.

Members of the Group Executive Committee receive compensation packages which consist of a fixed base salary in cash, a performance related bonus, a share-based incentive plan and other indirect benefits. The proposed maximum aggregate amount of CHF 53.5 million for the compensation of the Group Executive Committee for the financial year 2018 derives from the following components:

- *Base salaries reflecting the scope and key areas of responsibilities of the position, the required skills and the experience and competence of the individual person.*

- *Performance related annual bonuses. The above maximum aggregate proposal is based on the maximum possible bonus pay-out.*
- *Grants of Performance Share Units (PSU). The actual number of shares allocated to each member of the Group Executive Committee under the PSU Plan for the awards that will be granted in financial year 2018 will depend on the achievement of predetermined performance criteria in 2018, 2019 and 2020, and ranges from 0 and up to 2 shares per PSU, with a target vesting ratio of 1 (see pp. 235-237 of the annual report 2016 for details).*
- *Pension and mandatory social security contributions to be paid (or expected to be paid) by the Company pursuant to applicable pension plans and law.*
- *Fringe benefits including health insurance, company cars or housing allowances. Dufry limits such benefits to a minimum.*
- *A reserve amount intended to provide flexibility in the compensation structure and in case of extraordinary events such as a significant additional workload of all or individual Group Executive Committee members that requires additional compensation, or an increase in mandatory social security contributions due to a change of domicile of a member of the Group Executive Committee or of applicable contribution rates.*

A portion or all of the compensation of some Group Executive Committee members is expected to be paid in USD, EUR, BRL, GBP or HKD. The exchange rates used in calculating the maximum aggregate compensation are CHF 1: USD 0.98487, EUR 1.08994, BRL 0.28433, GBP 1.33465, and HKD 0.12689. The proposed maximum aggregate amount of compensation excludes any currency exchange rate fluctuation until final payment of all compensation elements.

The actual pay-out, including the distribution among these non-binding components, for financial year 2018 will be disclosed in the remuneration report 2018.

Documentation and Attendance Procedures

Holders of the Company's Brazilian Depositary Receipts (BDRs)

The following is *not* applicable to the holders of the Company's Brazilian Depositary Receipts (BDR Holders). BDR Holders are not entitled to personally participate in the Ordinary General Meeting. They are only entitled to instruct the depositary Itaú Unibanco S.A., Sao Paulo, Brazil (Itaú Unibanco) to vote the Company's shares underlying their BDRs, according to separate communication and separate voting instructions sent to them by Itaú Unibanco.

Documentation

This invitation to the Ordinary General Meeting of Shareholders, the agenda and the proposals of the Board of Directors will be mailed to the duly registered shareholders (but not to the BDR Holders) of the Company. The annual report, including the remuneration report, the annual financial statements, the consolidated financial statements and the reports of the Auditors for the financial year 2016, is available to the shareholders at the Company's head office in Basel and on the internet via www.dufry.com and will be mailed separately to the shareholders, upon request.

Registration and Participation to the Ordinary General Meeting

Only shareholders (but not BDR Holders) entered in the share register of the Company with the right to vote on April 10, 2017 will be entitled to participate in the Ordinary General Meeting. Shareholders intending to personally participate at the Ordinary General Meeting can request their admission cards using the Proxy/Answer Form enclosed with the invitation.

The Proxy/Answer Form or an equivalent proxy/voting instruction (in each case as written original or in scanned form and signed by the shareholder or its representative) must reach the Company's Share Register (areg.ch ag, Fabrikstrasse 10, CH-4614 Hägendorf, Switzerland, e-mail: info@areg.ch) no later than April 25, 2017. Proxy/Answer Forms or equivalent proxies/voting instructions arriving after that date will be disregarded.

Shareholders voting electronically must have submitted their proxy and voting instructions on the electronic voting platform (www.netvote.ch/dufry) no later than April 25, 2017, 11:59 p.m.

Also, shareholders will only be able to cast their vote for the number of shares held on April 10, 2017 to the extent they still hold those shares on the start of trading on the SIX Swiss Exchange on April 26, 2017.

Please note that the shareholders do not need to attend the Ordinary General Meeting in person in order to cast their vote and that they may be represented by:

- a) their proxy who does not need to be a shareholder; or
- b) Altenburger Ltd legal + tax, Seestrasse 39, 8700 Küsnacht-Zürich, as Independent Voting Rights Representative.

The Independent Voting Rights Representative votes as instructed by you. To the extent you do not provide specific voting instructions, you instruct, by signing the Proxy/Answer Form or submitting your voting instructions electronically, the Independent Voting Rights Representative to exercise your voting rights in accordance with the proposal of the Board of Directors with regard to the items listed in this invitation. If new agenda items (other than listed in this invitation) or new proposals or motions with respect to agenda items set forth in this invitation are put forth before the Ordinary General Meeting, you instruct, in the absence of other specific instructions, the Independent Voting Rights Representative to exercise your voting rights in accordance with the recommendation of the Board of Directors. To the extent the voting instructions are not clear, the shares will be deemed non-represented.

Electronic Proxies and Instructions to the Independent Voting Rights Representative

Shareholders may cast their votes online at www.netvote.ch/dufry by issuing electronic authorizations and instructions to the Independent Voting Rights Representative. The necessary individual login data is enclosed with the meeting materials supplied to each shareholder. Shareholders have until April 25, 2017, 11:59 p.m. to vote electronically, or change any instructions they may have communicated electronically. Shareholders who voted electronically are then not permitted to cast their votes at the Ordinary General Meeting in person, but can attend the Ordinary General Meeting as guests.

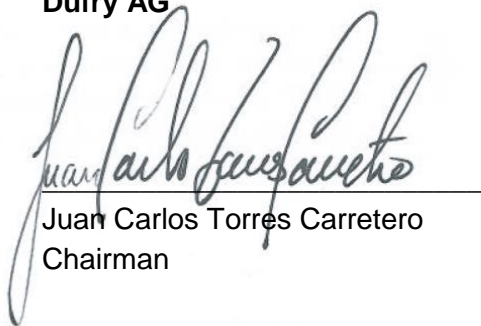
Language

The Ordinary General Meeting will be held in English. Simultaneous translation in German will be available.

Basel, March 31, 2017

For the Board of Directors of

Dufry AG

A handwritten signature in black ink, appearing to read 'Juan Carlos Torres Carretero', is written over a horizontal line. The signature is fluid and cursive.

Juan Carlos Torres Carretero
Chairman

Enclosures:

- Proxy/Answer Form
- Return envelope to areg.ch ag, Fabrikstrasse 10, CH-4614 Hägendorf, Switzerland