

ESG ENGAGEMENT

DUFRY DEFINES SBTI BASED EMISSION REDUCTION TARGETS AND IMPLEMENTS SEVERAL NEW ESG INITIATIVES

Discover the full story in the ESG Section

CONTENT

1

WELCOME

- Dufry today 6-9
- Global presence 10-13
- Milestones 14-17

2

THE GLOBAL TRAVEL RETAILER

- Dufry at a glance 20-21
- Our strategy 22-27

3

WHY DUFRY?

- Retail expertise 30-47
- Channels 48-49
- Customers 50-53
- Airport authorities & landlords 54-55
- Suppliers 56-57
- Logistics 58
- IT Solutions 59

4

ENVIRONMENT, SOCIAL & GOVERNANCE (ESG)

- ESG Vision and developments 62-97
- Community engagement 98-104
- Global Executive Committee 106-107
- Awards 108



paco rabanne

paco rabanne

EXPRESS DELIVERY EXPRESS DELIVERY EXPRESS DELIVERY EXPRESS DELIVERY EXPRESS DELIVERY

ISSEY MIYAKE

KENZO

GUERLAIN

GUERLAIN

NINA RICCI

Two digital screens displaying product lists or price tags for various brands, including Guerlain and Nina Ricci.



1

WELCOME

DUFRY TODAY



Present in

66

countries



Operates at over

420

locations



More than

50,000

products

Our assortment
of reference items
from vendors globally



Over

22,000

employees

Representing over
140 different nationalities



Over
1,000
suppliers



2.5 billion
potential customers



Close to
20 %
market
share
in airport travel retail



Close to
470,000 m²
of commercial space

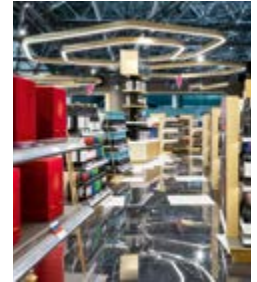
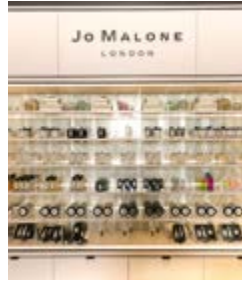


Over
2,300
shops

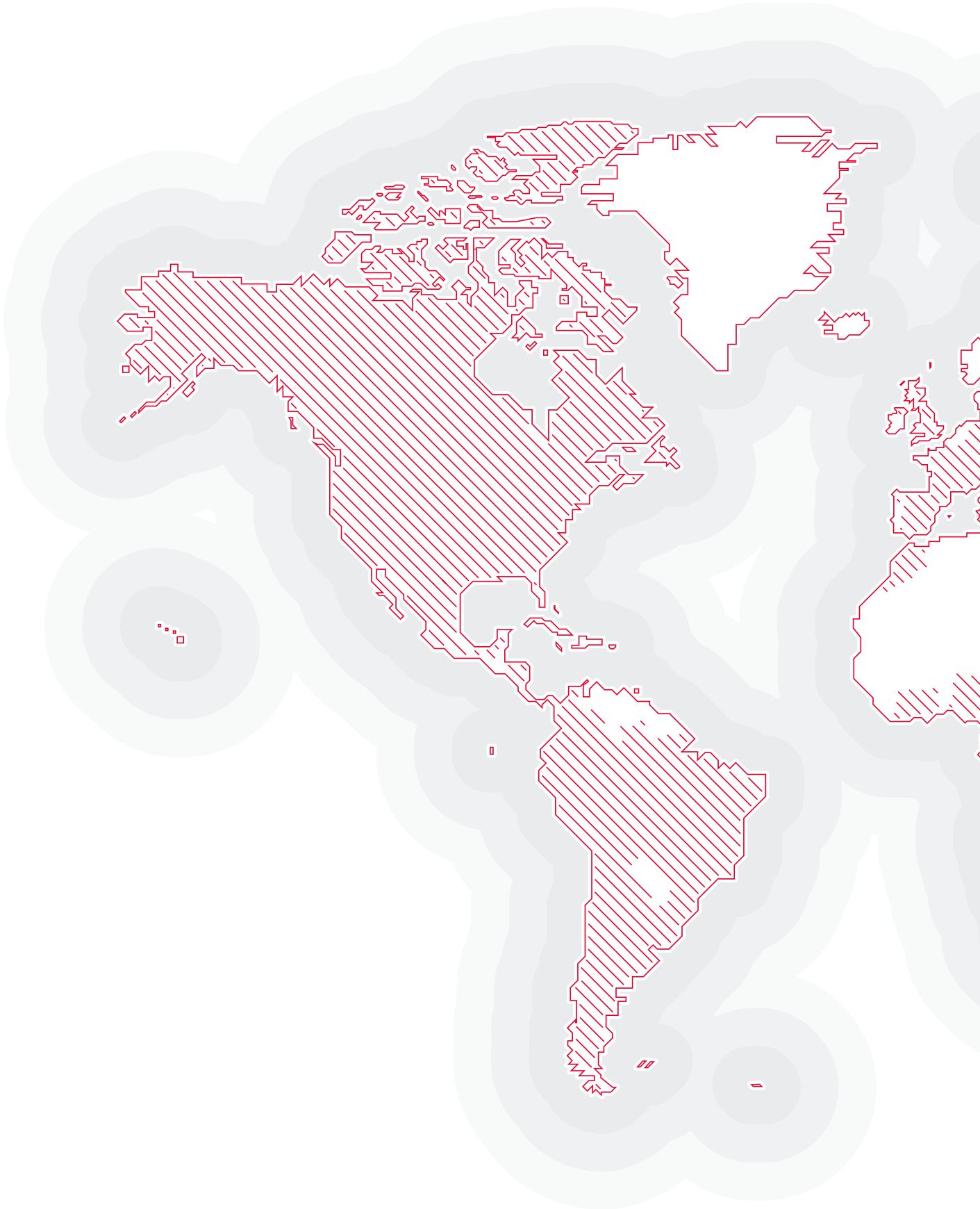
Dufry opens a new
shop every week

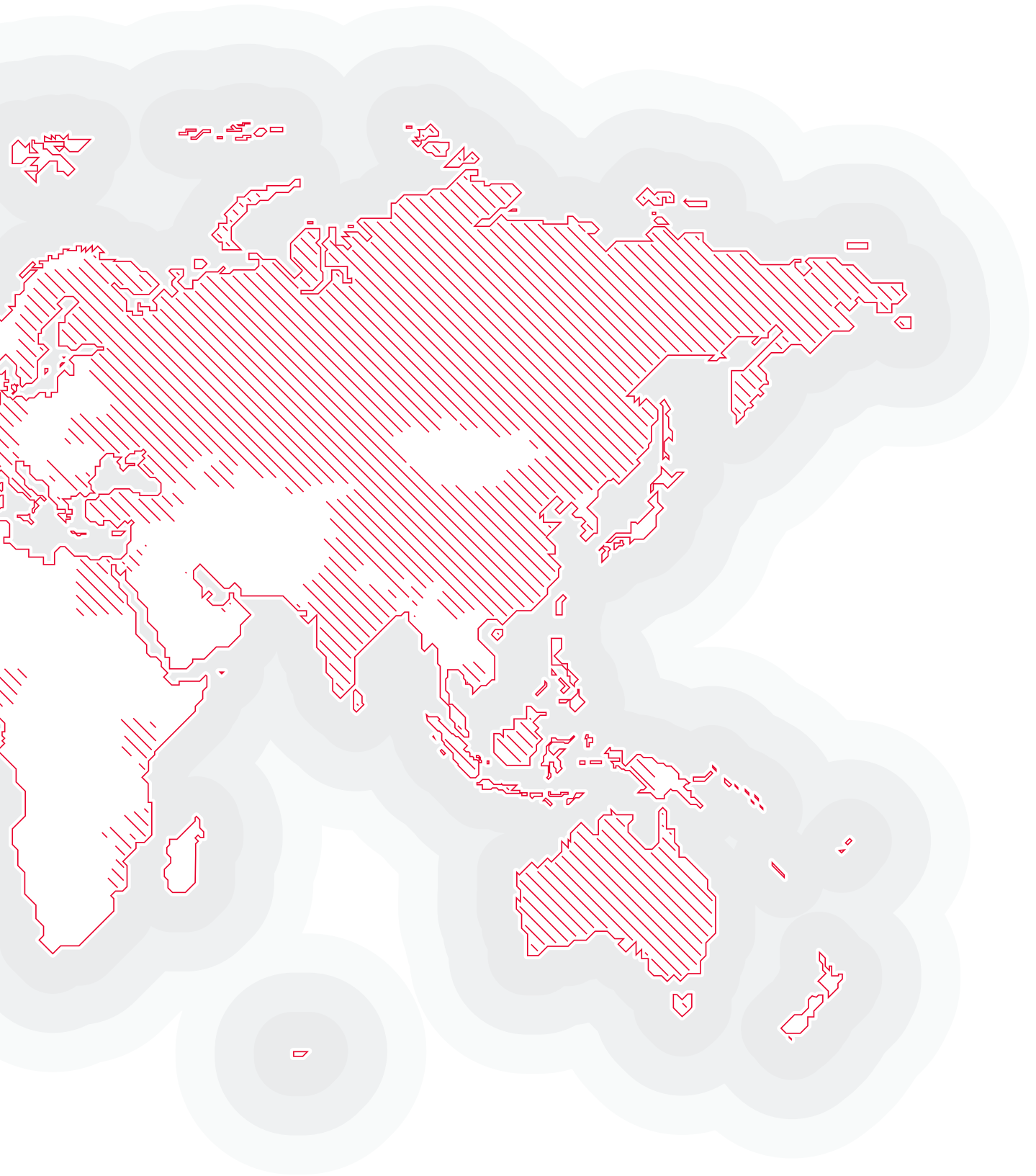
OVER 2,300 STORES





GLOBAL PRESENCE





OVER 420 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
- Cayenne
- Fort-de-France
- Nice
- Pointe-à-Pitre
- Toulouse

Germany

- Dusseldorf

Ghana

- Accra

Greece

- Aktio
- Alexandroupoli
- Anchialos
- Araxos
- Athens
- Chania
- Corfu
- Doirani
- Evzonoi
- Heraklion
- Igoumenitsa
- Kafalonia
- Kakavia
- Kalamata
- Karlovasi
- Karpathos
- Kastanies
- Kastelorizo
- Katakolo
- Kavala
- Kipoi
- Kos
- Krystallopoligi
- Limnos
- Mertziani
- Mykonos
- Mytilini
- Niki
- Ormenio
- Patras
- Piraeus
- Promachonas

Rhodes

- Sagiada
- Samos
- Santorini
- Skiathos
- Syri
- Thessaloniki
- Zante

India

- Bangalore

Ireland

- Center Parks

Italy

- Bergamo
- Florence
- Genoa
- 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

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
- Istanbul
- Kayseri

Ukraine

- Odessa

United Arab Emirates

- Sharjah

United Kingdom

- Aberdeen
- Belfast
- Birmingham
- Bournemouth
- Bristol
- Cardiff
- Doncaster
- East Midlands
- Edinburgh
- Folkestone
- Glasgow Airport
- Glasgow Prestwick
- Humber 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 Venezuelos
- 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**
 - Kuala Lumpur
- Singapore**
 - Changi
- South Korea**
 - Busan
- AMERICAS**
- Antigua**
 - Antigua
 - Saint Philip
- Argentina**
 - Bariloche
 - Buenos Aires Aeroparque
 - Buenos Aires Ezeiza
 - Cordoba
 - Mendoza
 - Rosario
- Aruba**
 - Oranjestad
- Bahamas**
 - Bahamas
 - Great Exuma
 - Lynden Pindling International Airport
- Barbados**
 - Barbados
 - Christ Church
 - St. Michael
- Bolivia**
 - La Paz
 - Santa Cruz
- Brazil**
 - Belém
 - Belo Horizonte
 - Brasília
 - Curitiba
 - Florianopolis
 - Fortaleza
 - Goiânia
 - Natal
 - Porto Alegre
 - Recife
 - Rio de Janeiro
 - Rio de Janeiro Galeão
 - Rio de Janeiro Santos Dumont
 - Salvador
 - São Paulo Congonhas
 - São Paulo Guarulhos
 - Uruguaiiana
- Canada**
 - Calgary

- Edmonton
- Halifax
- Toronto
- Vancouver
- Chile**
 - Santiago de Chile
- Colombia**
 - Bogota
- Dominican Republic**
 - Puerto Plata
 - Samana
 - Santiago
 - Santo Domingo
- Ecuador**
 - Santiago de Guayaquil
- Grenada**
 - Grenada
- Honduras**
 - Roatan
- Jamaica**
 - Jamaica
- Mexico**
 - Acapulco
 - Cancun
 - Cozumel
 - Guadalajara
 - Guanajuato
 - Ixtapa
 - Los Cabos
 - Mazatlan
 - Mexico City
 - Monterrey
 - Puerto Vallarta
 - San José del Cabo
- Netherlands**
 - Bonaire
- Peru**
 - Lima
- Puerto Rico**
 - Ponce
 - San Juan
- St Kitts & Nevis**
 - St Kitts
 - St Kitts Bradshaw Airport
- St Lucia**
 - St Lucia
- St Maarten**
 - St Maarten
- Trinidad & Tobago**
 - Port of Spain
- Turks & Caicos Islands**
 - Grand Turk
 - Turks & Caicos Islands
- Uruguay**
 - Montevideo
 - Punta del Este

- USA**
- Albuquerque
- Anchorage
- Arkansas Clinton International Airport
- Atlanta
- Atlantic City
- Baltimore-Washington
- Birmingham
- Boston
- Burbank
- Burlington
- Charleston
- Chicago
- Chicago Midway
- Chicago O'Hare
- Cleveland
- Corpus Christi
- Dallas Fort Worth
- Dallas Love Field
- Denver
- Des Moines
- Detroit
- Fort Lauderdale Hollywood
- Fresno
- Grand Rapids
- Greater Rochester
- Greenville-Spartanburg
- Harrisburg
- Houston
- Houston George Bush
- Houston William P. Hobby
- Indianapolis
- Jackson
- Las Vegas Hard Rock Cafe
- Las Vegas Mc Carran
- Las Vegas Palazzo
- Los Angeles
- Lubbock
- Manchester Boston
- Miami
- Minneapolis
- Mobile Bates Field
- Myrtle Beach
- Nashville
- New Orleans
- New York Empire State
- New York Grand Central
- New York JFK
- New York LaGuardia
- New York Penn Station
- New York Port Authority
- New York UN Gift Center
- Newark
- Newark Liberty
- Newport News Williamsburg
- Norfolk
- Oakland
- Omaha
- Ontario
- Orlando
- Orlando Sanford
- Philadelphia
- Phoenix Sky Harbour Airport
- Pittsburgh
- Portland
- Raleigh
- Richmond
- Roanoke
- Salt Lake City

- San Antonio
- San Diego
- San Francisco
- San Jose
- Seattle
- St Louis
- Stewart Newburgh
- Tampa
- Tucson International Airport
- Tulsa Airport
- Washington DC
- Washington Dulles
- Washington Ronald Reagan Airport
- Cruise and Ferry ships**
- Carnival Panorama
- Carnival Sensation
- Carnival Valor
- Holland of America Eurodam
- Holland of America Koningsdam
- Holland of America Nieuw Amsterdam
- Holland of America Nieuw Statendam
- Holland of America Noordam
- Holland of America Oosterdam
- Holland of America Volendam
- Holland of America Westerdam
- Holland of America Zaandam
- Holland of America Zuiderdam
- NCL Bliss
- NCL Dawn
- NCL Escape
- NCL Gem
- NCL Jade
- NCL Jewel
- NCL Joy
- NCL Pearl
- NCL Sky
- NCL Spirit
- NCL Sun

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.





Acquisition of one of the main travel retail operators in the Caribbean, based in Puerto Rico, with 23 shops in Puerto Rico and other Caribbean locations.

2007



Merger of Dufry Ltd with Dufry South America Ltd. Acquisition of the Colombian Emeralds International brand, based in the Caribbean.

2010

2006

Acquisition of major travel retail operators in Brazil. Listed on the stock exchange in Sao Paulo (Brazil) and Luxembourg (BOVESPA; DUFB11).



2008

Acquisition of 100% of Hudson Group (USA), the only national newsstand brand in the industry.



2011

Acquisitions of retail companies in Argentina, Uruguay, Ecuador, Martinique and Armenia, including 24 duty-free shops across 10 airports.



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.

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.





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



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.

2018

2020

2019

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



2021

Dufry successfully strengthened its concession portfolio with important new contracts, including a ten-year contract at Martinique Int. Airport, and a five-year concession at Cayenne Int. Airport - and expanding important contracts across all our regions.



Forbes

LAB

DIOR

Selected
Fragrances
up to
20% Off
vs. average UK High Street

HERVÉ ROUSSÉ

YVES SAINT LAURENT

ARMANI

DIOR



I I
M M
C C
R R

20% Off
on selected
products

GINO

Let the
skin
breathe

CINQUE



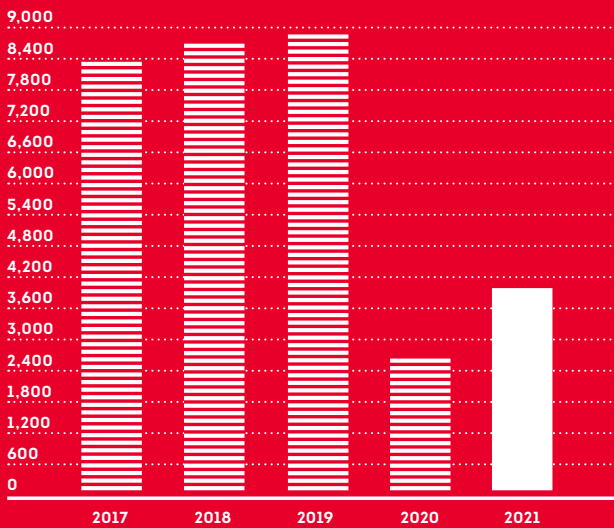
2

THE GLOBAL TRAVEL RETAILER

DUFRY AT A GLANCE

TURNOVER

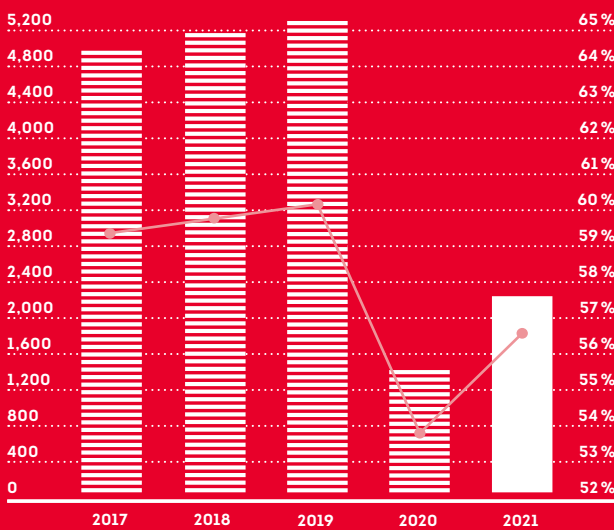
IN MILLIONS OF CHF



GROSS PROFIT

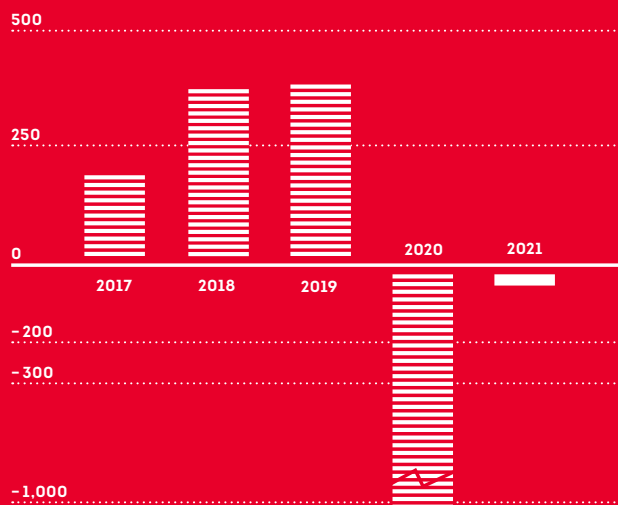
IN MILLIONS OF CHF

MARGIN

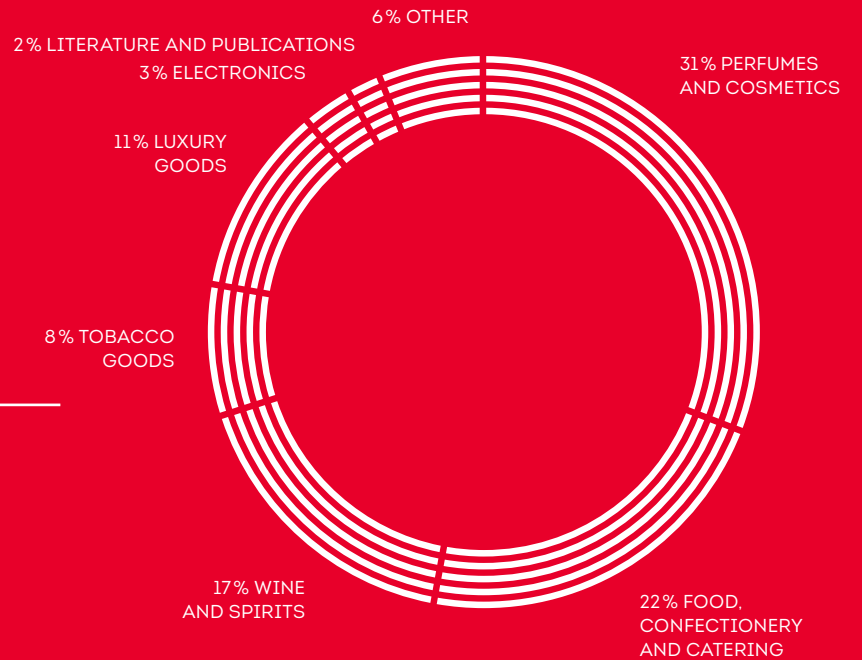


EQUITY FREE CASH FLOW

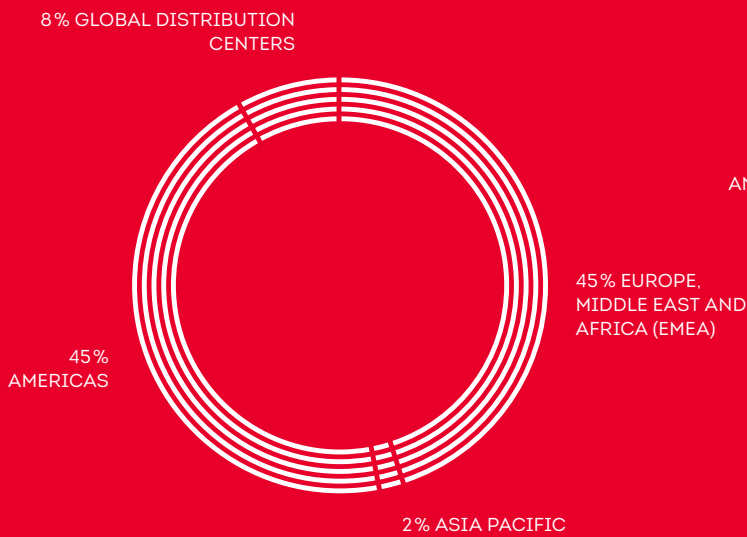
IN MILLIONS OF CHF



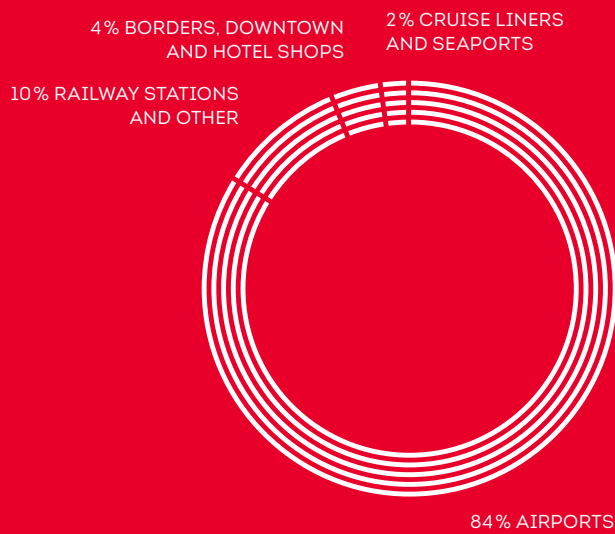
NET SALES BY PRODUCT CATEGORY 2021



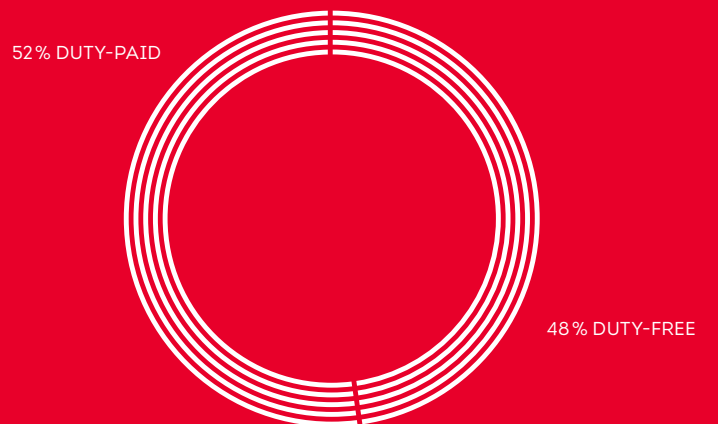
NET SALES BY REGION 2021



NET SALES BY CHANNEL 2021



NET SALES BY MARKET SECTOR 2021



OUR STRATEGY LONG-TERM SUSTAINABLE AND PROFITABLE GROWTH

Dufry's strategy focusses on long-term sustainable and profitable growth by building both on organic growth and acquisitions – as documented by the remarkable track-record of the company's rapid expansion in the past 15 years. Implementation of the strategy follows an approach of diversification by, among others, geography, channel and customs-regime. This allows to best capitalize on the resilient growth opportunities of the travel retail industry – despite the short-term impact of the COVID-19 pandemic – and to mitigate business related risks (see Risks & Opportunities in the Sustainability Report 2021 Annex on pages 282ff of the [2021 Annual Report](#)). In 2019, under 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 84% of our business.

Creating value for all our stakeholders

Dufry clearly focusses its activities on travel retail and aims at best serving the captive customer audience, which is typical for the industry. Travel retail is the melting pot of three very important industries: retail, travel and leisure locations, and represents one of the most important market places for consumer goods brands. Dufry's expertise and services align the different expectations of our stakeholders and aim at generating value for all our stakeholders.

For customers, we create unrivalled shopping experiences; for suppliers, we build the marketplace to personally engage with travelers and sell their products to affluent and fast-growing customer groups; for landlords, we provide commercial know-how to best capitalize on their travel or leisure locations; for shareholders, we create long-term value through generating cash and profits, and for employees and local communities, we offer job opportunities to support wealth creation.

Our customers enjoy memorable shopping experiences, which we constantly improve by developing best-in-class retail formats and shops, as well as by implementing innovative cross-channel marketing ini-

tiatives and extending our online services, allowing us to increase customer engagement. Our sales representatives receive travelers with a friendly smile, introduce them to the world of travel retail and provide them with detailed product information – increasingly supported by digital technology.

Listening to customers to evolve shopping experiences.

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 listening to customers is the base to continuously fine-tune our offering, not only matching but exceeding expectations of our clients. In 2021, Dufry has considerably increased its customer dialogue with dedicated surveys and as one of the results has introduced the «sustainable product identification initiative», which helps customers to find the most sustainable offers in our broad assortments (see page 50 for a more detailed description).

Besides offering customers great promotions, novelties and 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 love 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

as well as in downtown or border locations – and irrespective of whether they are duty-free or duty-paid. For an overview of our main retail concepts please refer to pages 30 – 47 of this brochure.

For suppliers we offer access to the largest footprint in the resiliently attractive travel retail channel, through more than 2,300 of our shops in over 420 locations in 66 countries, further supported by our growing number of digital platforms. 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 and travel retail online channels.

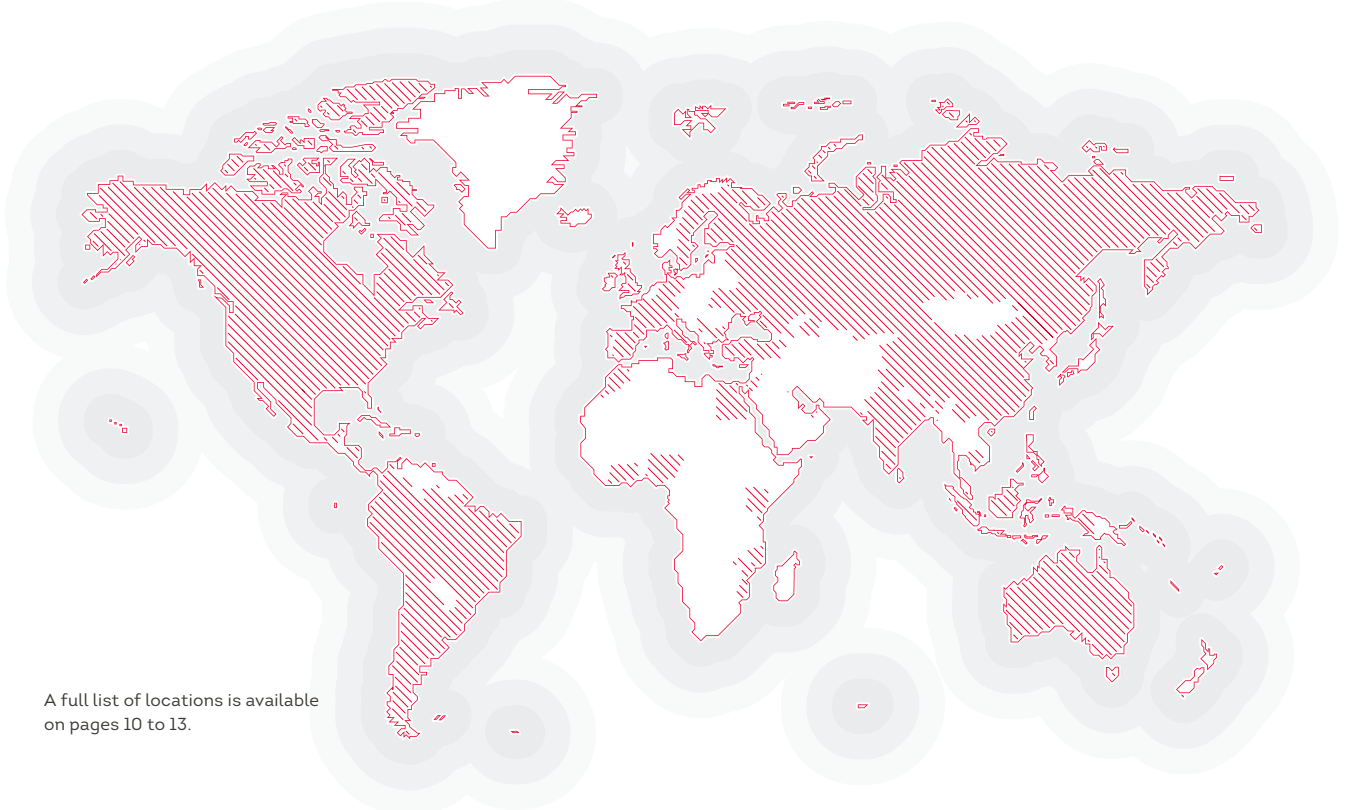
In recent years, we have seen an increasing importance in novelties, exclusive products and limited editions to attract customers to our shops. In 2021, this long-term trend was complemented by the interest in sustainable products and was reconfirmed despite some short-term category shifts towards convenience products during the recovery phase, which saw faster acceleration within domestic and intra-regional

travel. Dufry traditionally works closely with brands to offer customers a unique product selection and brand experiences, which make the channel even more attractive.

Novelties, sustainable products and exclusivities.

Landlords are interested in generating the highest productivity and maximizing their revenues from their retail spaces. To this purpose, Dufry offers them a full range of retail concepts adapted and customized to any specific location, complemented by the most comprehensive portfolio of global and local brands. Landlords are thus enabled to offer their travelers attractive commercial spaces and online services, resulting in increased revenues from non-aeronautical sources and further optimizing their overall business performance.

GLOBAL PRESENCE



A full list of locations is available on pages 10 to 13.

For shareholders, Dufry offers an attractive investment opportunity to participate in an ever-growing industry and a company focused on profitable growth and strong cash generation. Despite the current challenging business environment, travel retail is a structurally resilient industry with a proven track-record of growth. For further information on our equity story as one of the world's leading global travel retailers, please refer to section Investors on page 68 of the [2021 Annual Report](#).

Creating value for landlords and shareholders.

Diversification maximizes opportunities and mitigates risks

Diversification has always been a fundamental element of our strategy as it considerably minimizes risks and offers consistent growth opportunities. In our understanding, diversification includes aspects such as geographies, market sectors and channels as well as, ever increasingly, also digitalization and online platforms.

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 allows us to evaluate thoroughly the opportunities of new projects in any location by capitalizing on the expertise of our local teams. Their 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 66 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 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 2021, when we could accelerate the recovery benefiting from the early opening of domestic and intra-regional travelling e.g. with flights in the US or within

the EU. Furthermore, Dufry has also limited exposure to single contracts, as illustrated by the share of individual concessions in the Group. With the largest concession accounting for less than 4% of our business, and with the ten biggest representing less than 22% of 2021 sales.

Diversification by channel and sector widens the scope of the company providing access to all kinds of customer groups and their specific behaviors. In this context, being present in train stations, border shops and downtown locations such as hotels, casinos, leisure resorts and shopping plazas or malls as well as in the cruise and ferry businesses represents further potential and growth opportunities.

Within the duty-free sector, the airport channel is expected to continue to be the largest and fastest growing part of our business. In a more normalized travel environment, the cruise ship and ferry businesses continue to offer opportunities as well, and first operators are already resuming cruises. 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. We also have a positive view on the potential of 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. The most recent example here is our participation in the Global Duty Free Plaza of Haikou's Mova Mall in Hainan.

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

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. All along 2021, this sector has temporarily gained over-proportional importance as domestic travel and flying – due to less travel restrictions – has picked up faster in the recovery phase than international travel. What makes this sector also interesting is the even higher fragmentation than duty-free, thus offering attractive new expansion opportunities.

Following the opening of the ANECDOTE concept store at The Circle of Zurich Airport in late 2020, the newest retail format launched by Dufry Group in 2021 is "Hudson Evolve". Evolve blends the specialty brand experience with the accessibility of travel essentials and convenience products to create an immersive, customer-centric shopping destination featuring a selection of national and global brands. The first Evolve store is located at the Nashville International Airport. Dufry also continues to expand its successful duty-paid retail concepts, Hudson and Dufry Shopping which are already implemented in several markets and have potential for further deployment (see also section Retail Concepts on pages 30 - 47 of this brochure).

Worth mentioning with respect to channel diversification is the ongoing expansion of our airport food & beverage business in our North American operation. The most recent development of this strategy already pursued over the past few years is the opening of the first ever full-service restaurant and bar, "Plum Market" at Dallas Fort Worth International Airport. The 220 m² restaurant features over 80 seats and offers an open concourse dining experience that includes a designated area for table service, a grab and go marketplace with self-checkout capabilities, and a full-service bar.

CO₂ emission reduction targets defined.

Increased ESG engagement

In 2021, Dufry has considerably increased its ESG engagement with several initiatives, which are fully aligned and integrated in the company's strategy. Above all, Dufry has defined SBTi-based (Science Based Targets initiative) CO₂ reduction targets allowing the company to reach climate neutrality for scopes 1+2 emissions by 2025 and to considerably reduce scope 3 emissions by 2027 and 2030 respectively with dedicated initiatives (see details in pages 78 - 79 of this brochure). Moreover, the company has executed the re-certification process of the Dufry Supplier Code of Conduct further extending the reach and covering a larger share of its procurement volume (see details on page 72 of this brochure) and strengthened its diversity & inclusion program with several initiatives (see pages 84 - 85 of this brochure).

Evolution of customer-facing and process-oriented digitalization

For Dufry, digitalization remains a key strategic focus area to diversify and extend customer engagement, to accelerate online sales, but also to simplify and increase efficiency of internal processes and procedures. From an organizational perspective, digitalization paves the way for implementing new working methods and shorten time-to-market and decision-making processes. Equally, it opens new opportunities from a customer facing standpoint allowing to considerably increase customer contact-points cross-channel, cross-geographies and cross-sector by interacting with customers from when they plan their trip to the moment when they return home. The collaboration with Alibaba, among other partners, announced in early 2021 will further accelerate our digital initiatives and shows how these types of partnerships will shape the future of travel retail.

Growing digitalization opportunities.

Dufry is convinced about the possibilities and opportunities these new technologies offer and has continued evolving and deploying its digital platforms, to engage more frequently with customers and to provide them with additional services, with the ultimate goal of driving sales. Testimony to this evolution is among others the launch of the new Hudson Nonstop stores, which combine the signature Hudson shopping experience with Amazon's Just Walk Out technology. The first two Hudson Nonstop shops, opened at the Dallas Love Field Airport and at the Chicago Midway International Airport, allow travelers to enter the store by just inserting or tapping a credit card, to pick up their products and quickly exit avoiding checkout lines.

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, a cruise liner, in a casino or a hotel. They like strolling through the attractive retail spaces and take away memorable shopping experiences. While sales often are generated by impulse decisions and / or immediate needs, which protect travel retail from the direct competition of online platforms, we want to attract more customers to our stores and provide a superior customer experience to create additional 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, along their whole journey and, particularly, 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. In this regard, in 2021, we have both simplified our Customer Service online-platform and introduced new services, such as the sustainable product identification initiative (see pages 73 and 71 respectively).

Financial discipline focusing on returns

Dufry has always fostered a disciplined financial approach to all its 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 and in our recent history contributed to safeguard the resilience of the company.

Confirmed cash flow generation capability.

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 under normal conditions tend to be local and temporary, thus providing a solid and resilient profile. The outbreak and spread of the COVID-19 pandemic during the past two years and the company's ability to react fast with the adaptation of the company and cost structure to the new market challenges, is an impact-

ful example and impressively confirms the highly variable degree of our cost structure.

Unique advantage of captive audience.

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 our cash generation capability will continue to be one of the key drivers of our strategy implementation, and will even accelerate based on the structural measures taken. Recent proof of this is the level of Equity Free Cash Flow generated in the third quarter 2021 – which is traditionally the most important quarter and which reached higher levels than in the pre-pandemic years 2017 and 2018 and got very close to the record level of 2019. EFCF for the second half 2021 came in as well at similar levels as in 2019 despite a significantly lower sales level.

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. 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 materializing in line with the acceleration of the recovery.

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 offers the great opportunity to directly engaging with them. This characteristic clearly differentiates travel retail from any other retail channel and will remain valid also post recovery. Therefore, organic growth will continue to be an important driver of Dufry's development.

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 activ-

ities we have used and fine-tuned over the years. Besides benefitting from additional passengers, we plan to further increase our retail space – be it through expansion in existing locations or by winning new contracts in airports and alternative channels and with a specific focus on growth acceleration in Asia. The opening of the Global Duty Free Plaza at the Mova Mall in Hainan’s capital city Haikou and the concession renewal in Cambodia covering three important international airports underpin this strategy. Specific to the US market, the scope of alternative channels also includes Food & Beverage 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.

Dufry currently generates about 48% of its revenues in duty-free and 52% in duty-paid operations, with both sectors continuing to offer further, substantial growth opportunities. The current split is influenced by a slightly over proportional weight of duty-paid due to the faster recovery and acceleration of domestic and intra-regional passengers. A return to the traditional higher share of duty-free is to be expected in line with the recovery of transcontinental and international traffic.

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

Travel retail remains a relatively fragmented industry, with the top 10 players controlling just over half of the market and the remaining market consisting of small and medium-sized operators, despite the consolidation seen in travel retail over the last years. Along with the recovery of the business, we expect to be able to continue capitalizing on M&A, with a focus on Asia and on F&B or by complementing our presence in other existing markets.

The organizational adaptations made at the beginning of 2021 mainly by consolidating the former Northern and Southern American regions into the new region The Americas has well contributed to further simplifying our organization and generated the expected ef-

iciencies. Detailed information about The Americas is available on page 52 of the [2021 Annual Report](#).

Strong long-term industry fundamentals despite short-term challenges

All along 2021 and across nationalities, passenger behaviors have been reassuring and have confirmed the long-term propensity and willingness to travel as soon as governmental restrictions were lifted. This is an encouraging and important indication that the fundamental resilience of travel retail is unchallenged and that the industry maintains its attractiveness as a growing retail channel featuring its own growth dynamics, which are not comparable with high street retail.

Whilst visibility on the travel pattern recovery remains low, there is currently a clear trend of recovery across all channels with the expectation of a return to 2019 passenger levels by the end of 2023 or at the beginning of 2024. This expectation is based on latest estimates from ACI, IATA, ICAO and Air4Cast. 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. Growth expectations are different per region as is normal in the industry, and Dufry expects to see growth in relation to its respective geographical exposure and passenger mix. This underlying growth potential and the related sales impacts can be further increased by developing innovative commercial concepts with landlords and brands, as well as through Dufry’s own acceleration of its digitalization initiatives, driving change in the way travel retail evolves. We believe that being the global market leader also means being at the forefront of this development.



SUNGLASSES
BOUTIQUE

DIOR

DIOR

GUCCI

BALENCIAGA

BALENCIAGA

SAINT LAURENT

YSL

SAINT LAURENT



3

WHY DUFY?

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, 2021, Dufry operated 921 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 and 2021 the number of highly digitalized shops, which include specific elements of the new generation store, was increased to 50.





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 among others 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. Further 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. In 2021, Dufry opened an additional Dufry Shopping Megastore at its Porto Alegre operation in Brazil as well as a Dufry Shopping at Guadalajara Int. Airport in Mexico.



DUFREY 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, 2021, Dufry operated 214 brand boutiques, such as: Armani, Burberry, Bally, Bottega Veneta, Bvlgari, Cartier, Chloe, Coach, Ermenegildo Zegna, Gucci, Hermès, Hugo Boss, Jo Malone London, Lacoste, LaPrairie, Lindt, MAC, MCM, Michael Kors, Montblanc, Omega, Polo Ralph Lauren, Salvatore Ferragamo, Swatch, Swarovski, Tod's, Tumi, Versace, Victoria's Secret and others. See also a selection of brands on page 56.



RIA'S SECRET



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 684 shops. In addition, we operate 121 Hudson 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.

The newest innovation in 2021 is the Hudson Nonstop shop which, leveraging Amazon's just-walk-out and Amazon One technologies, allows travelers to enter the store with their credit card or through palm recognition, pick up their travel items, eliminating the need to wait in checkout lines or stopping to pay in-store.





snacks

fresh grab & go

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, 2021, Dufry operated 509 shops under the Specialized Shops / Theme Stores concept.



LD OF WHISKIES

AMERICAN WHISKEY

KEN
BOI

AMERICAN
WHISKEY

TENNESSEE
WHISKEY

Whisky
Mon

117

Hennessy

CO

R

win Packs

KEN
CKY

WILK
TERRY

TENNESSEE



ONLINE CHANNELS & SERVICES

Dufry has been connecting its physical stores with digital applications and customer services for many years and continues to develop new digital touchpoints to engage with customers along the whole travel journey.

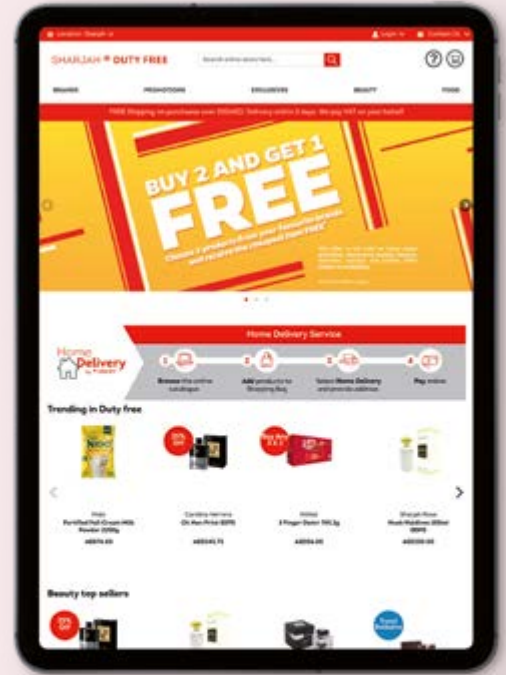
Starting from when a trip is planned, customers can reserve their most wanted products through Reserve & Collect and just collect their goods and pay at departure or arrival. Our New Generation Stores, welcome travelers in different languages during the day, which are aligned with the flight schedules to suit the respective nationalities, and clearly highlight the latest travel retail exclusives or novelties. Dufry customers benefit globally from attractive and unique airport-specific services through our Red By Dufry customer loyalty program. When approaching airports or other locations where Dufry operates shops, Red By Dufry identifies the customer and sends them the latest updates on the locally available promotions – an easy and convenient way to earn and redeem benefits globally in the Dufry shops or through our partners.

Forum by Dufry is the company's own social media channel, where our brand partners can feature their novelties, special editions and stories related to their products, thus having direct access to their customers. Forum interlinks all Dufry online channels.

Increased digital customer experience services and mini-Apps are in use in selected operations in Hainan, where Dufry participates in the Global Duty Free Plaza Stores. They support local shopping behaviors and are integrated in popular Apps such as Alipay and WeChat. Functionality and services offered are in line with local duty-free sales regulations; e.g. the possibility of home-delivery, thus offering a comprehensive shopping, payment and service experience for online and offline use.

RESERVE & COLLECT

Reserve & Collect is available globally in 170 locations across 46 countries and can be accessed through the dedicated website: <https://www.shopdutyfree.com/en/>.



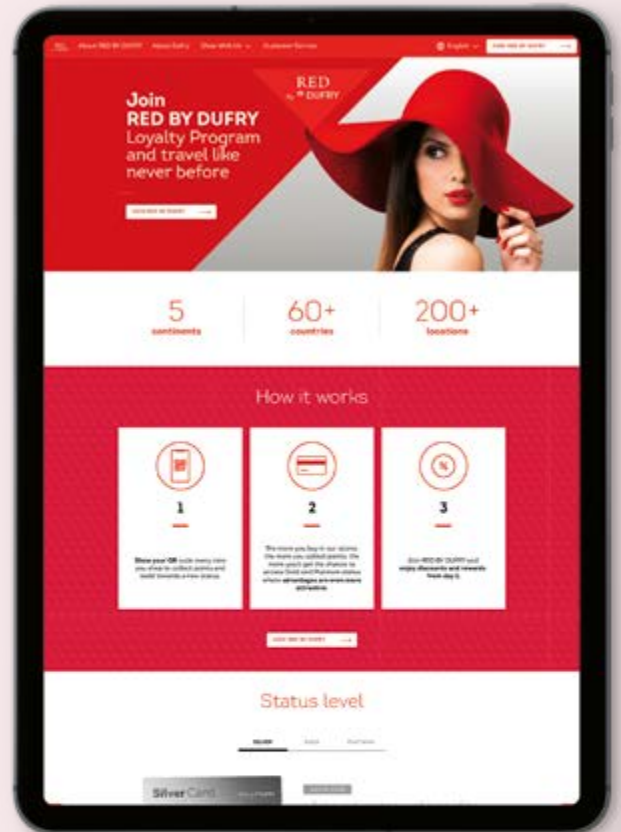
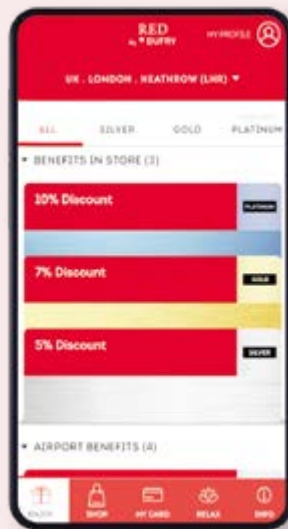
FORUM BY DUFRY

Forum by Dufry can be visited at <https://forum.shopdutyfree.com/en> and connects brand partners and customers in an aspirational environment and gives access to all Dufry online services.



RED BY DUFRY

The Group's customer retention program Red By Dufry is implemented in 48 countries covering 239 locations. A complete overview and the respective information is available here: www.redbydufry.com.



DUFRY MINI APPS

Along with the Mini-Apps currently in use at the Global Duty Free Plaza in Hainan for the Chinese customers, Dufry will develop similar applications going forward to support customers in other geographies, offering them easy to use digital and online shopping experiences and customer engagement features.



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 2,300 stores located across airports, cruise lines and ferries, railway stations, downtown, airlines (in-flight) and on-line.

Over
2,300
stores

Departure shops

Ranging from 10 m² to over 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.



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 airside, 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 Uruguaiana, 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 10 ferries from P&O, which serve several routes across the Channel, the North Sea and the Irish Sea, Dufry operates on board 13 cruise liners world-wide, where we have a “*captive audience*” of consumers for 3 to 14 days, with an average voyage of 7 days. With the cruise passenger mindset different to our airport environment and being on board for a long period, our goal is to create shops, product assortments and daily promotions that enhance the shopping experience and encourage passenger relationships that continue for the duration of the whole journey.

For Cruise Liners during 2020 and 2021 we were able to rethink and revitalize assortments, marketing & digitalization and promotions to develop a new more profitable business model that is more aligned with our cruise partners and service to their passengers.

Across the cruise liners – which cover routes from the USA to the Caribbean, Alaska and Europe – Dufry operates a total commercial space of almost 6,200 m²,

ranging from 80 m² to close to 2,000 m² per vessel. These stores offer duty-free sales on cruise ship-branded souvenirs, destination souvenirs, spirits, tobacco, perfumes & cosmetics, food and jewelry & watches from leading brands across the world.

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 SEEKING GREAT EXPERIENCES, NOVELTIES & EXCLUSIVITIES

All along 2021, Dufry has continued to closely engage with customers through regular online surveys to assess their expectations and identify potential changes in shopping behaviors. Above all, customers confirmed to us that they 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 remains the strongest reason for customers to buy in travel retail. However, they also clearly indicated that the availability of sustainable products is of increasing importance to them, creating an opportunity for both Dufry and the brand partners to satisfy this expectation with an appealing assortment of sustainable products.

Safe shopping and working environments

Dufry has a comprehensive Global Health & Safety Protocol implemented throughout all locations, which provides both customers and employees with a safe shopping and working environment. The protocol contains basic health and safety measures defined by the company, but also allows to be enhanced with and adapted to location specific government or airport health and safety regulations. During the pandemic, the protocol has well contributed to make customers perceive airports and other travel locations as safe environments, allowing them to enjoy their trips.

Enjoying shopping in a safe environment.

Fostering experiences and evolving the product assortments

By assessing customers' expectations, we continue 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 beyond the mere buying but equally when it comes to product and store safety as well as comprehensive after-sales services.

New sustainable product assortment.

Helping customers to shop considerably

Customers increasingly look for sustainable assortments and Dufry supports them in identifying specific sustainable products. As we do not produce or develop products of our own, in 2021 we closely collaborated with our brand partners to identify a selection of products, which are sustainable under different aspects such as Sustainable, Plastic Free, Recyclable or Refillable, Vegan, Palm Oil-Free or Supporting Communities. These products are marked with dedicated tags and are easily identifiable in our shops or online platforms. Currently the sustainable product selection includes over 550 products from 13 global suppliers covering the main categories – food, liquor, perfumes & cosmetics – and is available in 171 shops across 128 airports, worldwide. A detailed description of this new ESG initiative is available on page 71.

Engaging with customers along their whole journey

Every year, we welcome customers of more than 150 nationalities daily. Addressing them 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 and other highly digitalized shops we operate are cornerstones of our retail expertise and shopping experience. We currently have over 50 highly digitalized shops

420

Dufry operates
in over 420 locations
in 66 countries
worldwide.

where the shopping environment 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, we keep providing customers with extensive information, ranging from product specific data or allowances at their destination. In selected locations we also offer contactless or online payment devices which eliminate the need to go to the tills.

Reserve & Collect - pre-order at home, pick-up at the airport

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 they are at the airport. Dufry's "Reserve & Collect" service is already available in 170 locations in 46 countries around the world and new locations are being added constantly - the full list is available on our website: www.shopdutyfree.com.

Red By Dufry

"Red By Dufry" is Dufry's loyalty program working primarily through a mobile application (app) and besides earning points offers exclusive advantages such as discounts at Dufry stores and specific airport benefits. 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 regular customers and to attract them to the shops. Red By Dufry is live in 239 locations in 48 countries

and is being continually expanded to further operations worldwide. For a full list of the locations offering Red By Dufry visit: 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 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 position Dufry shops as the place to find the latest trends and novelties for the main product categories - <https://forum.shopdutyfree.com/en>.

Simplified customer service access.

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 Milano, Phnom Penh, St. Petersburg, Chicago, Rio de Janeiro, Marrakesh 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 2021, Dufry's customer service representatives, who can be reached in several languages by phone, email or online chat, attended 80,025 customers (see further details also on page 73). To help customers in contacting our dedicated customer service team, we have further simplified the online platform for worldwide support: www.dufry.com/en/shopping/customer-service.

Customer satisfaction & product safety

Customer satisfaction and safety is our first priority. We ensure that all products comply with health and safety regulations. 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 in 2021 shared it with its supplier community in the context of the 3-year recertification. More details are available on page 72.

Responsible marketing & customer communications

When it comes to marketing and advertising initiatives, Dufry applies the same responsible stance that it shows in all its other activities. We commit to comply with marketing and advertising regulations in customer-oriented 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 and on our online channels for advertising and promotions. This also applies to product labeling, where we ask our suppliers to comply with the regulations of all the Dufry locations where their products are sold. Given that our stores operate in an environment where we serve many nationalities speaking different languages every day, we are proactively engaging with our industry trade associations to find off-the-label solution.

Customer privacy & data protection

In line with the expansion of its online activities and the increased use of digital applications involving customer data, the management and protection of customer privacy in the processes involving the handling of client information is an area of growing importance for Dufry. Moreover, as a requirement of customs and airport authorities as well as for contractual reasons, the customer's personal data is collected, processed and retained in accordance with the privacy statement listed on Dufry website: www.dufry.com/en/privacy-cookie-statement.

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 customer data and ensure it is handled correctly, Dufry applies highest security standards securing compliance with different legal frameworks. The company operates a number of systems and security processes, including a robust cyber security system, a data protection policy as well as internal procedures and policies, which follow relevant laws and regulations. Dedicated trainings are executed on a regular basis for employees dealing with personal information.

In this context, since 2018, Dufry has continuously reviewed and adjusted its 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 risk assessments and ensuring the right of individuals (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. 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 compliance address to contact the company, with respective inquiries being coordinated by the Compliance and the Global Internal Audit & Investigations Department: www.dufry-compliance.com.

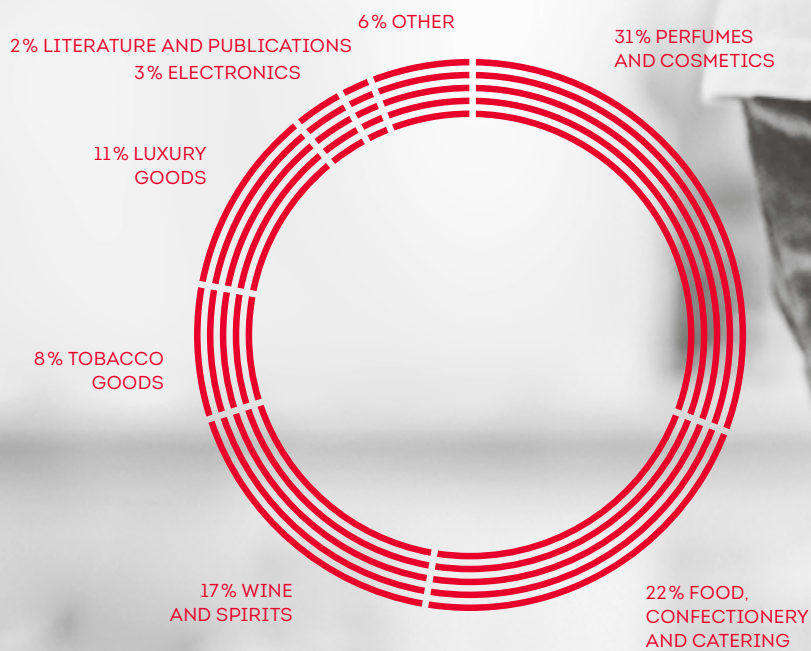
Dufry's expertise recognized by the industry

In 2021, Dufry's customer focus and retail excellence has been recognized by different industry partners again. A complete list of the 2021 awards is available here: 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 2021



AIRPORT AUTHORITIES & LANDLORDS CREATING VALUE THROUGH BEST IN CLASS RETAIL CONCEPTS

Dufry provides landlords with best-in-class retail concepts and a detailed understanding of customer expectations and shopping behaviors to create value for landlords and maximize revenue generation from their retail spaces. 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 66 countries located in airports, sea-ports, railway stations, downtown areas, border crossings, cruise liners & ferries, hotels and other locations with captive audiences.

Benefitting from the widest industry experience

Dufry features a comprehensive portfolio of attractive retail concepts tailored to the individual needs of both duty-free and duty-paid environments to serve both domestic and international passengers, and which are increasingly expanded with online services and platforms. Complemented with the extensive expertise in all technical and regulatory aspects as well as sustainability management systems provided by Dufry, the landlords receive a complete package to best operate their spaces in a profitable and sustainable way. Customer insights regularly collected through dedicated surveys 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

Over the many years we have been in the business, we have been advocating for the importance of close collaboration between landlords and retailers as a base for optimizing sales. During the past two years, the COVID-19 pandemic has impressively proven the importance of real partnership as the prerequisite to drive success and to overcome difficult situations. This is even more true during the current recovery and

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.

Attractive shops drive success and profitability.

All along 2021, Dufry has continued to evolve its store portfolio with attractive refurbishments and shop expansions to meet the latest customer expectations at the specific locations. Among others refurbishments to be highlighted are the Rio Galeão Dufry Shopping Megastore (Brazil), at the Pulkovo Airport in St. Petersburg (Russia), the extensive redesign at Milano Linate International Airport (Italy) as well as the completely renewed Brookstone shop concept in the US. It features an immersive design and an increased digitalization level and has been implemented at the Nashville International Airport, at the Norman Y. Mineta San Jose International Airport, at Seattle Tacoma International Airport as well as at the Virgin Hotels in Las Vegas. In total, Dufry refurbished 19,243 m² of retail space in 2021.

Highly digitalized shops with stunning sense-of-place

Dufry has further evolved shop digitalization to both offer new services and to increase the level of customer interaction by nationalities and languages, while continuing to offer location specific shops with highly attractive sense-of-place designs. What started several years ago with the launch of New Generations Stores – as operated in Buenos Aires (ARG), Amman (JOR), Malaga and Alicante (ESP), Madrid (ESP), Cancun T3 and T4 (MEX), Melbourne (AUS), Zurich (CH), and London Heathrow T3 (UK) – has culminated in 2021 in

the opening of the Hudson Nonstop shop which offers customers a complete contactless shopping experience.

Driving contact-less shop technology.

In late 2021, the Hudson Nonstop shop at Dallas Love Field Airport has even become the globally first travel retail shop implementing the Amazon One palm recognition technology. Amazon One allows travellers who have previously enrolled in Amazon One at select Amazon Go, Amazon Books, Amazon 4-star, Amazon Fresh, Amazon Pop Up, or Whole Foods Market stores, to simply hover their palm over the Amazon One device at the entry gates to enter this Hudson Nonstop.

Highly digitalized shops – which include applications such as Reserve & Collect and above all the loyalty program Red By Dufry – are currently in operation in over 50 locations and the implementation of the advanced technology is typically done in the context of the periodic refurbishments or when a new shop is built. This also includes the sense-of-place designs of the shops, which are an important aspect for landlords, as Dufry's shop format system provides for a high degree of customization. Dufry knows how to perfectly match local requirements with efficient retail concepts, to best serve travelers' needs and to generate value for landlords and Dufry alike. For a more detailed description of our digital strategy, please also refer to the strategy chapter on pages 22 - 27.

Long-term concession portfolio.

Securing business resilience through contract extensions

Concession contracts are a key business driver for travel retail operators, as they provide the right to sell their products and services at a given operation. In 2021, 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, 36% of our contracts have a remaining life-time of one to two years; 26% of three to five years; another 20% of between six and nine years, and

the final 18% have a remaining duration of ten years or more. In average, every year Dufry renews existing contracts that generate between 10% and 15% of our sales, while at the same time adding new contracts.

131 new shops added to our first-class concession portfolio

In 2021, Dufry opened and expanded 131 new shops adding over 9,797 m² of retail space across all divisions. At December 31, 2021, 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 less than 4% of turnover; while the 10 biggest concessions represent less than 22%.

Focusing on investment returns

During the past two years, our organization has followed its approach of financial discipline even more closely when evaluating new projects and opportunities. This methodology, successfully developed in the past, has again proven its value during the present challenging environment by contributing to optimize costs and adding flexibility to investments. 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 DRIVING BRAND EQUITY THROUGH GLOBAL CUSTOMER ENGAGEMENT

Dufry is the largest truly global travel retailer offering suppliers the unique opportunity to personally engage with customer to present them with their novelties, exclusive products through a variety of off- and online shop concepts and thus drive both sales as well as brand equity. Through its network of over 2,300 shops across 66 countries, Dufry can serve the needs of both domestic and international travelers with dedicated duty-paid and duty-free retail formats. This means that under normal travel conditions – free from travel restrictions – Dufry offers brand partners a potential of over one billion personal customer contacts.

Personally meeting customers in a resilient retail channel

Along 2021, the travel recovery phase has evidenced and confirmed the propensity of our society to travel and to enjoy the attractive assortments of travel retail. This is not only true for the immediate take-up of travel as soon as restrictions are lifted but also through the above-average spending behavior seen across most locations as compared to pre-pandemic location-by-location levels. This also confirms the longstanding USP of travel retail to have access to a captive and affluent audience forming a unique face-to-face engagement platform in a safe environment. The over-proportional share of duty-paid sales seen along 2021 relates to the earlier recovery of domestic and intra-regional flights such as within the US or the EU, but duty-free sales are expected to recover their full share along with the easing of travel restrictions and the uptake of international travel.

Exclusivities, novelties and sustainable products are key sales drivers

Market research conducted on a regular basis through online surveys amongst our customers in 2021 confirmed that customers continue to search for experiences, novelties, travel exclusives and unique promotions, while they increasingly also want to buy sustainable products. This is also valid for the Dufry-exclusive products increasingly developed by brand partners in recent years, which considerably augment and differentiate the customers' shopping experience.

Besides the proven collaboration with its brand partners through strategic initiatives, marketing campaigns, global promotions or product launches, Dufry is also revising its shop design strategy, to allow for a more flexible assortment renewal within the sales areas as well as to include sustainability aspects into its shop development. More than ever, the recovery phase has proven the need to provide customers with a renewed shopping experience inviting them to discover attractive offers in a dynamically changing environment. This expectation can only be satisfied by close collaboration with the brand partners and the joint ability to innovate. The increased spend-per-passenger seen along 2021 confirms the willingness of customers to shop in the travel retail channel and is an additional incentive for retailers and suppliers to increasingly consider and further accelerate product innovation.

Brand partners benefit from improved procurement and logistics processes

Along 2021, Dufry has further improved and simplified the procurement platform and streamlined the related processes, allowing both Dufry and the suppliers to generate efficiencies along the centralized procurement process covering the entire supply chain. 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, by defining individual brand plans and agreeing on contractual parameters. They are supported by our centralized ordering process, which aggregates the orders of the different retail operations and sends a consolidated order to suppliers. Our well-proven 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 (US), provides timely shipping of goods to our operations. The process benefits both Dufry and suppliers as it allows to order and ship larger volumes to the distribution centers, thus increasing flexibility in product allocation by shop and maximizing product availability.

Increased ESG collaboration

Dufry has further increased its ESG engagement with suppliers with several initiatives in 2021. Dufry has executed the re-certification of the Dufry Code of Conduct within its supplier community (see page 72) and has launched the Sustainable Product Identification Initiative (see page 71) allowing customers to shop considerately.

BRAND UNIVERSE

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

1,000



LOGISTICS

As a global retailer, present in over 420 locations in 66 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 supply chain core model is based on the centralization of global vendors in 3 distribution centers based in Europe, America and Asia to provide maximum efficiency.

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.

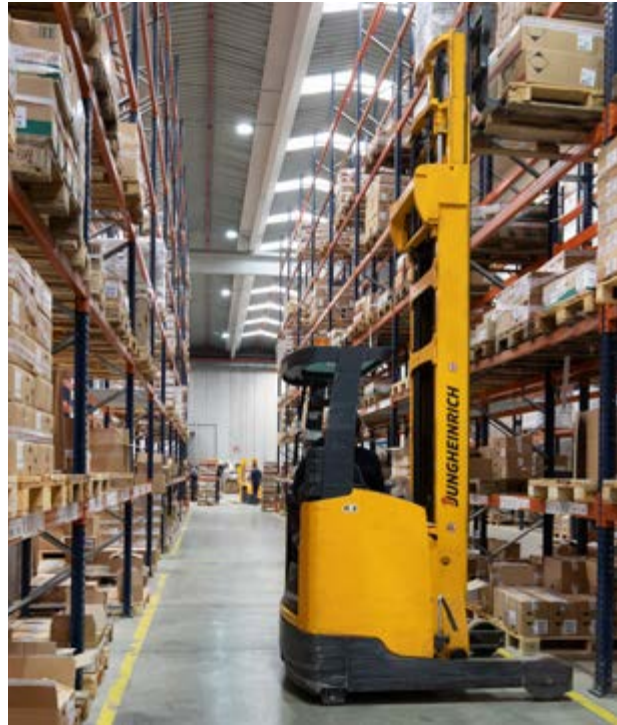
Our excellent relations with the different logistics service providers working in our supply chain lead to a continuous search for improvements in our logistics processes, organization and systems.

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

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 generate a variety of benefits for suppliers, which include not only monetary efficiencies but also ensure supe-



rior 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 66 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 Runnymede (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

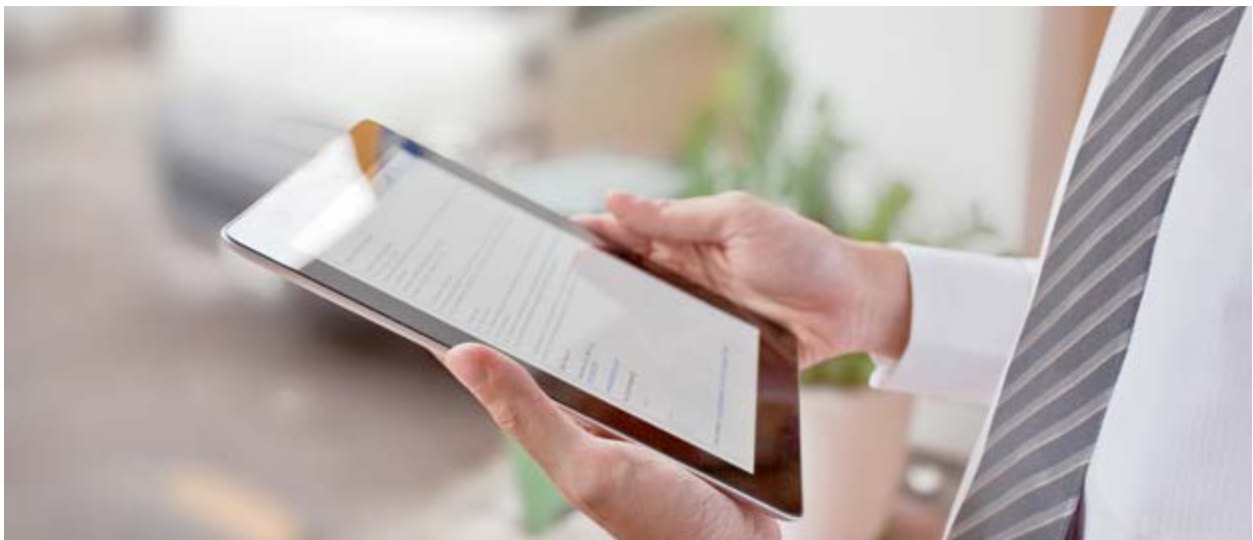
Given the business' rapid growth over the last few years, having a solid IT structure is crucial. Dufry has introduced a number of IT solutions which support the business and differentiate it from the competition.

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 20 additional locations (across different countries that includes the US, France, Canada, China, Kenya, Nigeria, Ivory Coast, Brazil and several Caribbean countries as part of enabling a standard business operating model. On top, by the end of 2021, and as part of our digitalization process, we had launched Reserve & Collect in 170 locations in 46 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 permitting a more fluid communication with our customers.



VINES

BRUNELLO
DE MONTALCINO

CREMISI
CLASSICO

AMARONE DELLA
VALPOLICELLA

REPASSO

CHARDONNAY

TRUFFLE

TRUFFLE



4

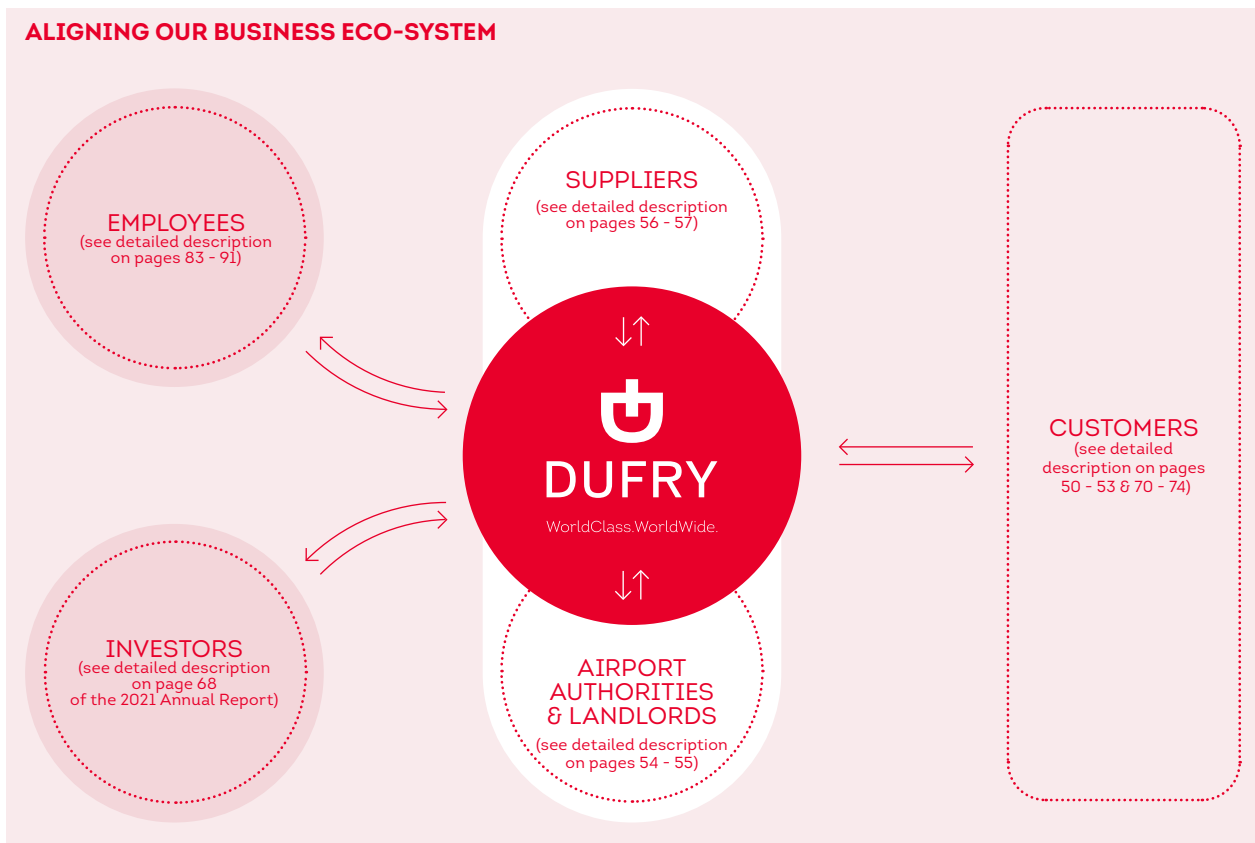
ESG REPORT

ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) REPORT

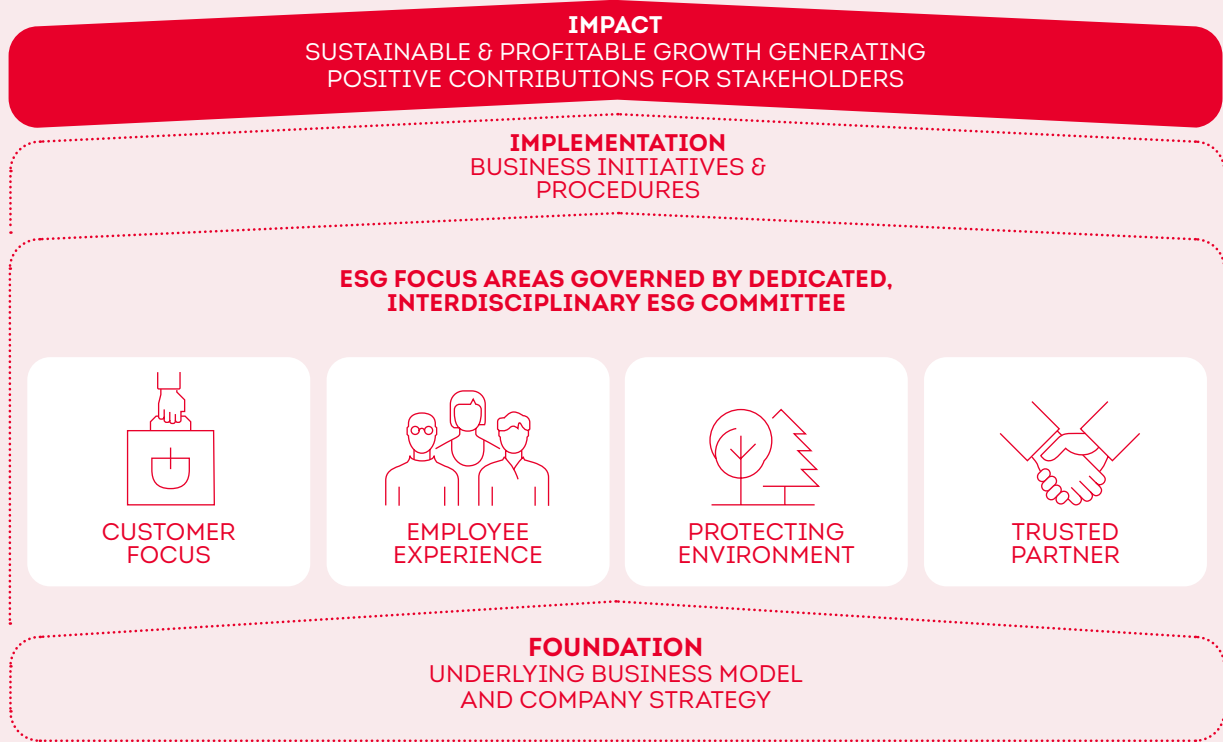
EVOLVED COMMITMENT TO SUSTAINABLE GROWTH

Dufry's four focus areas, which are Customer Focus, Employee Experience, Protecting Environment and Trusted Partner, align our eco-system with the main stakeholders and define the key topics, which are material to our business. Our ESG engagement is an inherent part of our company strategy, supervised by the Board of Directors and implemented by a dedicated ESG Committee. A detailed description of the ESG Strategy is available on the Dufry website www.dufry.com/en/sustainability.

In 2021, Dufry has – among many other improvements – further evolved its ESG commitment by developing dedicated Environmental Management Guidelines and defining SBTi-based (Science Based Target Initiative) emission reduction targets, which complement the overall ESG Strategy. The new Environmental Management Guidelines and the emission reduction targets for scopes 1 - 3 are described on the pages 78 - 79.



ESG ENGAGEMENT FULLY INTEGRATED IN COMPANY STRATEGY

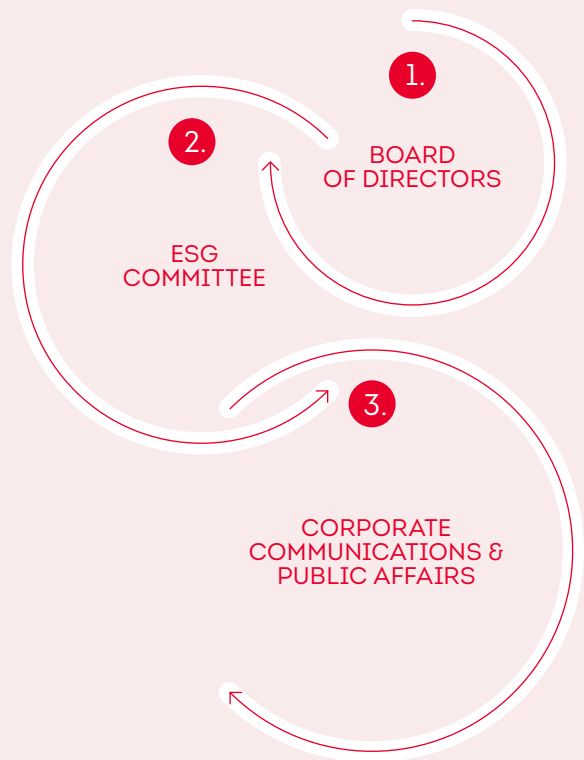


IMPLEMENTATION OF SUSTAINABILITY STRATEGY SUPERVISED BY HIGHEST GOVERNANCE BODY

1. At the level of the Board of Directors, the implementation of the ESG Strategy is supervised and actively accompanied by the Lead Independent Director. The Board of Directors is informed on the ESG strategy implementation progress quarterly and receives detailed updates at least twice a year.

2. The interdisciplinary ESG Committee drives the implementation of the ESG Strategy and meets every two months. The ESG Committee is attended by CEO (Chair of the ESG Committee), CFO, CEO Operations, Chief Corporate Officer, Chief Commercial Officer, Chief Compliance Officer, General Counsel and Chief Diversity & Inclusion Officer, as well as the Global Internal Audit Director, the Global Head of Investor Relations and the Global Head Corporate Communications & Public Affairs.

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



A global leading travel retailer

Dufry is a global travel retailer operating over 2,300 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas. In 2021, we employed 19,946 employees (FTEs) across 66 countries, and we represent over 1,000 different, most renowned global and local brands in our stores. Dufry is part of the Swiss Market Index MID (SMIM) as well as the SXI Swiss Sustainability 25 Index of the SIX Swiss Exchange and has a balanced mix 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 2021 focusing on the topics we have determined to be of greatest importance for Dufry and its stakeholders. As already started in the 2020 ESG Report, in 2021 we continued to voluntarily report information related to three additional GRI indicators: Emissions, Environmental Compliance and Public Policy. The decision to start reporting on these indicators is in response to Dufry's commitment for greater transparency and to give stakeholders a better understanding of our ESG strategy.

Consistent implementation of ESG vision and strategy

In 2021, we have focused our ESG engagement on implementing important new initiatives in areas where we can make relevant ESG contributions. We have defined Science Based Target Initiative (SBTi)-based reduction targets for Scopes 1, 2 & 3 emissions along with the development of the Environmental Management Guidelines; we have also expanded the Risk & Opportunity disclosure, accelerated our Diversity & Inclusion engagement and, among several other new ESG initiatives, we have further evolved our Human Resources Policy. All these major developments are fully aligned with and follow the strengthening of the ESG governance structure and the revision of our ESG Strategy in 2020, which builds on the four focus areas – Customer Focus, Protecting Environment, Employee Experience and Trusted Partner. Our ESG Strategy, with the description of the focus areas and the ESG governance structure is disclosed in the sustainability section of our Group website: www.dufry.com/en/sustainability.

For an easier comparison, we continue to embed in our ESG report the UN Sustainability Development Goals (SDGs) and include information on the respective GRI indicators and SDG goals 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 and started to prepare a progress report, which is available, together with the GRI Index and the Sustainability Report Annex 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's materiality assessment updated

Dufry launched its sustainability reporting in 2016 with the publication of its first materiality assessment in collaboration with an external specialized service provider. 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 shareholders and other stakeholders and through regular customer surveys.

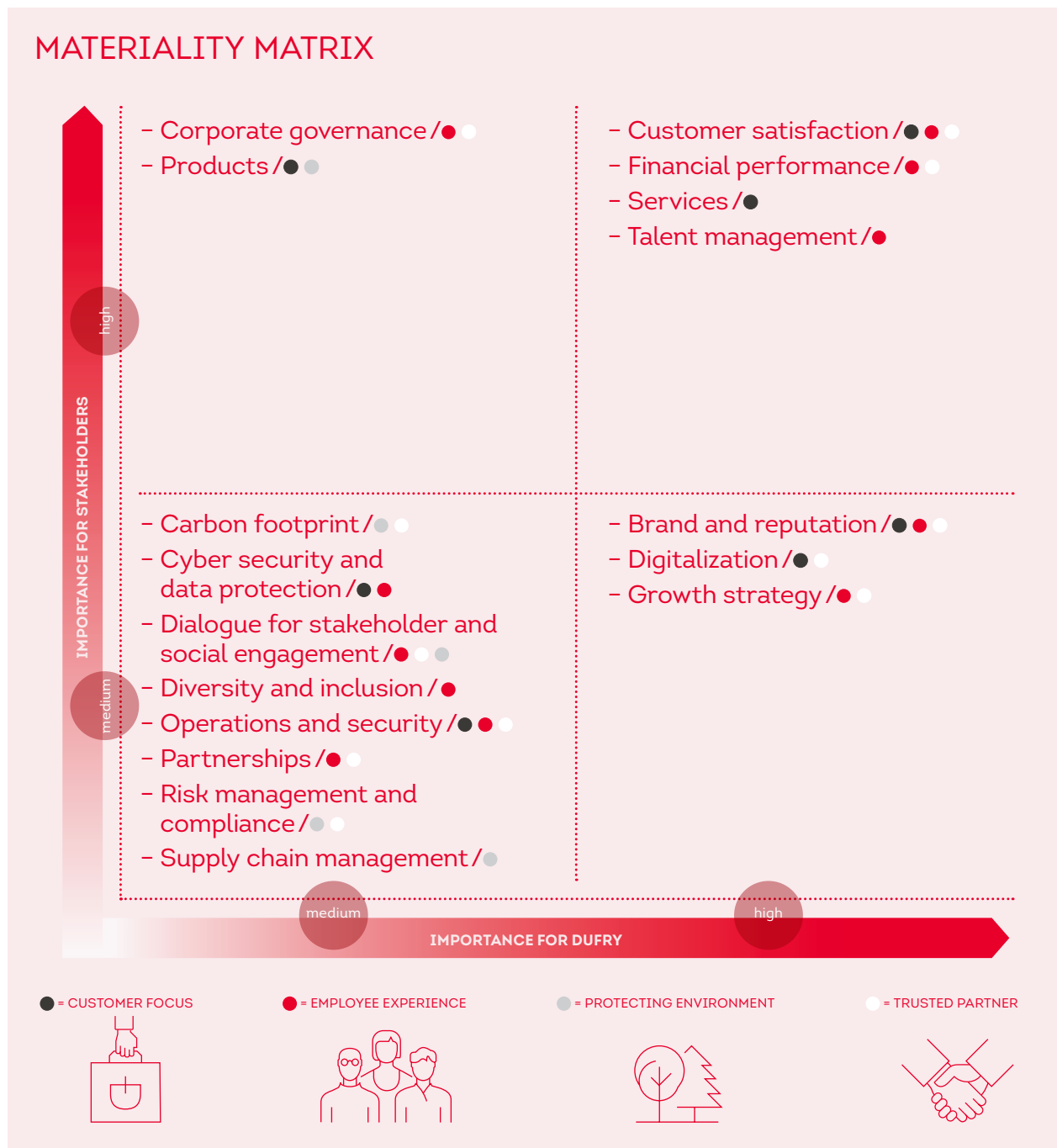
Our vision of sustainability however is not a static one, and Dufry conducts periodic and comprehensive materiality assessments to identify our most relevant reporting topics from an ESG perspective. As compared to the initial scope of the materiality matrix, in 2019 we had added Data Protection and Cyber Security as an additional topic, while we did not add any to our materiality matrix in 2020. During the reporting year 2021, we re-assessed the scope 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, we added "Carbon Footprint" to the

materiality matrix, building on the voluntary reporting on the scope 1, 2 & 3 emissions, which we had started to disclose in 2020.

Risk management and control

The risks and opportunities inherent to Dufry’s business consist of two groups: Financial risks - related to interest rates, exchange rates, credit risks and

liquidity risks - and non-financial risks and opportunities. While financial risks are described in the Financial Report on pages 201 - 209 of the 2021 Annual Report, a comprehensive description of the Group’s non-financial risk mapping, which has been updated in 2021, is included in the ESG Report Annex available on the corporate website: www.dufry.com/en/sustainability.



Note: Within boxes topics are listed in alphabetical order

IMPROVEMENTS CARRIED OUT DURING 2021

CUSTOMER FOCUS



SUSTAINABLE PRODUCT IDENTIFICATION INITIATIVE LAUNCHED, INCLUDING OVER 550 PRODUCTS IN 171 SHOPS ACROSS 128 AIRPORTS.

Over 2,300 Dufry employees, who are involved in the sale of alcohol products, obtained the DFWC accreditation as Responsible Retailer of Alcohol products.

New retail technology concepts – Hudson Nonstop and Automated Retail Concepts – to meet demand for contact-less shopping experience.

Global Information Security Policies aligned with the international security frameworks ISO 27000 and NIST.

EMPLOYEE EXPERIENCE



DIVERSITY & INCLUSION (D&I) SURVEY COVERING 70 % OF GLOBAL EMPLOYEE BASE EXECUTED IN 2021 TO IDENTIFY OPPORTUNITIES TO FURTHER EVOLVE D & I ENGAGEMENT AND DEVELOP TARGETED INITIATIVES.

GLOBAL HR POLICY UPDATED WITH RESPECT TO OVERALL REMUNERATION SYSTEM AND WORKING CONDITIONS.

Roll-out of employee communication tool – Beekeeper – to connect with non-desktop staff, reaching over 80 % of our headcounts.

Equal Salary Certification renewed for our Switzerland operation.

PROTECTING ENVIRONMENT



CO₂ EMISSION REDUCTION TARGETS DEFINED FOR SCOPES 1, 2 & 3 EMISSIONS.

- REACH CLIMATE NEUTRALITY FOR SCOPES 1 & 2 EMISSIONS BY 2025**
- CONSIDERABLY REDUCE SCOPE 3 EMISSIONS BY ENGAGING WITH 50 % SBTI-COMMITTED SUPPLIERS BY 2027 AND BY REDUCING CARBON FOOTPRINT OF LOGISTIC PARTNERS BY 28 % BY 2030**

PLASTIC BAGS SUBSTITUTION INITIATIVE IN PROGRESS IN 15 COUNTRIES.

Started to establish a supplier engagement program to support achievement of emission reduction target.

Developed Environmental Management Guidelines to ensure the application of the precautionary principle and place the environment at the center of our decision-making process.

TRUSTED PARTNER



INCLUDED IN SXI SUSTAINABILITY 25 INDEX OF THE SIX SWISS EXCHANGE AS OF SEPTEMBER 2021.

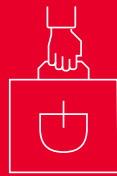
RECERTIFICATION OF SUPPLIER CODE OF CONDUCT REACHING 56 % OF GROUP PURCHASING VOLUME.

Participated in a number of industry & customer ESG forums and events.

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, and we became a signatory member to the UN Global Compact in 2020. We regularly align our overall sustainability strategy with the 10 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.

While having accelerated the responsible retailer certification in 2021, we are committed to keep providing responsible retailer training for the sale of alcohol products to store and office staff involved in the sale of such products and also going forward for all new employees as part of their regular training offer.

Following a detailed acceptance analysis of the sustainable product identification initiative launched in 2021, we will further evolve our sustainable product assortment in line with customer's preferences and feedback provided.

EMPLOYEE EXPERIENCE



Diversity and Inclusion (D & I) will remain an area of focus for Dufry. Our global corporate initiative, first launched in 2016 as women@dufry to bring together female leaders across the business from a variety of functions and geographies, has now further evolved to provide equal opportunities without any kind of discrimination for all employees. Based on the findings identified in the D & I survey of late 2021, we will develop targeted initiatives to further support employees to better manage work, family and life-balance topics. Moreover, we will continue to evolve our training offers for all employees.

The ongoing development of fair compensation and of gender-pay gap reduction programs remained an important part of our efforts in 2021. Moreover, we have fully revised our Human Resources Policy, now disclosed in the Careers section of the group website. Leveraging on the experience gained through the reconfirmed Equal Salary Certification achieved in Switzerland in 2021, we will continue to analyze compensation plans across the group and develop remediation plans 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. The next engagement survey is planned for 2022 providing employees with the opportunity to share their views and concerns in the current business environment and following the implementation of the new ways of working.

PROTECTING ENVIRONMENT



While we have fully revised Dufry's Sustainability Strategy in 2020, the ongoing verification of the strategy and alignment with any new requirements has continued in 2021 and remains a central focus.

Based on the CO₂ emission reduction targets defined in 2021, we will continue and further refine the assessment of our environmental impact. This will allow us to work towards reaching the defined targets, adding important information to a detailed reporting structure, and to have an even better understanding of the environmental footprint of our operations.

TRUSTED PARTNER



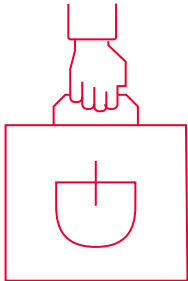
Through our shop network, we directly and indirectly support the local economies of the countries in which we operate: either by employing local staff, sourcing local products, or by paying taxes. Providing jobs and quality working conditions and opportunities, including our training and development 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 have executed the recertification process, tripling the number of suppliers involved. Also going forward, we will continue to extend the reach of the Supplier Code of Conduct.

In 2021, we have introduced an extended overview of the risks and opportunities which impact the company, and provided indications on how Dufry mitigates or benefits from the respective developments. The Risks & Opportunities table included in the ESG Report Annex complements the financial risks overview in the Financial Report and will be updated on a regular basis.



CUSTOMER FOCUS



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 and our customers to shop considerately.

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 cul-

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

tural 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.

Industry recognition

This collaborative work results in improved passenger services, as well as more visibility and opportunities for brands. Testament 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. Due to COVID-19 pandemic, Skytrax has temporarily suspended the awards and will reinstate them in 2022. 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 more than 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 – an on-going training program for our sales staff – 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 three 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 serve to test concepts and best practices, and function as a reference for stores in other airports and geographies.

Fulfilling new consumption habits

New customer behavior trends - observed in the dedicated surveys which are regularly conducted - indicate two main requirements: an increasing need for more contactless and reduced in-person interaction and a more digital in-store engagement, as well as the availability of sustainable products. A shift in consumer behavior that is suggested to endure and increase in the long term.

As indicated in the Customer section (pages 50 - 53), Dufry continues creating omni-channel strategies that blend physical and online channels to engage consumers in the channel of their choosing. Services such as Reserve & Collect and Red By Dufry, constitute an important part of our customer value proposition and are critical to drive customer engagement and loyalty.

Sustainable product identification initiative implemented

The choice by customers of more sustainable products when shopping is another trend consolidated in the last couple of years. According to research from the consultancy MIndset, 84% of travel retail and duty-free shoppers think a greater focus on sustainability by manufacturers has a positive impact on their perception of a brand, whilst 74% feel that a greater focus on sustainability increases the likelihood of them purchasing products of a certain brand.

In 2021, Dufry has implemented a Sustainable Product Identification System in 171 shops across 128 airports, highlighting those products that are aligned with customers' personal values and which fulfill defined sustainability criteria. The signage created for the purpose is simple and easy to understand and has been designed to highlight and create customer awareness of the various sustainability criteria associated with Dufry's selection of products. Over 550 products were selected for this experience, with positive response amongst customers. Dufry is currently evaluating customers' feedback and assessing a wider spread of the initiative across other locations.

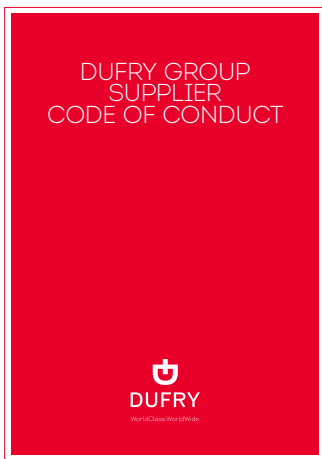




Evolved shop digitization

During 2021, Dufry has piloted new concepts and initiatives aligned with these new emerging customer preferences. In the US, in Dallas Love Field and Chicago Midway airports, Dufry’s affiliate Hudson inaugurated two Hudson Nonstop stores. These shops are equipped with Amazon’s Just Walk Out technology, a technology that allows customers to enter the store with their credit card, pick up the products they are looking for, and then exit the store, all without waiting in checkout lines or stopping to pay. Customers of these two shops have quickly adopted this new store concept and are very pleased with the full product range offered, reaffirming the investment in this technology is meeting an untapped need of travelers. This experience has been further evolved in December 2021 through the implementation of Amazon’s palm recognition service, Amazon One – an absolute first deployment in the travel retail industry.

Also in the US, Hudson has piloted another contactless retailing concept with the introduction in several US airports of Automated Retail Concepts, a 24/7 shopping destination that features a wide selection of products from globally renowned and local brands, including skincare, eyewear and electronic products as well as accessories and toys.



Recertification of Supplier Code of Conduct

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 regularly updates its Supplier Code of Con-

duct, available on the company’s website, which stipulates the provisions required to be a supplier to Dufry. As an additional step, since 2018 Dufry proactively approaches its main product suppliers to secure their agreement with and /or acknowledgement of the Supplier Code of Conduct, and hence ensure the provisions included are accepted, establishing a 3-year cycle for reassessment. During 2021, Dufry conducted a recertification process of its Supplier Code of Conduct. On this occasion, Dufry more than tripled the number of suppliers from each of the product categories, reaching over 117 suppliers (37 suppliers in 2019) that represent 56% of the Group’s procurement budget (compared to 44% of the previous certification). By close of 2021, suppliers representing 45% of the total procurement volume (COGS) had accepted or acknowledged the Supplier Code of Conduct (2019: 38%). On top of monitoring suppliers to ensure compliance with the principles established in Dufry’s Supplier Code of Conduct, the Company will continue to reach additional suppliers going forward. Following the three-years-cycle approach, the next complete re-certification is planned for 2024.

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.

Responsible Retailer Accreditation process implemented

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.dfworldcouncil.com.



In 2021, we took an additional step forward to obtain the DFWC Responsible Retailer accreditation. This accreditation is granted after 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. By the end of 2021, over 2,300 of our employees had obtained that certification. This important training has now been incorporated into Dufry's training catalogue and the company will continue to train employees involved in the sale of alcohol going forward.

Further progress in several areas

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 telephone access to the company.



Customer service engagement

During 2021, Dufry's customer service platform has been completely updated and the global customer service team answered 80,025 inquiries (compared to 68,905 in 2020). Out of all these customer contacts, 9,846 were customer complaints, 50,306 were information requests, 16,081 were product queries, 176 were

compliments and 15 were suggestions. The remaining 3,601 queries included a variety of other requests related to pre-order and Dufry's loyalty program or post-sale queries. The increase in the number of contacts is related, among other factors, to the recovery of traffic volumes across all locations and to a higher number of users of Red By Dufry services (the group's loyalty program) and the Reserve & Collect collection service.

The main causes of complaints were as follows:

- Product damages
- Red By Dufry missing points
- Billing overcharge
- Paid and not received merchandise
- Confiscation of products.

Case resolution time was, on average, less than 10 days.

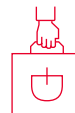
Customer privacy and data protection

Dufry is committed to safeguarding the privacy of its customers and their personal information. Dufry has implemented the necessary management and Cyber Security systems to treat any customer's personal information as confidential. This also includes securely storing personal information – such as for example name, surname, email address or loyalty card number – to prevent unauthorized access to it, along with ensuring that such personal information is only collected, used and otherwise processed for legitimate business purposes in accordance with applicable laws and well as the Privacy Notice and Dufry's Code of Conduct (both accessible in the company's website).

Dufry offers two website applications that collect some personal information from customers – the Reserve & Collect service and its 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 structure and audits

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. The policy sets a globally applicable data protection governance and regulates roles and responsibilities among our Group companies. Dufry has a Global Data Protection Coordinator (Global DPC) who reports to the Chief Compliance Officer. The data protection organization relies on a decentralized structure, with local data protection coordinators (Local DPCs) in the relevant countries. The Local DPCs bear the responsibility for data protection matters within their scope of operations.

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 and confidentiality. 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 periodic meetings are held to discuss and improve the protection of customers' personal data. Anyone 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 2021, 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 cyber security 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. This is all included in the company's Global Information Security Policies which is aligned with the international security frameworks ISO 27000 and the National Institute of Standards and Technology (NIST).

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:

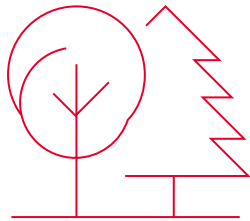
- Encrypts customer, payment and any sensitive data and limits access to it
- Keeps software up-to-date by installing updates and security patches
- Secures point of sale (POS) devices and applications
- Performs regular vulnerability testing to identify weaknesses
- Monitors all activity in Dufry's 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
- Has introduced advanced Malware protection
- Has PCI certifications in place in most of the countries where it operates
- Has established a global security monitoring and protection system overseeing Dufry's cloud services.

Security Awareness Program

As part of the Security Awareness Program, Dufry conducts regular internal communications campaigns and both mandatory and optional training for 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:

- PCI DSS Awareness
- Secure Remote Working
- Phishing & Ransomware
- Password Safety
- Privacy and Data Protection
- Social Engineering
- Global Information Security Policies
- Global Policy of Acceptable Use of Technology
- Data Leak Prevention.

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

Dufry is committed to conduct business in an environmentally conscious manner. Dufry regularly assesses the environmental reach of its commercial activity and works towards minimizing the impact. Due to the special nature of the travel retail industry in which Dufry operates, Dufry closely collaborates with third parties, in particular with landlords, brand suppliers and logistics providers, towards reducing the environmental impact of its business and contribute to implement circular economies where possible.

In this regard, Dufry closely collaborates with its partners to become a more sustainable business by promoting effective use of resources – especially energy – across the operations and supply chain, minimizing the generation of unnecessary waste, adopting new technologies that contribute to the reduction on environmental impacts and supporting our customers in their objective of choosing more sustainable products.

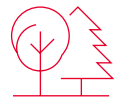
As previously indicated in this report, Dufry operates shops in highly regulated, third-party owned premises such as airports, train stations, cruise ships & ferries, as well as seaports and downtown resorts. This means that for most of the stores, a large proportion of the utility consumption, such 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 product sourcing, 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.

Dufry recognizes the importance of international initiatives to promote action around environmental sustainability. In this regard, Dufry is firstly a signatory member of the UN Global Compact, adopting the commitment of taking a precautionary approach to its operations; secondly supports the UN Nations to drive awareness about the Sustainability Development Goals (SDGs), and thirdly participates in a number of industry initiatives, such as the ACI Europe Climate Task Force.

Dufry’s environmental management system

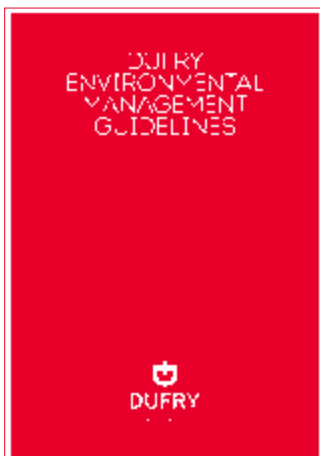
Dufry has established an environmental management system that permits the company to assess and understand its impact on the environment with a systematic and consistent approach, subsequently enabling the company to define the main lines of our goals and actions. In some areas, where we have direct 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 80). 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 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.

Dufry's environmental management system, supervised and implemented by the ESG Committee, hence permits placing the environment at the center of decision-making through:

- The assessment of the environmental risks of its activities, facilities, products and services on a regular basis, improving and updating the mechanisms designed to prevent, mitigate or eradicate them
- Ongoing identification, assessment and mitigation of the environmental impacts of the Group's activities, facilities, products and services
- Management of risks and impacts by establishing objectives, programs and plans that promote the continuous improvement
- Environmental training of the Group's professionals.



In this regard, we regularly engage in 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 offset the impact. As a complement to Dufry's Environmental Management System, in 2021 Dufry has established a set of Environmental Management Guidelines that define the environmental principles that Dufry follows when it comes to Climate Change and Energy Efficiency, Resource Consumption and Shop Development. These guidelines are available in the Sustainability section of Dufry's corporate website: www.dufry.com/en/sustainability.

Reducing 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 five 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 the third-party production of the goods sold in our stores (supply chain), goods transportations, warehouses, shops 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.

During 2021, Dufry has significantly increased the scope of data gathering, covering 90% of total retail space and has estimated the most important categories of scope 3 emissions. That has permitted the company to define its strategy to reduce the company's carbon footprint by establishing emission reduction targets following the SBTi criteria.

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 2021, we have identified emissions and resource consumption for operations covering over 90% of total retail space. By reaching such a high figure, we have been able to extrapolate the information and estimate total emissions for all of our retail space.

Distribution centers and warehouses

The second-largest contributor to Dufry's environmental footprint is the transportation of goods. Dufry operates three main distribution centers in Uruguay, Switzerland and Hong Kong, which operate additional warehouses in Hong Kong, Runnymede (UK), Barcelona (Spain) and Miami (USA), to provide timely shipping of goods to our operations. 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 logistics 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.

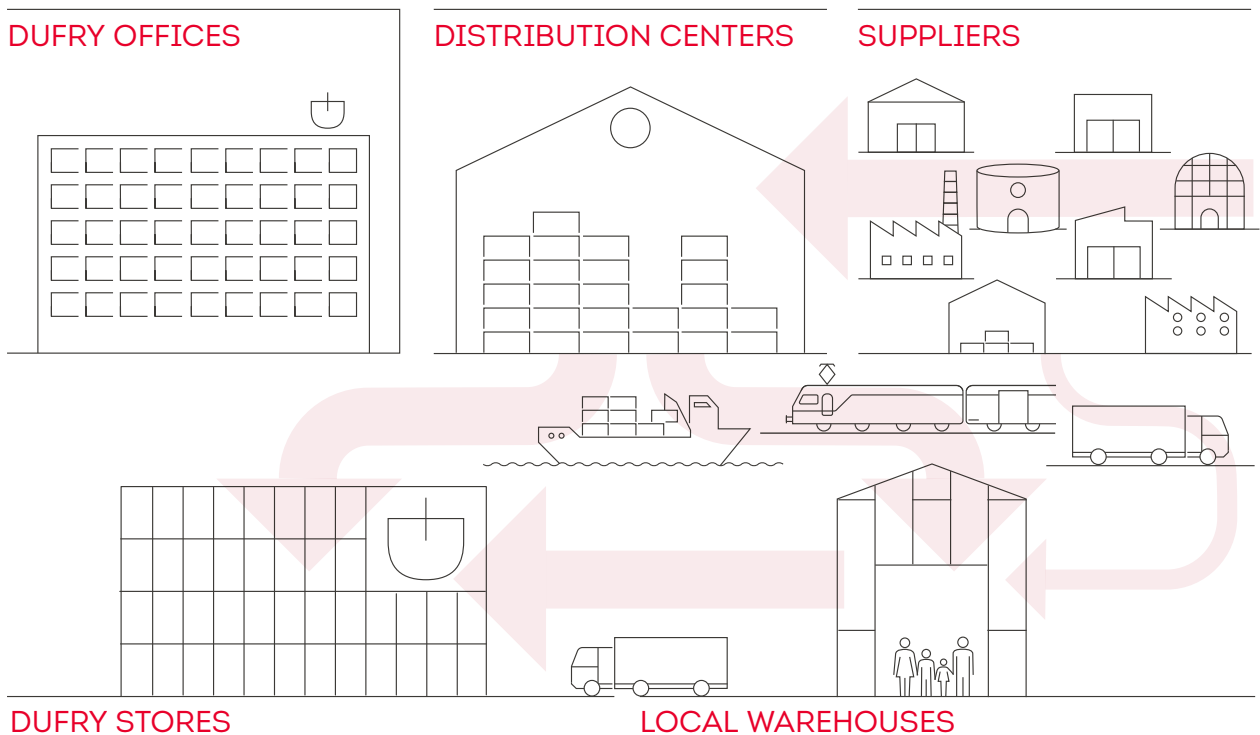
The vast majority of shipments of goods from the supplier's site to Dufry's Distribution Centers is excluded

from the assessment, as these emissions lie within the ESG responsibility of the suppliers. As part of its own emission reduction targets, Dufry engages with suppliers to discuss and encourage footprint reduction opportunities.

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), Bedford 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 question the 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.

TRANSPORTATION CYCLE & EMISSIONS MAPPING





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

Compared to other companies, Dufry has a singular emission structure and, unlike other businesses where Scope 1, 2 and 3 emissions are in a similar order of magnitude, Dufry's carbon footprint is vastly dominated by the carbon emissions caused by the production of its purchased goods that are sold to our customers.

Science-Based Reduction Targets defined

During 2021, Dufry has defined science-based targets, thus recognizing the crucial role the business community can play in minimizing the climate change risk.

Dufry's emission reduction targets are in line with the SBTi Criteria and Recommendations (Science Based Target Initiative), and will be submitted to SBTi for validation and official publication.

Science-based targets are greenhouse gas emissions reduction targets that are in line with the level of decarbonization required to meet the goals of the Paris Agreement - to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit global warming to 1.5°C.

As part of its Climate Strategy, Dufry has established two sets of emission reduction targets, based on a comprehensive analysis of its business model and emissions profile commissioned to a third-party consultant. Dufry has established an emission reduction strategy for Scope 1 and 2 emissions which follows SBTi's 1.5°C pathway. In addition, Dufry wants to achieve climate neutrality of its own operations (Scope 1 & 2 emissions) by 2025. Dufry will eliminate Scope 1 and 2 emissions through consumption reduction, use of Green Electricity and by compensating unavoidable emissions with carbon offsetting initiatives to be defined in the near future.

For Scope 3 emissions, Dufry follows SBTi's well below 2°C pathway with two separate objectives. Through supplier engagement programs, Dufry will commit to ensure that, by 2027, suppliers representing 50% of our procurement budget have SBTi validated emission-reduction targets. At the same time, through collaboration with its logistic partners, Dufry will reduce

ENERGY CONSUMPTION

in MWh	2021	2020	2019
Electricity ¹	85,756	92,148	120,857
Diesel ²	243,054	185,439	691,362

GREENHOUSE GAS EMISSIONS

In tons of CO ₂ -eq.	2021	2020	2019
Scope 1 ³	935	446	1,736
Scope 2 ⁴	19,813	21,290	27,923
Scope 3 ³	3,728	1,451	5,117
Total	24,477	23,206	34,776

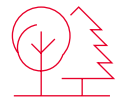
Carbon Intensity	2021	2020	2019
Tons of CO ₂ -eq. / m ² of comm. space	0.0521	0.0495	0.0740

¹ The consumption levels of the 3 reporting years 2021, 2020 and 2019 are not directly comparable, as 2021 and 2020 are impacted by temporary shop closures due to the Covid-19 pandemic. Also, an increased coverage and scope extension of the data collection in additional Dufry entities has to be taken into account (2021: 80% of sales / 2020 64% of sales / 2019: 64% of sales are covered).

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

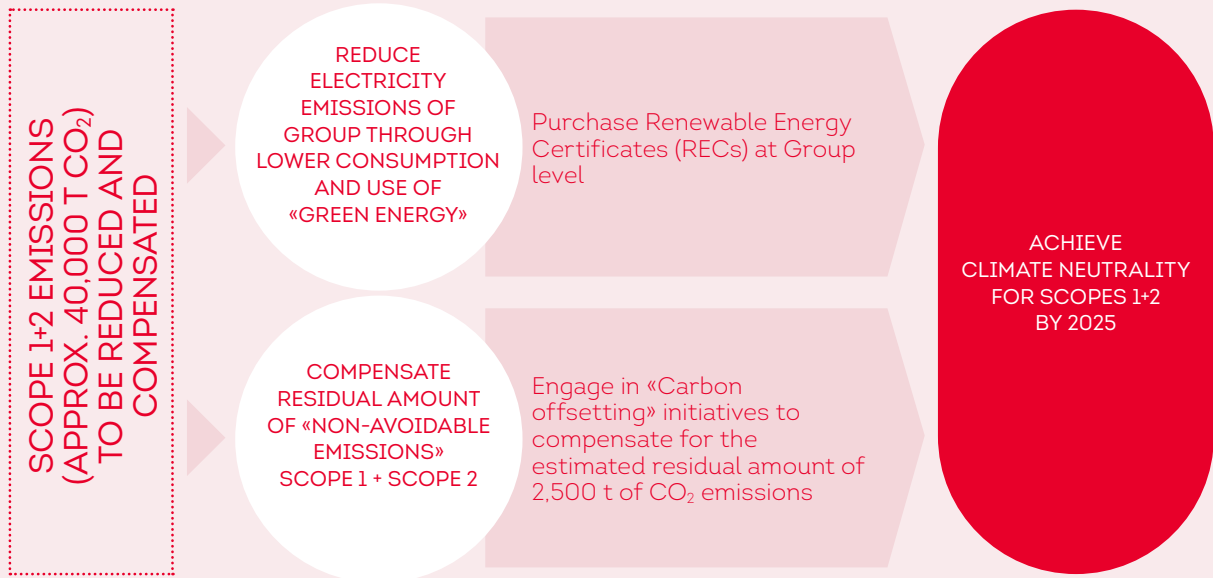
³ Scope 3 emissions includes data from logistics partners accounting for 64% of total volume of good transported globally in 2021 (2019 & 2020: 55%) as well as global employee's business flight emissions. Not included here are the product purchasing related scope 3 emissions.

⁴ Carbon intensity calculated over the total square meters of commercial surface operated by Dufry in m² (2021: 469,581 / 2020: 469,041 / 2019: 469,990).



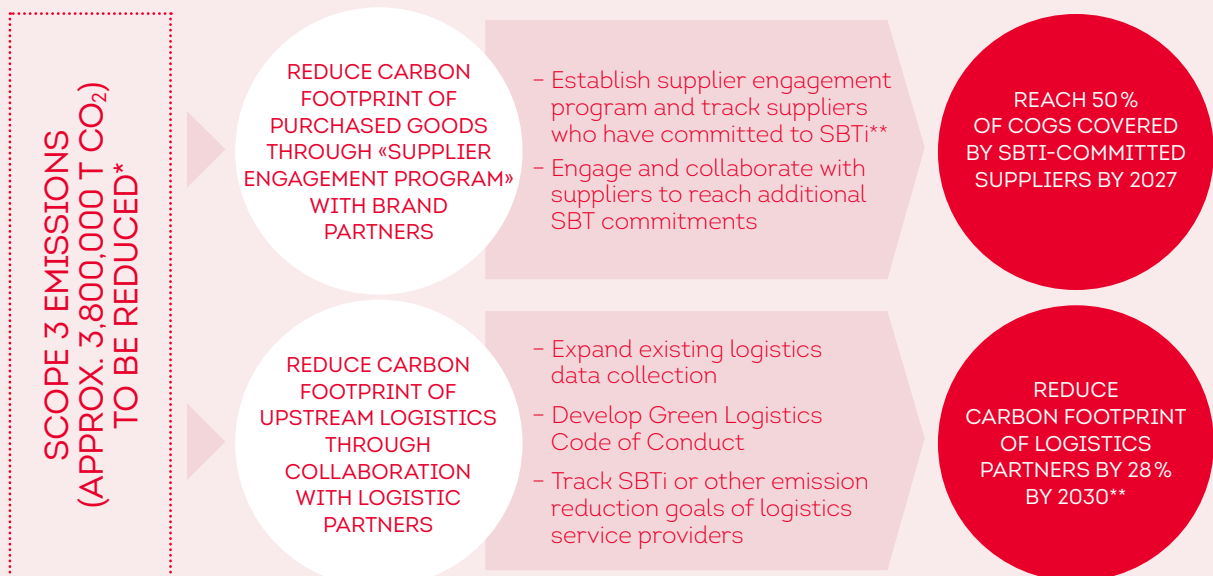
EMISSION REDUCTION STRATEGY SCOPE 1+2

The emission reduction strategy for Scope 1+2 follows the Science Based Targets initiative «1.5° C» pathway.



EMISSION REDUCTION STRATEGY SCOPE 3

The emission reduction strategy for Scope 3 follows the Science Based Targets initiative «well below 2° C» (WB2D) pathway.



* Result of first estimate of most significant Scope 3 emissions
 ** Based on 2019 emission levels



carbon footprint of logistics by 28 % by 2030. Both of the initiatives combined will serve to reduce our Scope 3 carbon footprint in alignment with SBTi criteria.

Progress on move to non-plastic shopping bags

Starting in the last quarter of 2020, Dufry gradually began replacing existing plastic carrier bags at all its duty-free operations globally - which already contained more than a 70% of recycled plastic - with more environmentally friendly ones made of biodegradable 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 bags, Dufry is also exploring recyclable or de-

gradable 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 plastic bag phase-out is coupled with point-of-sale communication campaigns to raise awareness and encourage customers to reduce 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 bag 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.

Dufry currently offers non-plastic bags in 15 countries, and introduces paper or other biodegradable bags in additional countries as soon as existing stock of plastic bags is depleted.



Waste and recycling

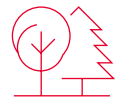
Avoiding any waste in the first place or recycling it, is an effective way to save valuable resources. In our warehouses, packaging materials, which mainly consist of cardboard, paper, plastic film and wood, as well as electronic and plastic consumables such as neon lamps and PET, are sorted into different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

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 us-





age, 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.



Food waste

Food waste is not a material topic for Dufry for two main reasons. First, the majority of food products sold by Dufry belongs to the food & confectionery category, which all have a fairly long shelf life and are not exposed to short expiry dates. Second, with respect to the food offering in our F&B formats, we source locally and with short lead-times allowing us to flexibly adapt quantities and products to the specific needs of the individual operation.

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 locally 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 vir-

gin 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.

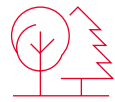
Following LEED principles

During the shop development and refurbishment phase, Dufry follows the principles established by leading green-building certification programs, such as the Leadership in Energy and Environmental Design (LEED) recommendations. In this regard, Dufry:

- Sustainably designs and plans new store developments and refurbishments considering all aspects, from visioning to renovation preparation, including:
 - comprehensive metering of existing energy consumption,
 - introduction of solutions to improve traffic flow, introduction of smarter construction materials (easier to clean, anti-bacterial, etc.)
- Undertakes a collaborative sustainable approach for the design process by engaging with all stakeholders involved in the process (designers, contractors, landlords, material suppliers, etc.)
- Prevents construction pollutions by protecting the site during the construction
- Reduces use of natural resources by re-using materials and equipment by giving modular and recyclable design to furniture and other mobile elements of the stores
- Encourages recycling for all users - employees, customers and other stakeholders
- Reduces energy consumption of stores and increases equipments' lifespan
- Conducts selective sourcing of materials (natural materials from sustainably managed sources and/ or recyclable materials)
- Selects resource-efficient equipment and fixtures (energy efficient, water efficient, etc.)
- Prioritizes local 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- or 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 that the efforts initiated in our design studio also result in truly sustainable environments and spaces for our customers.

Engaging in partnerships 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. In an increasing number 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'.

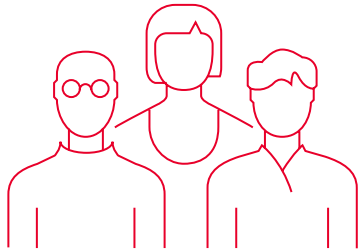
In order to achieve the Optimization accreditation (level 3 of 6) and above, airports need to actively engage with airport stakeholders, as they need to develop a more extensive carbon footprint to include specific Scope 3 emissions and the formulation of a Stakeholder Engagement Plan to promote wider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

In 2021, according to information from Airport Carbon Accreditation, 67 airports reached the optimization level (level 3) and 72 airports achieved carbon neutrality (level 4) and superior accreditations. Considering both of these groups, Dufry operates stores in 50 of these 139 airports, including Dallas Fort Worth, Athens, Helsinki, Stockholm Arlanda, Vancouver, 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. Dufry places high importance in building a great and unique place of work for its staff, ensuring it delivers the best in terms of fair and equal working 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 66 countries in which it operates, and which represent the foundation of the future of Dufry. The Business Operating Model (BOM) serving to standardize processes and procedures, and ONEDUFRY, harmonizing values and principles as well as streamlining the cultural integration of the Group, have fostered the setup of a true global company with the highest employee standards.

Number of headcounts increased

Dufry had 19,946 people (FTE) working for the Group at December 31, 2021, compared to 17,795 at year-end 2020. The increase in the number of headcounts responds to the progressive re-incorporation of staff members on furlough, as well as new hires in line with travel restrictions being lifted and accompanying the gradual recovery of travel. Whilst at the end of 2021 Dufry had reopened 80% stores representing 88% of global sales capacity, the full re-incorporation of furloughed staff will proceed in line with the recovery of passenger traffic.

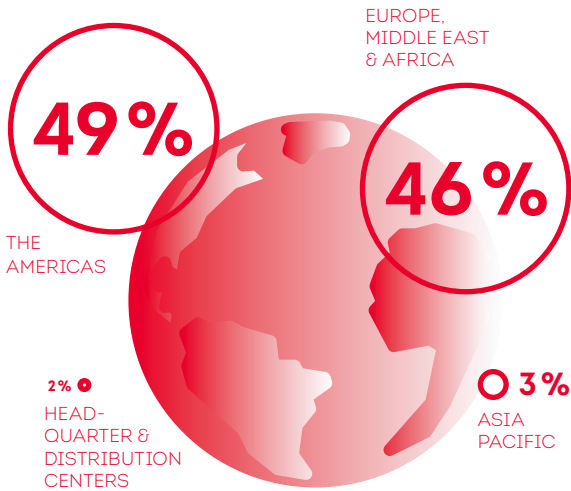
Across the 66 countries where the company is present, Dufry generates an additional contribution to the wealth of local communities and society by offering working opportunities to third party employees and the respective generation of additional salaries and tax payments. In this context, our 2,300 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 unique working opportunities.

OVERVIEW EMPLOYEE STRUCTURE 2021

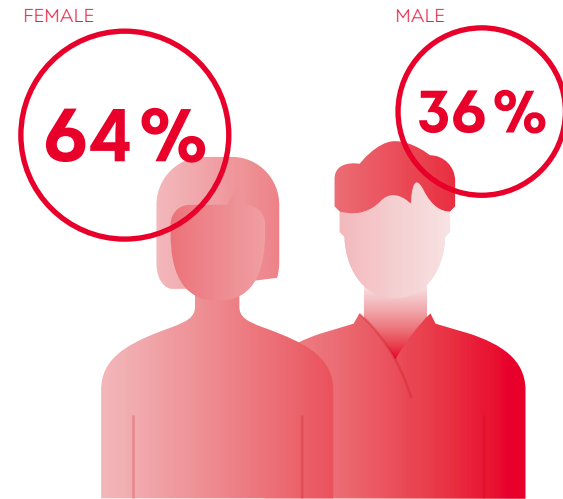
	HQ & Distribution Centers	Europe, Middle East & Africa	Asia Pacific	The Americas	Total
FTEs	497	8,767	577	10,105	19,946
Headcounts	523	10,465	749	11,118	22,855



EMPLOYEES BY REGIONS



EMPLOYEES BY GENDER



Evolution of Diversity & 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 66 countries, Dufry engages on a daily basis with customers, suppliers and colleagues from more than 150 different nationalities. 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, ethnicity, culture, beliefs or creed. Our workforce comprises colleagues from more than 144 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.

The staff in Dufry’s shops in each country are predominantly local. Our presence in 66 countries around the world makes us an important employer in many locations, with many of our operations being located in emerging markets and offering interesting career opportunities. This, in addition to bringing expertise and experience on how to operate an international business, contributes to local development and wealth.

D & I VISION STATEMENT

Our Customers are on a journey – so are we

- Dufry is committed to building an inclusive and culturally sensitive workplace for everyone, in which all our people recognize that their unique characteristics, skills and experience are respected and valued.
- Dufry employs great people from a wide variety of backgrounds and with a broad range of skills and experiences to best serve our customers and build a better and stronger company for all our stakeholders.
- Dufry recruits, rewards and promotes people based on capability and performance – regardless of gender, national origin, ethnicity, lifestyle, age, beliefs, or physical ability.

Appointment of Chief Diversity & Inclusion Officer

In 2021, Dufry appointed a Chief Diversity & Inclusion (D & I) Officer, who is also a member of the Global Executive Committee, reporting to the Group’s CEO. In her role, the Chief D&I Officer will foster and further develop the group-wide implementation of the Dufry Diversity & Inclusion (D & I) Strategy. The mission of Dufry’s D & I initiative is identifying, understanding and eliminating barriers to ensure we deliver a consistent and truly diverse workplace for all our employees. The scope of the D & I initiative includes recruitment practices, career roadmap & development, succession planning, compensation & benefits, work-life balance



and organizational culture as well as raising employee awareness about D&I topics. The role of the Chief D&I Officer broadens the scope of existing diversity promotion forums – such as women@dufry or the Hudson Diversity & Inclusion Taskforce – to cover additional diversity and inclusion matters other than gender equality.

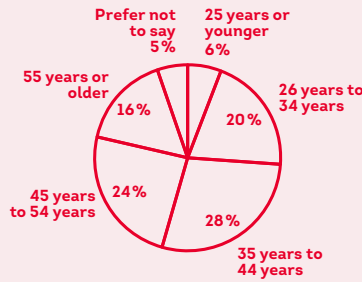
Diversity & Inclusion Survey

In the fourth quarter 2021, Dufry conducted a D&I survey, reaching over 70% of Dufry’s headcount, that served to better understand the perception of D&I amongst the group employees. This valuable input will serve Dufry to further evolve in being more inclusive and equal for all by identifying opportunities and develop targeted initiatives.

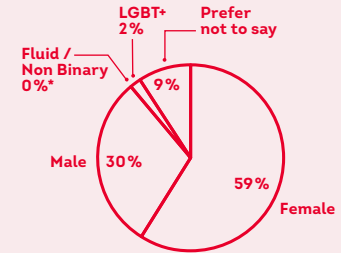
DEMOGRAPHIC INDICATIONS OF D & I SURVEY RESPONDENTS

As part of Dufry’s anonymous D&I survey conducted in 2021, employees who responded to the survey provided amongst other feedbacks the demographic indications shown here. As the survey reached out to 70% of the employee population the feedback gives a good representative picture of the company’s demographic employee structure.

AGE PROFILE OF RESPONDENTS

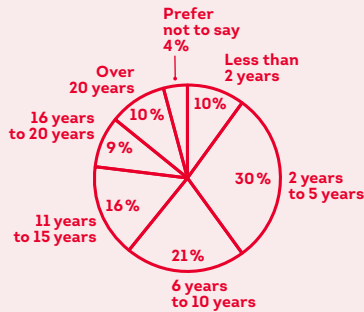


GENDER DIVERSITY

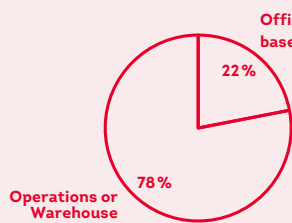


*24 Persons

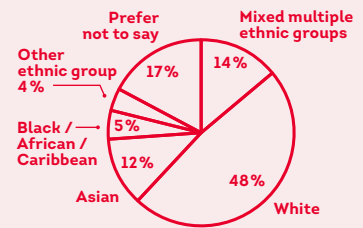
TENURE



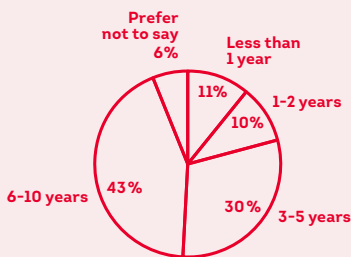
JOB FUNCTION OF RESPONDENTS



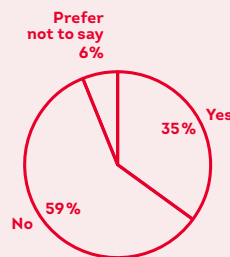
ETHNIC DIVERSITY



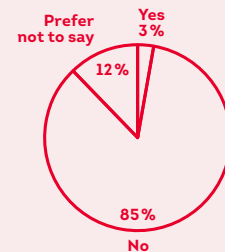
TENURE IN CURRENT JOB



CARE GIVING RESPONSIBILITIES



THOSE WHO DEFINE AS HAVING A DISABILITY





**Updated Human Resources policy
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 90 within this brochure). During 2021, Dufry has updated its HR Policy, which is now publicly available in the group’s website. This Policy describes the common base, principles and guidelines, which, in terms of human resources management, are applicable to the whole Group. The policy, which has been shared and trained with employees, covers diverse topics, including:

- Selection and hiring
- Equality, Diversity and Respect for Human Rights
- Working Conditions and Labor Relations
- Health & Safety
- Remuneration and Working Time
- Career Development and Advancement
- Succession planning.



Compensation and benefits

Dufry offers its employees competitive salaries and incentives as a way of attracting and retaining talented 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 include medical insurance or transport allowances. In this regard, during 2021 Dufry continued with the roll-out of Emporium – a web-based shop with thousands of products from Dufry’s core product categories, as well as exclusive campaigns from luxury brands at retail-discounted prices. This benefit is exclusive to staff members (Dufry and Airport Community) and includes a Friends&Family program. By the end of 2021, Emporium was available in 10 countries, including Dufry’s main locations by head-counts – UK, US, Canada, Spain, Switzerland, Greece, Brazil, Mexico and Hong Kong & Macau. The company will continue with the rollout of Emporium throughout 2022.



Equal employment

As indicated in our HR Policy and in the Dufry Code of Conduct, both available on the corporate website, Dufry offers and promotes 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 94 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 again in 2021. 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.



Health & safety

Workplace safety is a priority and an essential commitment for the company in our stores, offices and warehouses. As indicated in the HR Policy, 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 fol-

low 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. As a result, Dufry has a number of different Health & Safety regulations and procedures throughout the organization (for specific Covid-19 related initiatives see the separate paragraph below). Regardless of the specific requirements of each local legislation, there are certain principles that all these procedures adhere to, including:

- Compliance with current labor legislation on health and safety
- Reduce working-related accidents, implementing the necessary occupational risk prevention plans in its work centers, to achieve an effective identification of risks and to avoid them
- Promotion of a preventive culture, training employees to achieve the best safety standards
- Having due diligence in the coordination of activities and prevention measures with contractors, suppliers, or any third party that performs activities or is present in Dufry's work centers
- Continuous improvement, establishing objectives and goals for improvement, systematically taking into account the requirements of stakeholders, continuously assessing performance, applying the necessary corrections to achieve the proposed goals and establishing verification, auditing, and control processes to ensure that objectives are met.

Management of occupational health and safety management processes change from one location to an



other, with a number of common guidelines that apply to all our operations, including the following:

- Dufry operations provide topical information such as health and safety initiatives to employees, 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 provides 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 establishes the main guidelines and allows 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 guarantees the provision of signaling elements and protective elements – such as facemasks and sanitizing 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 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 has 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 for 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, sexual orientation, age, gender identity or gender expression, national origin, political orientation, disability or other discriminating factors.

Available positions are first published internally to ensure opportunity and growth of internal talent. 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 Dufry’s HR portal Dufry Connect. If any gaps or personal development needs 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, as well as 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 2021, and despite some training programs being interrupted, 300,523 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 onboarding program for newcomers aimed at shortening the learning curve. In 2021, 218 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 2021, we had 86 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. 443 employees, including 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 2021 had 38 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 2021, we continued the deployment of our on-line training capabilities through:

- 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 91) is increasing the reach of both product and skills training and benefiting a higher number of employees.

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 2021, this pool of talented individuals included 38 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 2021, 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 mentoring 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 2022 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 com-



pany and identify 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 2022.



Freedom of association and collective bargaining

As stated in our HR Policy, Dufry respects legally recognized unions and internal forums created to represent the 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 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.

Connecting with our employees

During 2021, 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 further progressed with the rollout 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 over 18,000 live users on the Beekeeper platform, reaching more than 80% of its workforce and expects to fully rollout the app globally during 2022.

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 95 of this brochure. That means going beyond the strict compliance of legal frameworks and leading the way in terms of sustainability. To do 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 the Board of Directors 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 and bondholders 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 fair salary and working conditions, sharing of expertise and partnering with local companies is part of this area of focus.

A member of the SXI Sustainability 25 Index®

Dufry became a component of the SXI Switzerland Sustainability 25 Index® Price (SSUSTX) in September 2021. This index measures the development of Swiss companies which are considered sustainable according to a measurement framework provided by Sustainalytics, a provider of ESG research and analysis. All stocks in the index universe are screened for their sustainability score by Sustainalytics. The top 25, representing leaders within their respective global industry, are selected for inclusion in the new index. The index has a fixed composition of 25 components which is reviewed annually. The index was launched by SIX Swiss Exchange (SIX) in 2014.

For Dufry, who debuted in the SIX indices in 2005, this represents an important milestone as it reflects an endorsement of the group's efforts in terms of transparency of sustainability management and underpins the Group's ESG strategy.

ESG governance

Dufry's top-management oversees the development and implementation of Dufry's ESG Strategy. 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. In 2021, the ESG Committee met 6 times.

Socio-economic compliance

Having operations in 66 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 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 of this report.

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, 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 of 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.

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

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

During 2020 and 2021, over 950 managers at all levels of the organization and from across all the regions have completed this training. 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 employees, 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.

GENERAL COMPLIANCE TRAINING

REGION	Staff trained in 2021
HQ	153
Europe, Middle East & Africa	6,583
Asia Pacific	728
Americas	7,043
Total	14,507

The rest of the employees not included in the managers list do also receive compliance training. In 2021, this training reached over 14,500 employees on average via online compliance update trainings and communications campaigns. The primary training topics included harassment, discrimination, insider trading, data privacy and how to report a wrongdoing.

Dufry properly investigates all complaints and prohibits its 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 complement the email reporting channel compliance@dufry.com: (1) a worldwide, 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-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, reporting to Dufry's General Counsel and member of the Global Executive Committee, for further investigation.

Risk management and control

The risks inherent to Dufry's business are divided into two groups: Financial risks (pages 189 – 209 of Dufry's 2021 Annual Report) - related to interest rates, exchange rates, credit risks and liquidity risks - and non-financial risks. A comprehensive description of the Group's risk mapping is available in the Sustainability Report 2021 Annex on pages 282ff.

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 2021, 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 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 remained critical and valuable during 2021 as air traffic started to be restored and the operation of our stores recovered towards normality.

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 58 – 59). We are proud to have senior staff members on the Board of some of the most respected industry bodies – ETRC (European Travel Retail Confederation), MEADFA (Middle East & Africa Duty-Free Association), IAADFS (International Association of Airport Duty-Free Stores), ASUTIL (South American Association of Free Stores), UKTRF (UK Travel Retail Forum) and the DFWC (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, ESG powerhouses (such as United Nations Global Compact, GRI or SBTi), 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 as well as general health and water related initiatives and encourages its employees to work as active members at a local level. For detailed information, please see our Community Engagement section on pages 98 – 104.



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.

ESG Trinity Cooperation

The close ties that unite the members of already mentioned Trinity have significantly extended in 2021 to ESG-related issues, especially environmental issues. From the suppliers' standpoint, Dufry has participated in a number of sustainability events and working sessions to identify ways of better engaging with customers when it comes to communicating the environmental brand values. By sharing different visions and strategies, Dufry has learnt more about suppliers' ESG proposition and that has served to fuel our pilot project on "sustainability signaling" described under the customer focus section.

On the airport front, and as indicated in the Environmental Protection focus area of the report, Dufry plays an active role in several airport's Sustainability bodies, supporting the airport efforts when driving their ESG strategy. This includes cooperation on environmental topics, where Dufry for example, as part of a multi-stakeholder group, has an active role in determining and planning for levels of energy and water consumption savings that work for the airport's reduction objectives and targeting.

Collaboration however is also extended to other dimensions of ESG. In this regard, Dufry is also involved in airport forums aimed at establishing responsible employment practices and helping building a pipeline of skills required today and in the future.

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, Dufry developed its Supplier's Code of Conduct already in 2017, with the purpose of ensuring that our suppliers across all product categories, have in place and apply accepted business standards, 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.

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 sustain-



able development in our day-to-day work. Both Codes are regularly assessed to ensure they remain relevant and reflect developments in law, regulation and professional ethics. All of them 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 own supply chain. As explained in page 72 (Customer Focus - Recertification of Supplier Code of Conduct), in 2021 we continued our effort to proactively share the Code with additional suppliers from all product categories, and Dufry will continue to extend the reach to additional suppliers in 2022.

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 of the Annual Report.

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 with 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, retirement benefits, social security payments and other personnel expenses amounted to CHF 635.4 million in fiscal year 2021. CHF 250.2 million were interest expenses as payments to our bondholders and lending banks. Income taxes paid to public authorities and communities amounted to CHF 19.8 million in 2021. Due to the COVID-19 pandemic and the impacts on the industry and on Dufry's business, the Board of Directors had proposed to the 2021 General Meeting not to pay any dividend for the fiscal year 2020, in order to protect the liquidity of the Company. As explained in the Chairman Letter on page 10 and with respect to the 2022 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 the report.

WE SUPPORT



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 2021, 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 non-profit organizations and social or humanitarian initiatives. We have also continued supporting cultural events and entities.

The sponsoring and support of disadvantaged children, young people and their families, together with enabling them to have 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 to be considered, reinforcing the engagement and motivation to collaborate with the initiatives.

Dufry's help to these causes consists of direct monetary contributions, complemented by the paramount role of our customers, who allow us to raise additional funds by buying charitable products in our stores for the benefit of different NGOs, as well as by making donations in the boxes available in some of our airport locations.

Throughout 2021, we have seen our first global charitable initiative, Captain Dufry, grow and expand to a remarkable number of Dufry operations. Through the sale of Captain Dufry, a soft toy dog in an aviator costume, Dufry helps SOS Children's Villages by donating the proceeds from the sale of this product to the organization.

Launched at the end of 2020, Captain Dufry's first year can be described as success, and we hope to see growth continue for this initiative in the years to come.

We are also very proud of the activities carried out by our staff to aid 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, neighbours and anyone in need around them. Where and when possible, we have sup-

ported 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, as well as providing a way of recognizing and thanking them for their philanthropic efforts.

The initiatives and projects described below represent some of the most prominent projects we support. The progress made and the encouraging results of our ongoing 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.

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

It was back in 2009 when Dufry began its relationship with the international charity SOS Children's Villages. What started with the sponsorship of a project focused on preventive care in Igarassu, a town located in the northeast of Brazil and one of the poorest areas in the country, has evolved into long-standing and constantly growing support reaching more geographies and involving a greater number of Dufry locations. Now, more than a decade later, the partnership continues evolving with initiatives like Captain Dufry being added to the mix, to help raise additional and much needed funds that will help improve the living conditions of many children in need.

Dufry continued supporting the Igarassu village in Brazil and, in 2021 alone, our donation benefited nearly 500 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. During this decade, Dufry has also lent similar support to other villages in Mexico, Russia, Kenya, Jordan and Spain.

The way SOS Children's Villages works permits families to evolve and reinforce family ties, whilst giving the necessary attention to children. Mothers are given the opportunity to leave their children in the child-care centers during the day so that they can go to work and earn a living for themselves, and opt for better work opportunities. At the same time, children in these day-care centers are included in childhood development programs.

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.

SOS Children's Villages also promotes family strengthening programs, like the Dufry-sponsored program in Nairobi, Kenya. This program seeks sustainable and innovative ways to prevent family separation and addresses the situation of those children who are at risk of losing care from their biological family.

The pillars of this program are family 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.

Beyond Dufry's global contribution to SOS Children's Villages, a number of our operations – including those in Italy, Sweden, Finland and Spain – 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

During 2020, Dufry launched its first global charity initiative with the introduction of Captain Dufry, a soft toy dog wearing a Dufry scarf and aviator hat with goggles, which is sold across Dufry stores in 23 countries.

Benefits obtained from the sale of Captain Dufry are donated to charities and, for the 2021–2023 period, Dufry has agreed to donate proceeds of this initiative to SOS Children's Villages. Beyond the financial objective pursued with Captain Dufry, this initiative also serves to increase awareness of Dufry's customers towards SOS Children's Villages and their activities.

Captain Dufry is available at an accessible price and designed to be an irresistible "feel-good" purchase. This item gives our 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 complemented with in-store communication and signage to build awareness. Dufry is identifying high visibility spaces across the stores where Captain Dufry is 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.

The first year of Captain Dufry has been a great success with almost 55,000 units sold worldwide – a figure that is expected to continue to grow over the next years.

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" 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 419,500 lives.

Over the last two years, the importance of this partnership has been even more in the spotlight with countries all around the world having been severely impacted by the Coronavirus pandemic, presenting enormous challenges to communities, health systems, schools and businesses. As the pandemic continues to unfold, Water, Sanitation and Hygiene (WASH) remain at the forefront of the global community's response. Safe water, sanitation and hygienic conditions are essential to protecting human health during outbreaks of infectious diseases – yet millions of people across Africa still lack access to clean water and basic sanitation services.

Through partners like World Duty Free, The One Foundation is helping to bring clean water and improved sanitation to communities through the repair of broken water points and the strengthening of water and sanitation systems across Malawi, Kenya and Rwanda. All of which is critical in the prevention and reduction of infection risks.

Awareness campaign of the United Nations' Sustainable Development Goals

The 26th United Nations Climate Change Conference of the Parties (COP26), hosted in Glasgow, Scotland, between October 31 and November 12 – was a great opportunity to, again, raise awareness about the United Nation's Agenda 2030 and its 17 Sustainable Development Goals (SDGs). Over 100 world leaders, alongside thousands of negotiators, government and business representatives as well as citizens, travelled to Glasgow for the twelve days of talks; and many used three airports where Dufry operates duty-free stores, including Heathrow, Edinburgh and of course Glasgow.

In collaboration with the UN Geneva office, communication around the 17 SDGs was prominently displayed in store through pop up banners and screens, reminding the world that we have specific objectives to achieve – structured under these 17 Sustainable Development Goals – and that these objectives are not

achievable without individual and personal contributions.

This campaign follows others organized in previous years at the Zurich and Basel airports in Switzerland, coinciding with the World Economic Forum Annual Meeting in Davos, and with other activities around some of the world's largest airports, including Zurich, Madrid, London Heathrow, Malpensa in Milan, Mexico or Moscow.

Charity Water Project in Zurich and Basel Airports

Back in 2014, Flughafen Zurich and Dufry embarked on a joint project under the name of "Charity Water" to raise funds for charitable causes through the sale of bottled water in the airport. For every bottle of mineral water sold at the price of CHF 2.50, which is obtained from the Adello spring in Adelboden, in the Swiss Alps, 50 centimes are donated to a charitable organization.

During the month of June 2021, Dufry and the Zurich airport handed over a cheque worth CHF 167,676 to Kinderspital Zurich as part of the cooperation started in September 2019. Locally known as "Kispi", Kinderspital Zurich is a non-profit private institution serving 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.

As of June 2021, Kinderhilfe Sternschnuppe is the new beneficiary of the "Charity Water" project. This Swiss non-profit organization brings joy and excitement into the lives of children and young people living with an illness or disability. It fulfils the dearest wishes of children and gives the whole family the opportunity for exciting excursions and worry-free family activities.

RgZ Foundation – Fostering unhindered development

Dufry also donated to Foundation RgZ, which is supporting the development, way of life and social integration of children, teenagers and adults with movement disorders, development problems and mental and/or multiple disabilities. Over 2,700 children, young people and adults are fostered, taught and supported by the 280 RgZ employees in the greater Zurich area every year.

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2

1 **NGUISGUISS BAMBA | SENEGAL**
Dufry supports Fundación Senegal and their kids school Kindergarten Ladybug Ecole Maternelle.

2 **IGARASSU | BRAZIL**
Dufry continued to sponsor SOS Children’s Village preventive care center in Igarassu, Brazil (photo credit: Livia Neves).

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, 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 proven to be a great success. Employability rates usually reach high levels for participating students and since Dufry started its collaboration, over 730 teenagers have benefited. Whilst during 2020 the education activity was suspended due to the pandemic, Dufry remained determined to keep supporting this program.

In 2021, following strict health and safety protocols, the program restarted in Brazil with the presence of 20 young people divided into two groups. The program started in April and ended in November, with 100% approval from all students and with no Covid cases registered in the class. The classroom and all content have been adapted to meet local health and education guidelines. Despite this challenging economic and health environment characterised by restrictions, more than 50% of the class left the program with a job in the Brazilian market.

Hudson: empowering education and supporting communities

In 2021, Hudson remained focused on inspiring the next generation of students. Through the Mario Di-Domizio Excellence in Education Scholarship Program, 10 children of Hudson team members received an educational scholarship. Hudson has now awarded a milestone of \$150,000 in scholarships since 2017 to help its team members' children with affordable higher education opportunities.

Hudson also continued its decade-long partnership with Communities In Schools® (CIS™) to empower students to realize their greatest potential in school and beyond. With more than \$4 million donated to-date by customers in the US, Hudson and CIS are helping to keep students in school and prepare them for success, while also making schools equitable places where all students receive what they need to succeed.

Throughout the year, Hudson also launched several local fundraising initiatives to give back to the communities it serves and does business in. This included the Harlem Junior Tennis and Education Program (HJTPEP) in New York; the Richmond Hospital Foundation and the Canadian Mental Health Association (CMHA) Toronto Branch in Canada; as well as a number of other important causes in its duty free locations, such as in-kind donations to shelters and participating in November for men's health issues.

Mind – for better mental health

As we come to the end of our three year partnership with Mind and its sister charities SAMH in Scotland and Inspire in Northern Ireland, we are proud to have been able to make a real difference across all four nations of the United Kingdom in the campaign for better mental health. It has never been more important to take care of mental health, with around a third of people in the UK saying their mental health has deteriorated since March 2020. One in six people have accessed mental health services for the first time during the pandemic and through our fundraising we have helped Mind, SAMH and Inspire to provide life-changing information, advice and support so that people can make their own choices and access the treatment and support that is right for them.

Despite everything, our teams have pulled together throughout this past year to help raise as much money as possible. The most remarkable event of the year be-

ing our “Active in April” campaign, where the Dufry UK team organised activities to get people moving, connecting with colleagues after furlough, as well as raising awareness and funds. We raised over £10,000 from this event and were even nominated for an award as “Outstanding Employee-Led Initiative” at the Inspire Workplace Wellbeing Awards.

The charity supported by our UK colleagues is chosen every three years based on the votes of the employees. For the 2022 – 2025 period, Dufry UK has now chosen to partner with Children’s Cancer and Leukaemia Group, a leading children’s cancer charity and the UK’s and Ireland’s professional association for those involved in the treatment and care of children with cancer.

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 includes psychological and emotional support, as well as material and financial assistance. With its donations, in 2021 Dufry again supported Aladina’s Extraordinary Special Fund, 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.



3

3 **COMITÁN | MEXICO**
SOS Children Village in Comitán, Mexico, improves education and quality of life (photo credit: Alea Horst).

Support to multiple projects in Greece

Hellenic Duty Free Shops continued with the on-going support to Make-A-Wish Hellas, an organization granting wishes of children with critical illnesses to transform their lives. For Make-A-Wish, a wish is an inherent part of the healing journey, as these help with the regaining of the physical and emotional strength they need to go through very serious illnesses.

Hellenic Duty Free Shops also supports the Galilee Palliative Care Center – which provides palliative medical and nursing care along with psychological, social and spiritual support to patients and their families – as well as the Skytali Hellenic Heart-Lung Transplant Association.

Ladybug Dufry École Maternelle – Kindergarten project in Senegal

During 2021, Dufry continued supporting Formación Senegal and the Kindergarten Ladybug École Maternelle in Nguiguiss Bamba, in the Louga region of Senegal – a facility constructed and developed in 2019.

This school, 100% funded by Dufry, can host 60 children aged between 0 and 7 years old and has been placed near a training and work cooperative, also built by this NGO, which is empowering over 140 women in the region. The location of this kindergarten close to the workshop allows women to leave their children being looked after, while they build their skills and develop their professional activity. The school project financed by Dufry provides children with early stimulation techniques and essential learning for young children. This is a pioneer initiative in this area of the Sahel, where schooling – in the best case scenario – usually doesn't begin until the age of seven.

The project will be improved by providing it with a suitable floor at the school, building a perimeter to protect the children, constructing a storage area for school materials, using rainwater by means of gutters and installing solar energy to use the facility at night as a literacy school for local women.

And a long list of other local contributions

Support for the underprivileged is deeply rooted in our company. In addition to the main initiatives mentioned above there is a long list of causes and projects of all sizes that Dufry subsidiaries and employees support year after year.

From food collection initiatives for food banks, such as those carried out by our colleagues in Canada, to scholarships and school supplies, they all have a place at Dufry.

The main protagonists of many of these actions are our employees, who champion the causes and promote support for them through micro-donations, charity runs, bike rides, bake sales and more to support the many deserving projects.

Internally we give voice to these initiatives to recognize the effort and generate notoriety about them. In addition, where possible, financial support is given to these causes.

GLOBAL EXECUTIVE COMMITTEE MEMBERS

Julián Díaz
González



Luis
Marin



Yves
Gerster





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 Patronos and Best Employer

Dufry Puerto Rico has been awarded 'Mejores Patronos 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

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