

Destination

20
27



Making travelers
happier
by delivering
a holistic
travel experience
along their
whole journey.



DUFRY

WorldClass.WorldWide.

A woman with long, wavy hair is seen from the side, looking out of an airplane window. The window frame is visible, and the view outside shows a bright sunset or sunrise over a horizon. The lighting is warm and golden, creating a serene atmosphere. The woman's hair is illuminated by the light from the window, and her profile is softly lit.

«Dufry's new company strategy has been crafted based on a deep understanding of our stakeholders' needs, customer insights and the current market trends evolution. Our new strategy «Destination 2027» will be delivered by further empowering our already excellent teams and reinforcing them when needed. As a team, we are in a position to generate sustainable long-term value for all our stakeholders, including employees, travel concession partners, brand suppliers, and, finally, our shareholders. Our strategy is further supported by the transformative business combination with Autogrill, as an inherent part of our vision to deliver a holistic travel experience and to make travelers happier.»

Xavier Rossinyol
Chief Executive Officer, Dufry

LISTENING TO OUR STAKEHOLDERS AND ANALYZING TRENDS

In 2022, we completed a comprehensive review of the company strategy by listening to all our stakeholders and analyzing market evolution trends. To this purpose we have spoken to our brand suppliers, concession partners and most importantly to our employees, who engage daily with our customers. We have discussed travel and passenger evolution with experts of the airline and travel industry and we have analyzed travel retail market trends.

The intelligence collected allowed us to craft Destination 2027 based on data-driven insights and to translate it into a detailed actionable plan, which we will bring to life through uncompromised execution. Dufry's new strategy is based on four key pillars. Implementation of Destination 2027 has already started and we succeeded in delivering first initiatives in 2022.

AGENDA



MARKET AND TRAVELER INSIGHTS



Travel Experience
Revolution



Geographical
Diversification



Operational
Improvement
Culture



ESG

MARKET AND TRAVELER INSIGHTS



FOCUS

- Addressable Market Evolution
 - Large addressable market
 - Healthy fundamentals
 - Resilient customer target segment
 - Strong recovery, at different paces in different markets
- Consumer & Traveler Insights
 - Consumers are changing
 - Travel is changing
 - New travel “personas” emerge



Long-term passenger growth remains a key driver

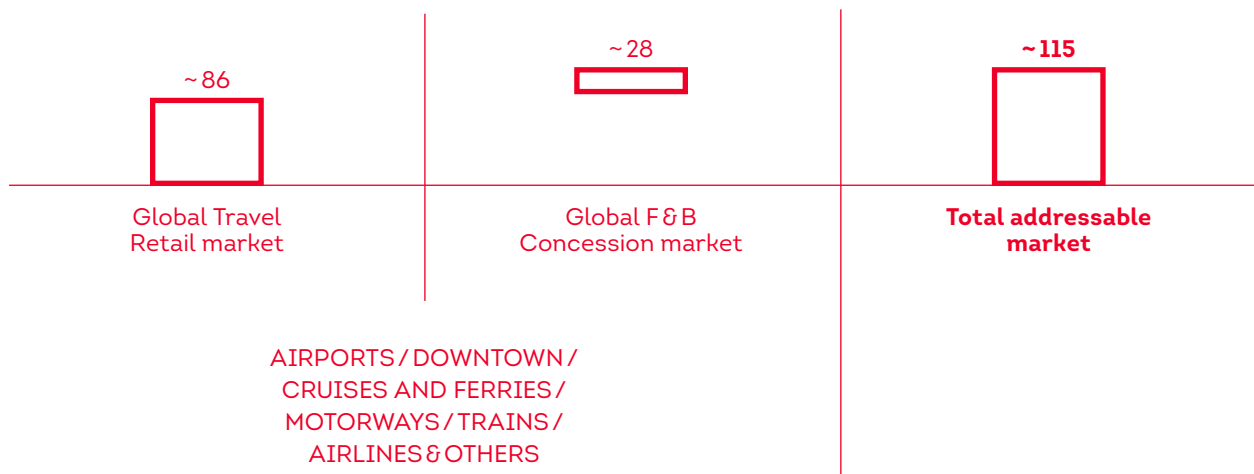
Travel retail has traditionally been a large and resilient market, which we will now further expand with travel food & beverage. This enlarged market builds on healthy fundamentals and shares some unique key characteristics.

Travel retail and travel F & B benefit from captive audiences, with an increasing number of potential customers fueled by a secular growth of the population. Moreover, the number of air trips per person and the propensity to travel increases in line with GDP growth per capita. Both elements provide a solid base to grow organically.

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 existing markets.

WE SERVE A LARGE TRAVEL RETAIL MARKET, EXPANDING FURTHER WITH TRAVEL FOOD & BEVERAGE

Global market size of Travel Concession market (2019, in B \$)



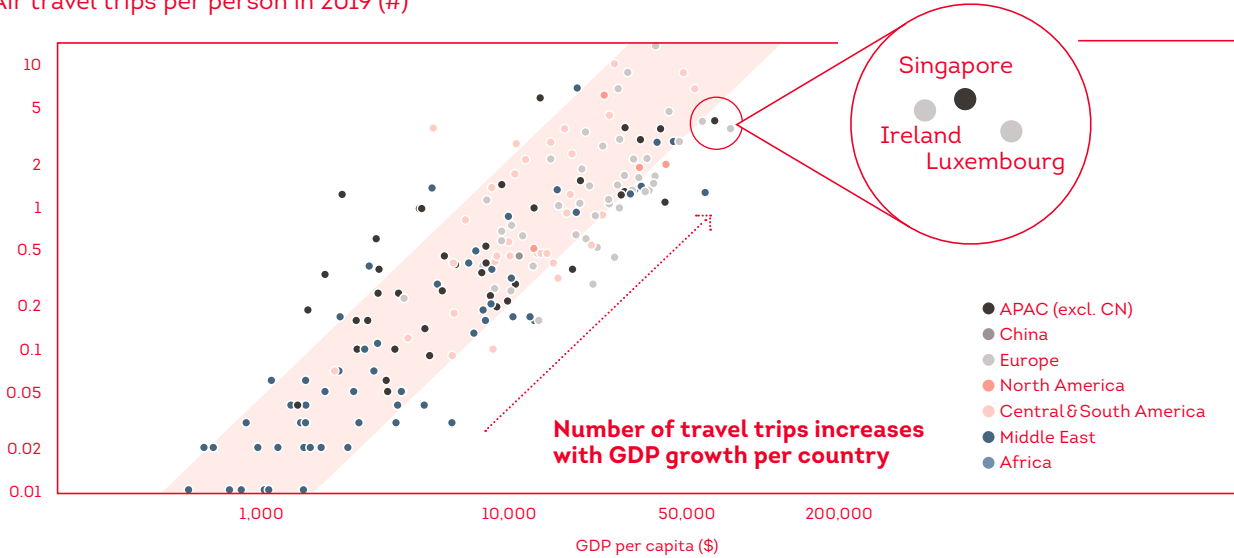
Note: Global Travel Retail market excl. roads and railway; F & B defined as F & B concession market at airports, motorways and railways; Deviations in total due to rounding

Source: Travel Retail Model by leading external party; Generation Data



AIRLINE PAX CONTINUE TO BE AN ATTRACTIVE SEGMENT AS NUMBER OF TRIPS PER PERSON GROWS WITH GDP PER CAPITA

Air travel trips per person in 2019 (#)



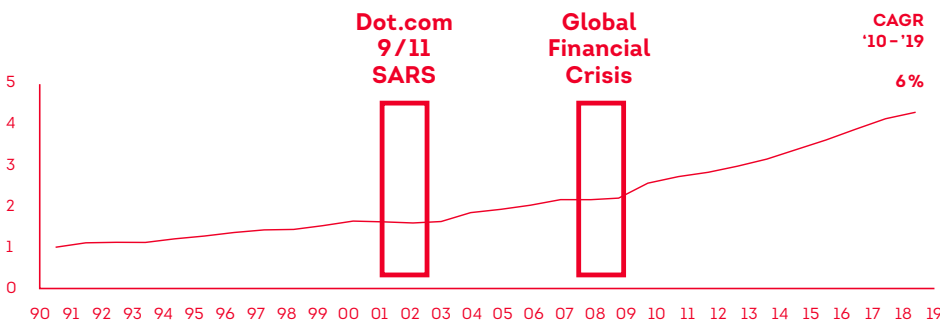
Market with high resilience to external impacts

The air traffic market and the global passenger volumes have historically proven a high resilience and strong recovery capabilities versus external impacts. The current recovery from the Covid 19 pandemic expects both the global traveler volume & the travel retail spend to reach and to surpass 2019 levels as of 2024/25.

AIR TRAFFIC MARKET HAS PROVEN RESILIENT TO DIFFERENT SHOCKS

Relative number of airline passengers' growth

Worldwide number of airline passengers (1990 – 2019, indexed to 1990)



PAX and flights

10-20%
world population estimated to have taken **at least one flight** in their lives

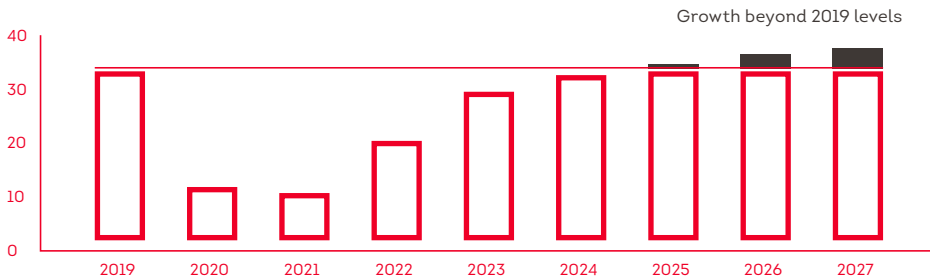
In **developed countries**, i.e., the US **>35%**

Average number of air trips in 2015 among US air travelers
4.6

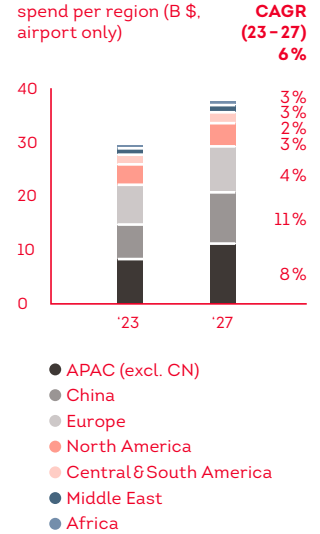


AIRPORT TRAVEL RETAIL MARKET TO REACH PRE-COVID LEVELS BY 2024/25

Total Travel retail spend (B \$, airport only)



Total Travel Retail spend per region (B \$, airport only)



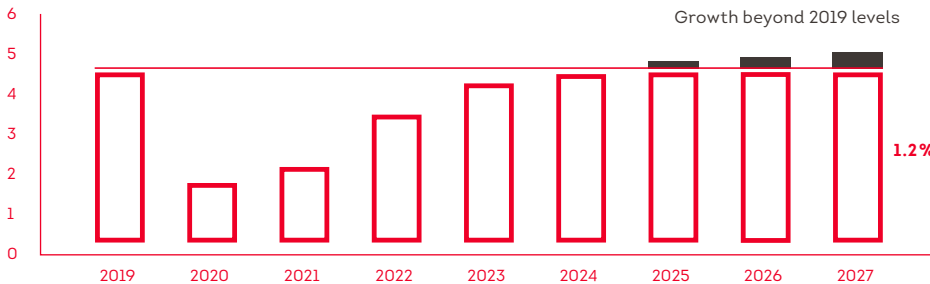
Note: Market size based on real GDP growth and excluding F&B
Source: Travel Retail Model by leading external party

GLOBAL TRAVELER VOLUME WILL RETURN TO PRE-COVID LEVELS BY 2024, WITH DIFFERENT SPEED BY GEOGRAPHY

Air traffic total

Air traffic - origin & destination # of departing PAX (B PAX, airport only)

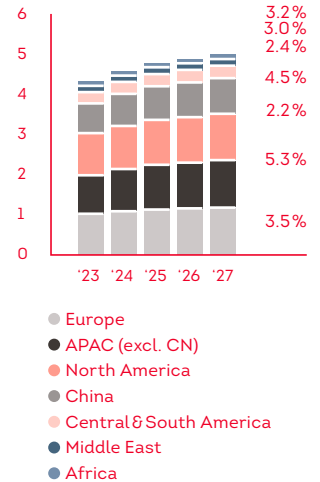
CAGR (19-27)



Air traffic by region

Air traffic - origin & destination # of departing PAX (B PAX, airport only)

CAGR (23-27)



Source: Travel Retail Model by leading external party

Building on these strong fundamentals, Dufry's strategy will continue to focus 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 history.



Consumers are changing

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 constant progress of listening to customers allows us to continuously fine-tune our offering, not only matching but also exceeding expectations of our clients and identifying new ones.

The current consumer and traveler mix is changing and drives new and different behaviors, which have to be catered for and which provide additional opportunities to create relevant offers for them. As shown in the chart below, generational changes, new behaviors and other influences will result in a changing consumer typology in the coming years.

While the mix is changing there are also common denominators amongst these typologies such as an increased amount of time spent using digital devices as well as on social media and the internet. Examples are the close to 4 hours use of digital devices per day in the US in 2021, or the 7 hours using internet or social media in the UK in 2020.

CONSUMER AND TRAVELER MIX IS CHANGING, DRIVING DIFFERENT AND NEW BEHAVIORS

	2019	2025
Generation Y and Z ¹	~ 40 %	> 70 %
Sales directly influenced by online	> 10 %	> 30 %
Share of Chinese luxury shopping within China	> 33 %	> 50 %

Note: 1) Quantified based on luxury goods shopper profiles; Generation Y = 1980 - 2000; Generation Z = >2000
 Source: IATA; NPS Prism; Bain/ROI Rocket COVID 19 Travel & Leisure Survey 6 September 2020 release; Expert Interviews; Literature search; Dufry analysis



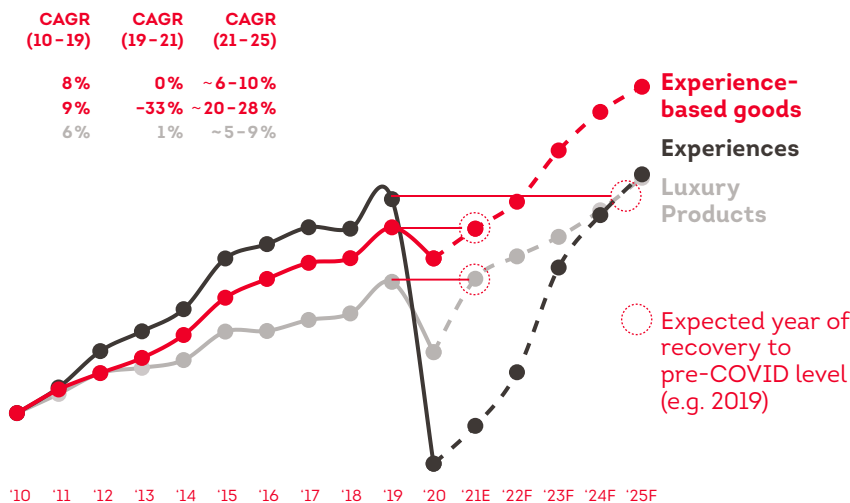
Evolving consumer expectations and experiences at an all-time high

Consumers are showing an increasing interest in seeking experiences and experience-based goods. This trend, which already existed before the Covid-19 pandemic, confirms and even accelerates its validity and shows high growth rates in the coming years.

Analyzing social media data and the interviews we regularly perform in our shops to seek feedback from both customers and browsers indicate an emerging trend for wellbeing, sustainable and healthy product offers. This is true for both travel retail and travel food and beverage, where customer expectations are increasingly taking into account personal considerations of lifestyle – what is better for me, what is good for the world and how responsible is the sourcing.

CONSUMERS OVERINDULGED ON PRODUCTS, BUT THE WILLINGNESS TO GO BACK TO EXPERIENCES IS AT AN ALL-TIME HIGH

Global Luxury markets (Index = 2010 | 2010-2025)



Experience-based goods

Experience-based goods almost fully recovering to 2019 levels, favored by positive consumer traction across categories

Experiences

Experiences show highest impact and will be last to recover as they strongly depend on return of touristic flows and business travel

Luxury products

Products first to recover to 2019 levels, driven by earlier onset of ease of restrictions

Note: At current exchange rates; luxury products include high-quality design furniture and personal luxury goods; experience-based goods include fine art, luxury cars, private jets and yachts, fine wines & spirits and gourmet food; experiences include luxury hospitality, cruises and fine dining; (*) 2023 acceleration driven by (hoped) end of supply chain disruption in car market



CONSUMER EXPECTATIONS ON F&B ARE EVOLVING

<p>BETTER FOR ME</p> <p>Seek for food that suits personal lifestyle (e.g. vegetarian, paleo, whole foods, etc.)</p>	<p>BETTER FOR THE WORLD</p> <p>Consciousness about impact on environment leading to demand for sustainable alternatives (e.g. reduced energy and water use)</p>	<p>ENHANCED TRANSPARENCY</p> <p>Demand for transparency in sourcing of ingredients (e.g. desire for local, organic products)</p>
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Source: Lit. research

In summary, the customer is looking for a more individualized offer of products and services, which cater for his personal needs and preferences at any specific moment of his journey and with a holistic perspective including F&B and retail. He is willing to engage and spend if the offer is relevant to him and features a high degree of personalization and convenience. This creates new opportunities to redefine and combine store and digital experiences.

PERSONALIZATION, CONVENIENCE & EXPERIENCE INCREASINGLY IMPORTANT FOR BOTH F&B AND RETAIL CUSTOMERS

<div data-bbox="172 1160 252 1242"> </div> <p>NEXT-GEN PERSONALIZATION</p> <p>Use of new technology to personalize consumer experiences</p> <hr/> <div data-bbox="172 1338 252 1420"> </div> <p>Personalized experiences: Expectation of unprecedented control over every aspect of the restaurant experience requiring tools that allow to customize offerings</p> <hr/> <div data-bbox="172 1522 252 1584"> </div> <p>1:1 Marketing: Demand for personalized experiences/ offerings requires digital tools and advanced analytics to connect on a 1:1 level with the customers</p> <hr/> <div data-bbox="172 1706 252 1788"> </div> <p>Effortless ordering: Search for new and simplified forms of ordering and payment requires deep understanding of consumers' digital communication habits</p>	<div data-bbox="821 1165 901 1236"> </div> <p>DISRUPTION TO STORE EXPERIENCE</p> <p>Opportunities to redefine store experiences</p> <hr/> <div data-bbox="821 1338 901 1410"> </div> <p>Seamless pick-up: Relevance for seamless and time efficient in-restaurant pick-up requires solutions and technology that enable guest recognition on arrival</p> <hr/> <div data-bbox="821 1522 901 1594"> </div> <p>Smart automation: Expectation of a consistent and high-quality experience (also at lower cost) triggers deployment of smart robotics</p> <hr/> <div data-bbox="821 1706 901 1778"> </div> <p>Modern workforce: Expectation of a consistent service level requires new learning opportunities and flexible schedules to attract, retain, and empower the frontline</p>
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Source: Lit. research



Travel is changing – structurally and amidst recovery

Travel patterns and customer preferences versus air traffic are changing amidst the ongoing recovery but they are also changing structurally. From a destination-perspective current trends clearly show that international short-haul and long-haul journeys have started recovery later but are showing a faster pickup than domestic travel. The number of passengers is expected to exceed 2019 level as of 2025 offering additional growth potential. From an airline typology perspective the rise of Low-Cost-Carriers continues and makes flying more affordable to wider communities – either to be able to fly at all, or to fly more often.

During the recovery, passengers first travelled for leisure and then for business with some delay. Leisure travel is expected to continue growing strongly in the coming years. Similarly, and despite new virtual meeting technologies, the need for business travel and the related on-site presence or in-person meetings will soon reach 2019 levels again.

The ongoing rise of digital technology and data integration increases airport efficiencies overall and offers passengers a seamless travel experience with more predictable dwell-time from their arrival at the airport to boarding. This, combined with the capability to engage with customers online even before they arrive at the airport and to perform omni-channel sales, further increases the attractiveness of travel retail. A key role is played by data-integration allowing for the development of increasingly customized offers and marketing initiatives for each individual customer.

3 new personas emerging – further to come

The analyses of fifteen million social media posts using artificial technology has generated new insights with respect to predicting patterns and behavioral shifts of travelers. These insights go beyond traditional passenger segmentation based on travel needs and demographics, allowing us to better identify trending topics and build relevant customized offers for our customers such as:

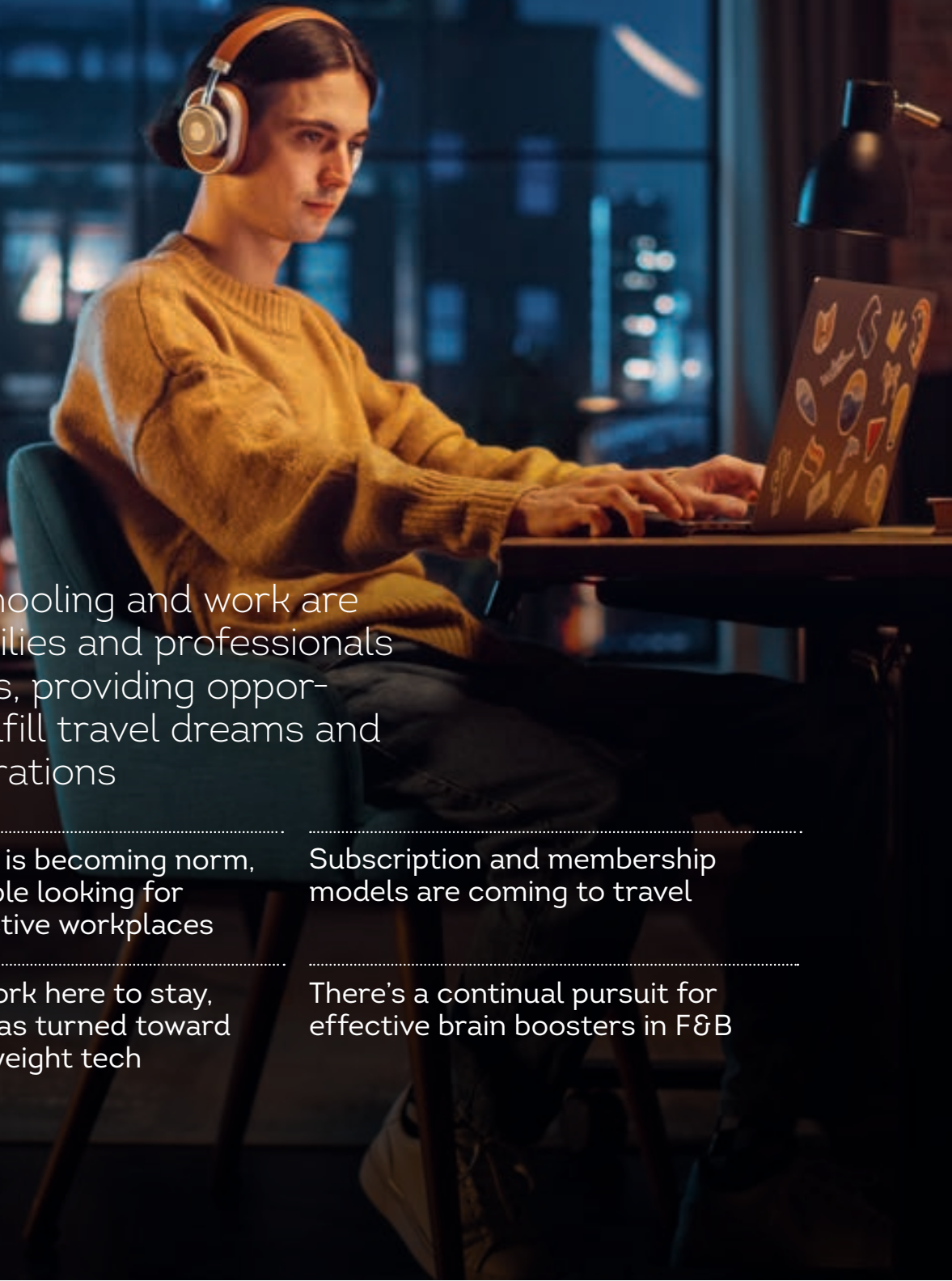
- Ongoing pursuit for effective brain boosters in F&B
- Sensory retail experiences surging in popularity, after a long period of restrictions
- Travel industry replacing buzzwords: “sustainable” with “regenerative”.

This intelligence identified three distinctive new personas with different behaviors and needs emerging:

- Working Wanderers
- Experience Seekers
- Young Explorers.

On top, future developments need to be observed. These future personas we like to call Enigma, as we do not yet know, what their preferences will be.

Working Wanderers



Remote schooling and work are freeing families and professionals from homes, providing opportunity to fulfill travel dreams and career aspirations

Hybrid working is becoming norm, with more people looking for flexible, productive workplaces

With remote work here to stay, a lot of focus has turned toward portable, lightweight tech

Subscription and membership models are coming to travel

There's a continual pursuit for effective brain boosters in F&B

Experience Seekers



Curated travel deals are catching the attention of consumers who look for premium, personalized experiences

Surge in luxury travel coming amid stabilizing health situation and loosening border restrictions

Luxury lovers are increasingly looking for carefully curated travel experiences

Appreciation for slow travel is far from fading away

Limited editions are thriving, indicating a continuous interest in exclusive, context specific offers

After a long period of restrictions, sensory retail experiences have surged in popularity

Young Explorers



Tech-savvy, disruptive young travelers seek for travel experiences providing social, meaningful, joyful moments without neglecting sustainable/ethical values

Travelers want to get back on the road, but they are looking for budget friendly options

The travel industry is moving on to a new buzzword, replacing “sustainable” with “regenerative”

For Gen Z and Millennials, traveling is a shared experience by definition

Popularity of community based tourism is spreading (experiences owned, led and run by local communities)



Enigma



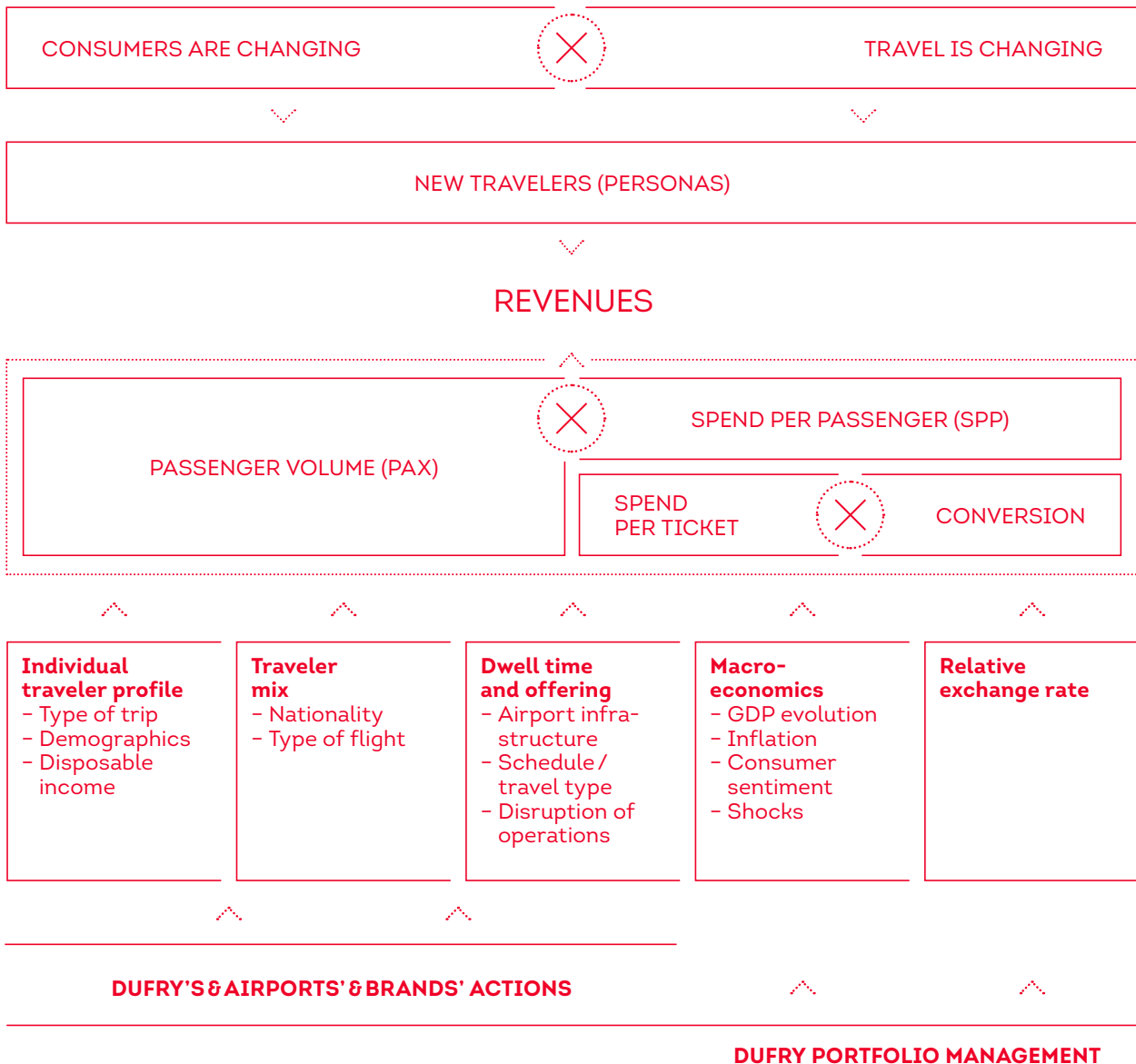
Continued consumer
research will tell us about
the future evolution



The Way Forward

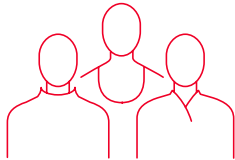
The analyses of the current market environment and customers' preferences give clear indications of how the way forward needs to be shaped to successfully address the new personas and drive business results. Insights from our most relevant business stakeholders - Consumers and Travelers, the global Dufry team, Brand Suppliers and Concession Partners - as well as expertise on air traffic and spend development data are the building blocks of Destination 2027.

HOW DO WE ADDRESS NEW PERSONAS AND DRIVE OUR BUSINESS RESULTS



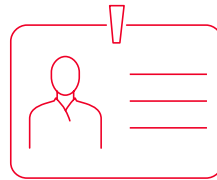


**TRAVELER AND MARKET INSIGHTS USED TO DEVELOP OUR NEW STRATEGY
"DESTINATION 2027" AND ENABLE SUSTAINABLE PROFITABILITY**



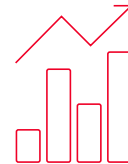
**CONSUMER
AND TRAVELER
INSIGHTS**

Younger travelers seeking for more experience, convenience and wellness



**FEEDBACK FROM
DUFRY TEAM,
BRANDS AND
CONCESSION
PARTNERS**

Dufry to build on its strengths but also work on innovation, digitalization, strong F&B offering, and expansion to APAC



**AIR TRAFFIC
AND SPEND
DEVELOPMENT**

PAX and spend per passenger recovery within next 2-3 years; spend, however, expected to remain flat



Travel Experience
Revolution



Geographical
Diversification



Operational
Improvement
Culture



ESG

Revolutionize
travel experience
by addressing evolving
consumer trends,
driving spend per passenger
and responding
to changing needs
of airports

NEW COMPANY STRATEGY – DESTINATION 2027

Destination 2027 builds on four key pillars as key driving elements, on which the company will focus on when implementing initiatives and evolving its culture. The four pillars cover and influence all our main key performance indicators and directly impact our sustainable cash flow generation.

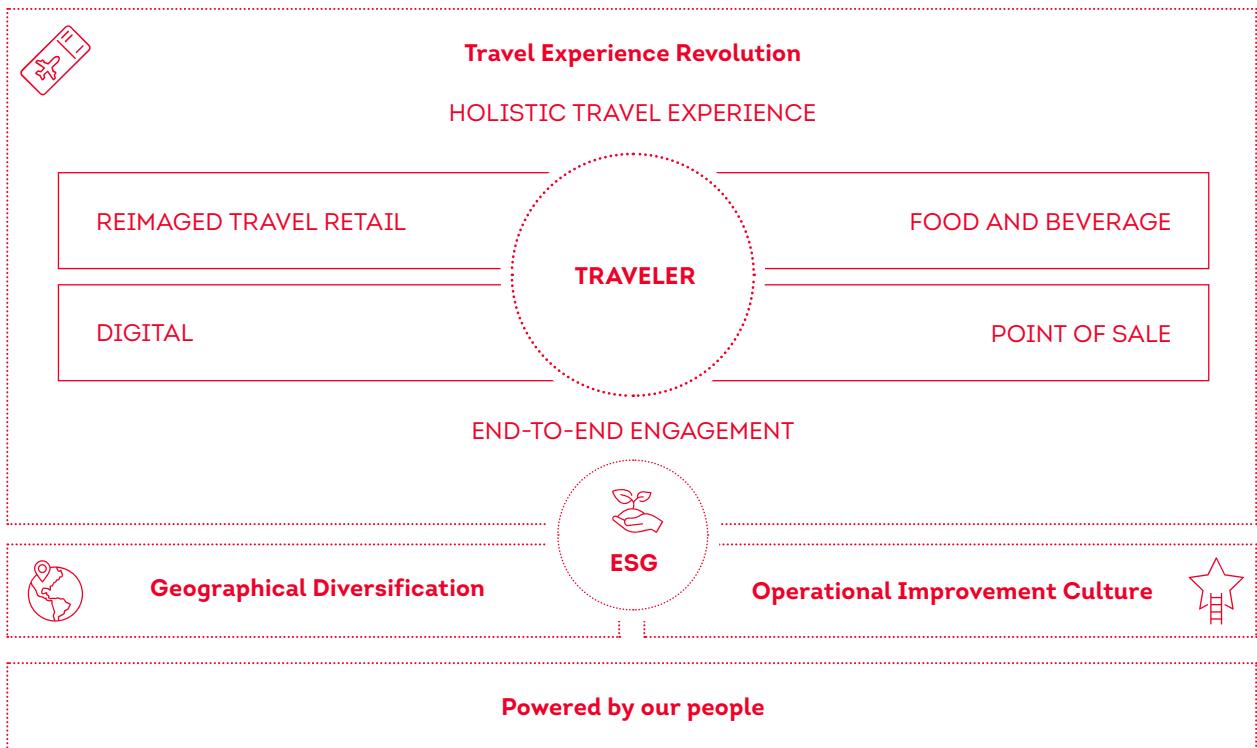
“Delivering the travel experience revolution” by bringing together travel retail and travel food & beverage in one offering. An offering that has more contact points with travelers and provides a seamless and personalized experience, both in the stores and digitally.

“Diversifying our geographical presence” including a focus on the highly attractive and resilient US market, a focused strategy for Asia-Pacific and the Chinese travelers, as well as an organic business development for the Rest of the World.

Further foster a **“culture of continuous operational improvement”** across all our business activities to drive efficiencies and cost savings. This will allow us to generate sustainable cash flows while investing in innovation and growth.

Incorporate ESG across all pillars and make it an inherent part of our business as a connecting element.

DESTINATION 2027



Travel Experience Revolution



FOCUS

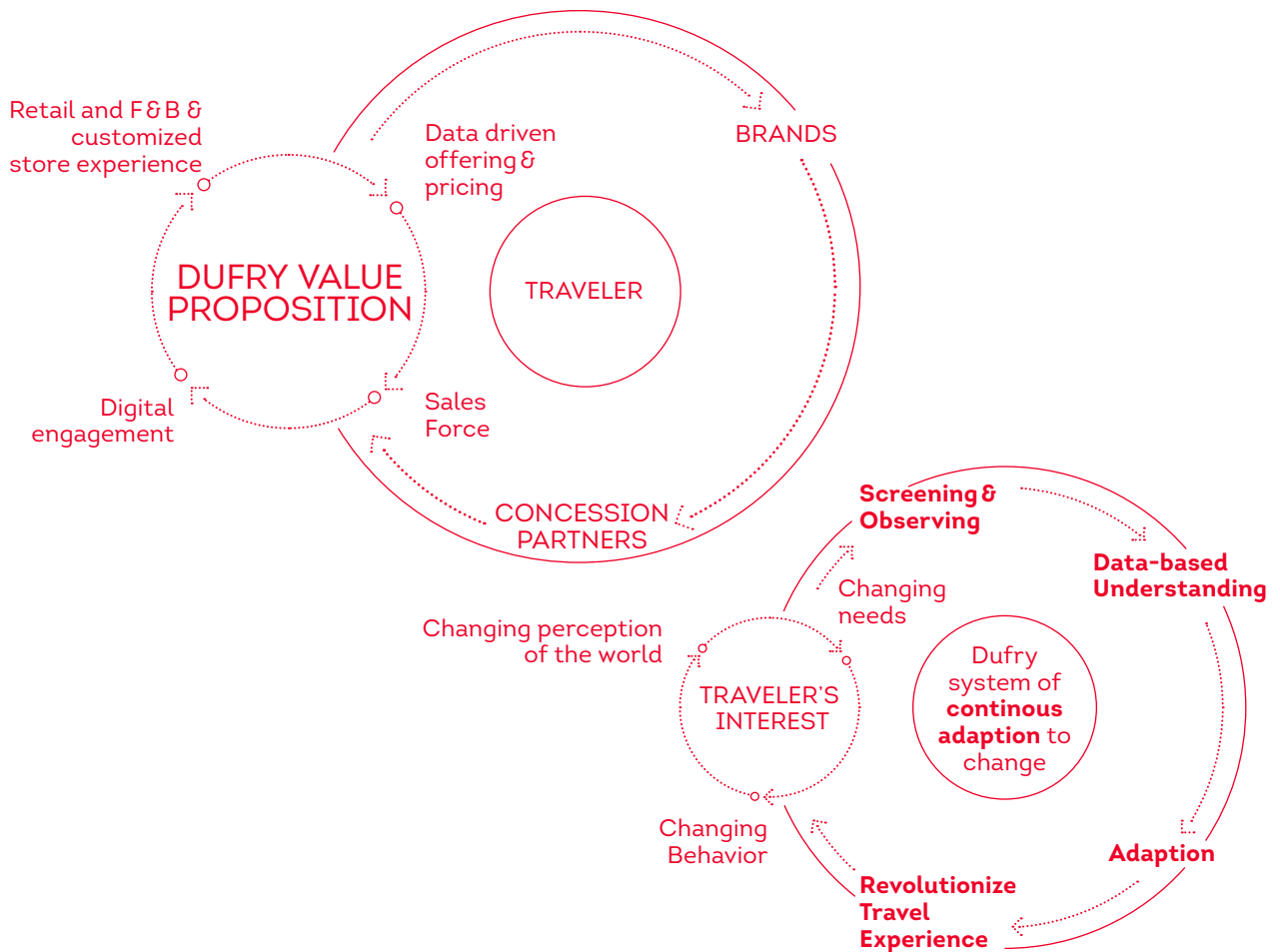
- We continue to adapt our value proposition
- We flexibly redesign our space to customize the experience
- We evolve our offering dynamically based on data and consumer insights
- We engage travelers on digital channels to enhance the experience



Dufry creates unrivalled and holistic travel experiences by continuously adapting and evolving its value proposition with a fully customer centric approach based on data insights. Retail space and assortments are dynamically adapted and customized to the traveler's needs, while digital engagement initiatives further enhance the overall customer experience along the whole journey.

Traveler profiles and needs are constantly monitored to identify new behaviors and requirements. Demographics and data analysis 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, monitoring of social media channels and external research. This constant process of listening to customers allows us to continuously fine-tune our offering, not only matching, but exceeding expectations of our clients.

WE CUSTOMIZE OUR VALUE PROPOSITION BASED ON TRAVELER PROFILES AND NEEDS



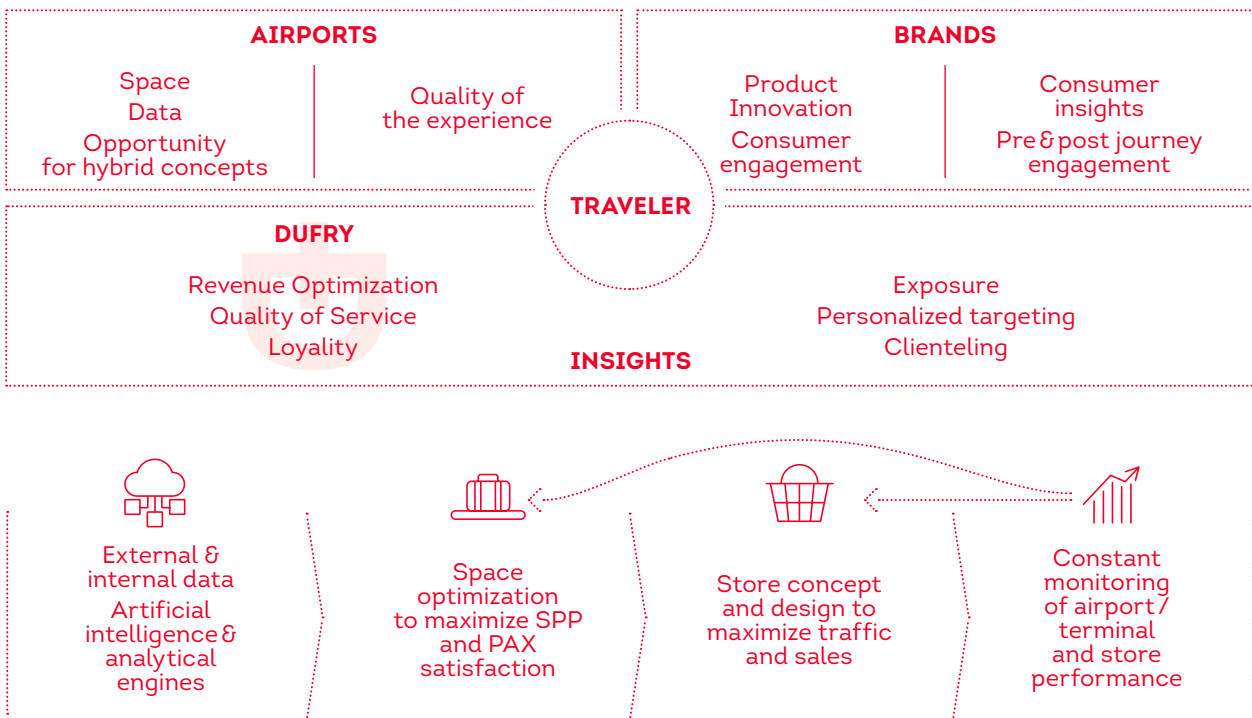


Close cooperation with brand suppliers and airports

Maximizing the travel experience can only be achieved through the strong and close collaboration of travel retail and F&B operators with airports and brand suppliers. Each of these partners have a key role to play – retailers can create attractive shopping environments, tailoring assortments and services based on refined customer insights and share them with brands, allowing them to innovate on products and experiences. Concession partners contribute by optimizing space allocation and passenger flows and by accepting and supporting the setup of dynamic shop concepts.

Dufry seeks a permanent and close collaboration with concession partners and suppliers based on an ongoing monitoring of airport, terminal and store performance to maximize passenger satisfaction, sales, and spend-per-passenger, by flexibly adapting store concepts.

WE WORK TOGETHER WITH OUR AIRPORT AND BRAND PARTNERS TO DELIVER VALUE TO TRAVELERS





Holistic experiences create new value propositions and opportunities

The key element to provide the customer with a holistic travel experience is the addition of travel food and beverage and its combination with travel retail, which generates benefits for customers and concession operators alike.

Advantages materialize through hybrid and mixed store formats, which immediately expand and mutually enhance the value proposition and the relevance for customers. This generates additional cross selling and promotion opportunities which can be offered to customers through vouchers or digitally, thus attracting travelers to visit and browse several stores. The same applies to the relevance and the reach of loyalty programs, which result in a higher attractiveness for customers and an increased number of touch-points and engagement opportunities for the operators.

Finally, revenue generation can be further optimized by integrating F & B locations and retail spaces to optimally match passenger flows and enhance the offering. Airport operators benefit from a simplified space management process, which on top increases revenue generation.

Self-learning smart stores and data-driven offering

Technology allows to closely monitor customer behavior on an anonymized basis to identify hot and cold areas or areas with high browsing but low conversion, providing valuable insights on where to enhance and adapt assortments or allocate additional employees to increase customer service.

Data insights optimize both store design and range management for core and existing categories, while at the same time, complement performance through concept innovation. Examples already successfully launched and implemented include the creation of:

- A new dedicated label concept for articles where brands are not relevant, e.g. for souvenirs or food destination products as successfully launched in Canada and Mexico
- Multi-category and themed stores for well-being and sustainable products, e.g. MIND.BODY.SOUL., as first launched in Rio de Janeiro and Amman and supported by dedicated targeted marketing communications
- In-store experiences to attract travelers, increase dwell-time and drive advertising opportunities for brand partners.



Sales-force delivering customized service level

Our shop floor colleagues play a key role in delivering the transformational shopping experience to our customers. Going forward engagement will be further customized and the service level provided be adapted to specific needs by geography, passenger profile and shop concept to provide the best possible added-value. These advanced engagement initiatives will be supported by comprehensive training, dedicated incentives schemes and technology support.

Enhanced digital engagement pre-, post- and in-store

Dufry's digital strategy focuses on closely engaging with existing and potential customer throughout their travel journey and focusing on achieving three main goals:

- Further engage with frequent travelers and establish deeper connections. Increase loyalty by leveraging CRM initiatives, offer and service personalization, as well as evolution of mobile apps and partnerships
- Excel in sales influenced by new digital touchpoints created with partners throughout the whole travel journey, by expanding the reach of Reserve & Collect, and by evolving the omni-channel engagement & sales approach
- Transform the shopping experience in-store. Intensify use of technology for enhanced engagement and experience. Develop new services for targeted customer audiences, e.g. Dufry Employee App.

All these initiatives are driven by social media and customer loyalty communication to keep travelers informed about novelties, activations and in-store experiences. Partnering with suppliers to feature brand specific content throughout the complete journey is key.

During 2022, we implemented first initiatives to accelerate the travel retail revolution. In particular we have:

- Introduced innovative consumer-centric offerings: Beauty range innovation, no- and low-alcohol range, private labels
- Further customized stores to traveler needs: Store of the Future, Mind.Body.Soul.
- Implemented first self-learning smart stores: Spatial analysis with / without cameras, proof-of-value of image, AI-based store space productivity
- Evolved digital engagement: Emotion+ omni-channel campaigns, experiential digital tools.



HOW DOES THE TRAVEL EXPERIENCE REVOLUTION CREATE VALUE?

1. Grow revenues by driving SPP (spend-per-passenger) through better conversion and increased spend per ticket
2. Collaborate with airports in a way that can mitigate the increase of concession fees
3. Give brands a broader consumer platform and greater engagement to tackle gross profit margin and advertising income

WHAT IS GOING TO CHANGE

1. 50%+ of our stores to be smart stores by 2025
2. 50% of our customers with digital engagement by 2025
3. New loyalty program deployed through 100% of our points of sale of the combined entity (~5,500)
4. New enhanced and dedicated digital team for the combined business
5. Additional 50 base-points on revenues of investment to drive travel experience revolution

Geographical Diversification



FOCUS

- Develop North America's footprint
- Top Asia Pacific countries and Chinese travelers
- Foster and grow strong positions in Rest of the World
- Combine Duty-Free, Duty-Paid, Food & Beverage, adding Autogrill and Dufry geographies
- Combination of business development, joint-ventures and M&A



Geographic diversification is a proven strategy to strengthen business resilience and mitigate economic, political and regional impacts. Diversification combines and builds on a variety of initiatives including organic business development, joint-ventures and M&A transactions. The four key areas are:

Develop North America's footprint

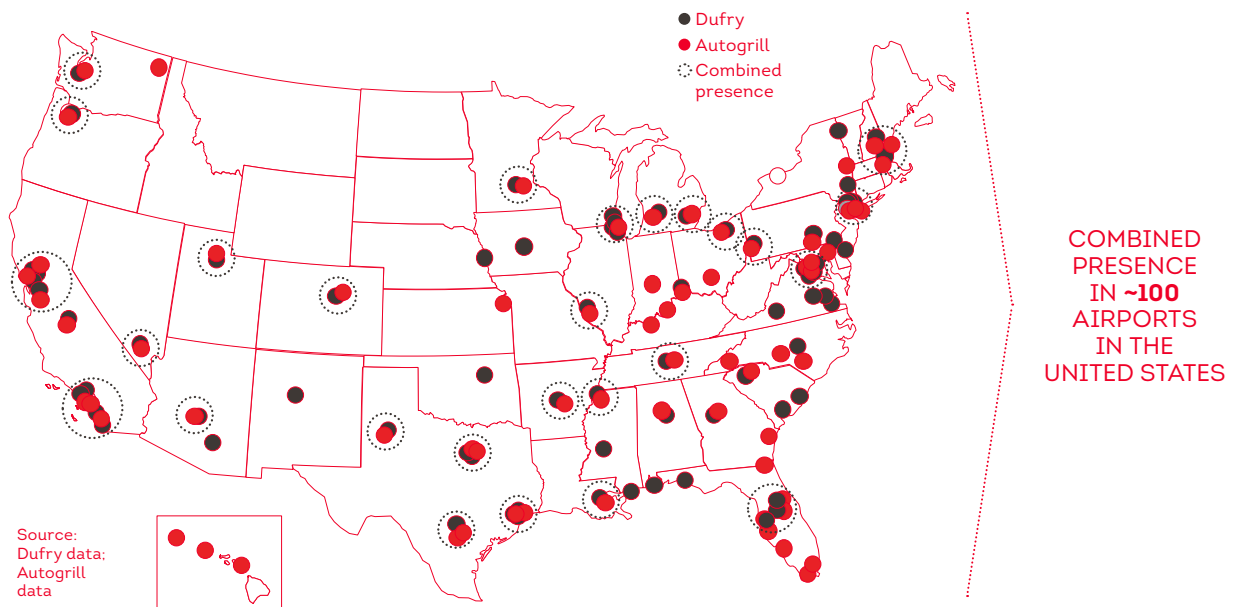
Based on 2019 data, North America's travel retail, convenience and travel F&B represents a market of slightly above 10 billion USD; with 60% covered by F&B and 40% by Travel Retail & Convenience.

The new combined entity including Dufry and Autogrill will have a presence in around 100 airports of this resilient market with an attractive positioning to unlock additional growth potential.

First, the combined entity can now provide attractive offers to concession partners in existing locations by offering new hybrid concepts including food & beverage and travel retail. This enhances customer experience, but also allows airports to optimize retail space, passenger flows and ultimately spend-per-passenger and revenue generation.

Second, the joint expertise of both leading partners in their respective sectors increases the attractiveness when participating in tenders in new locations where we are not yet present. The comprehensive know-how on passenger shopping behaviour and insights covering both domestic and international profiles across North America is an important competitive advantage put at the service of each airport operator.

AUTOGRILL INTEGRATION WILL LEAD TO STRENGTHENED FOOTPRINT IN THE UNITED STATES



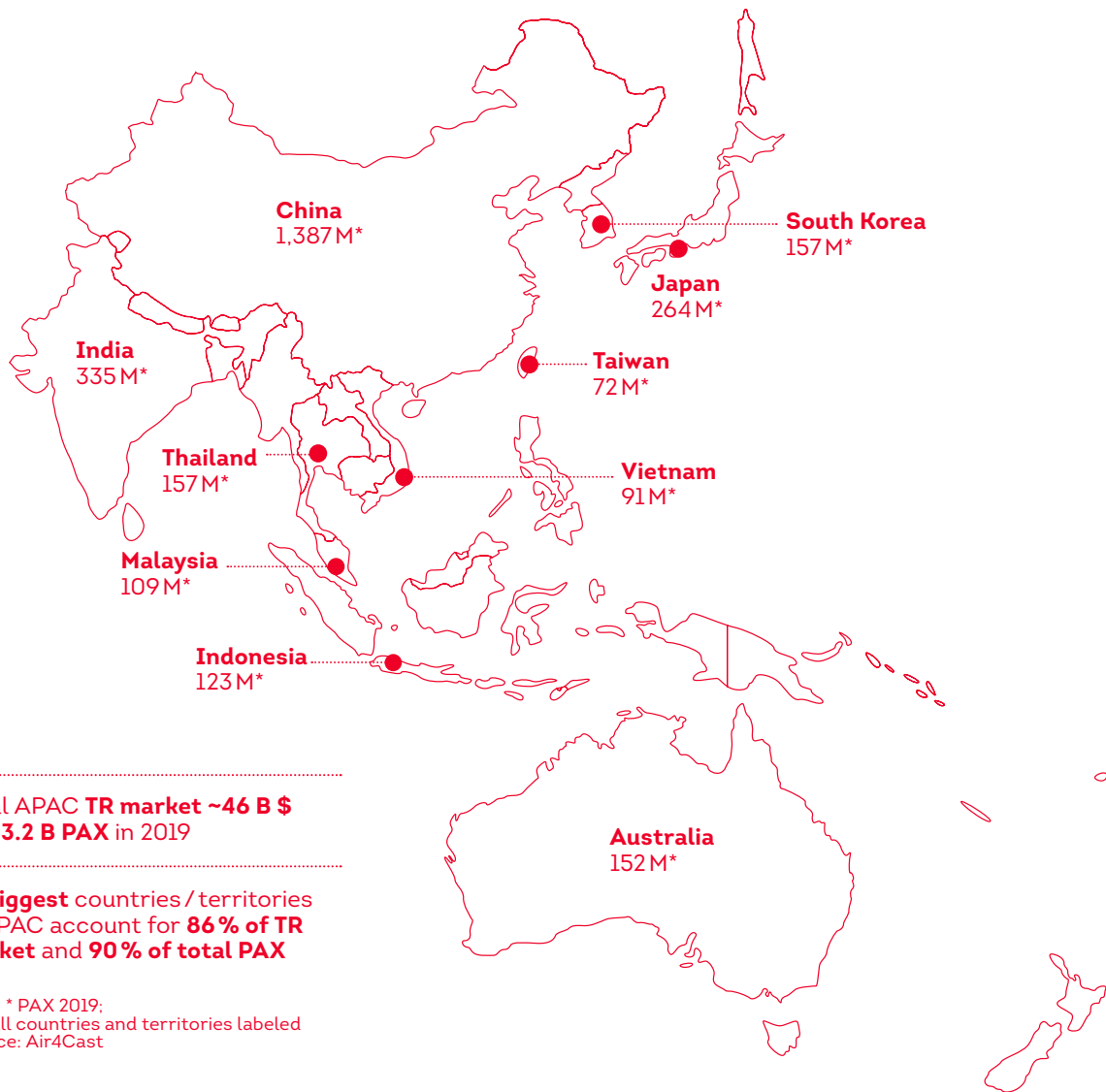


Strategic focus on top Asia-Pacific countries and Chinese Travelers

Until 2019, Asia-Pacific was the fastest growing travel retail market and is expected to resume this leading position in the coming years. In total, in 2019 this market included 3.2 billion passengers and generated sales of around 46 billion USD, with the ten biggest countries contributing with 90% of the passengers and 86% of the market value. Chinese travelers contributed to close to 40% of Asia-Pacific's passenger volume – a share expected to grow further going forward.

STRATEGIC FOCUS ON A SELECTION OF IMPORTANT APAC MARKETS

10 biggest countries in APAC by PAX (2019)



Total APAC TR market ~46 B \$
and 3.2 B PAX in 2019

10 biggest countries / territories
in APAC account for 86% of TR
market and 90% of total PAX

Note: * PAX 2019;
Not all countries and territories labeled
Source: Air4Cast



Chinese travelers are key in Asia-Pacific

The key success factor in Asia-Pacific is therefore to strongly engage with the Chinese passengers domestically in China and when they travel internationally to neighboring countries such as Thailand, South Korea and Japan. APAC accounts in total for 80% of the Chinese traveler's international destinations. A strong presence in this area and a dedicated focused strategy for this geographic area is therefore key to best capture the high spending power of the Chinese travelers.

Dufry already has a solid footprint in this geographic area with operations in 7 countries and featuring a whole variety of shop formats, ready to fuel further expansion in existing and new locations. Channels cover duty-paid and duty-free locations will be further enhanced with the travel F&B presence of Autogrill. Similarly as for other geographies, the opportunity to offer airport operators hybrid and combined retail and F&B concepts by one single partner creates additional potential to grow organically in this important region.

Alibaba partnership and Hainan presence – a strong asset

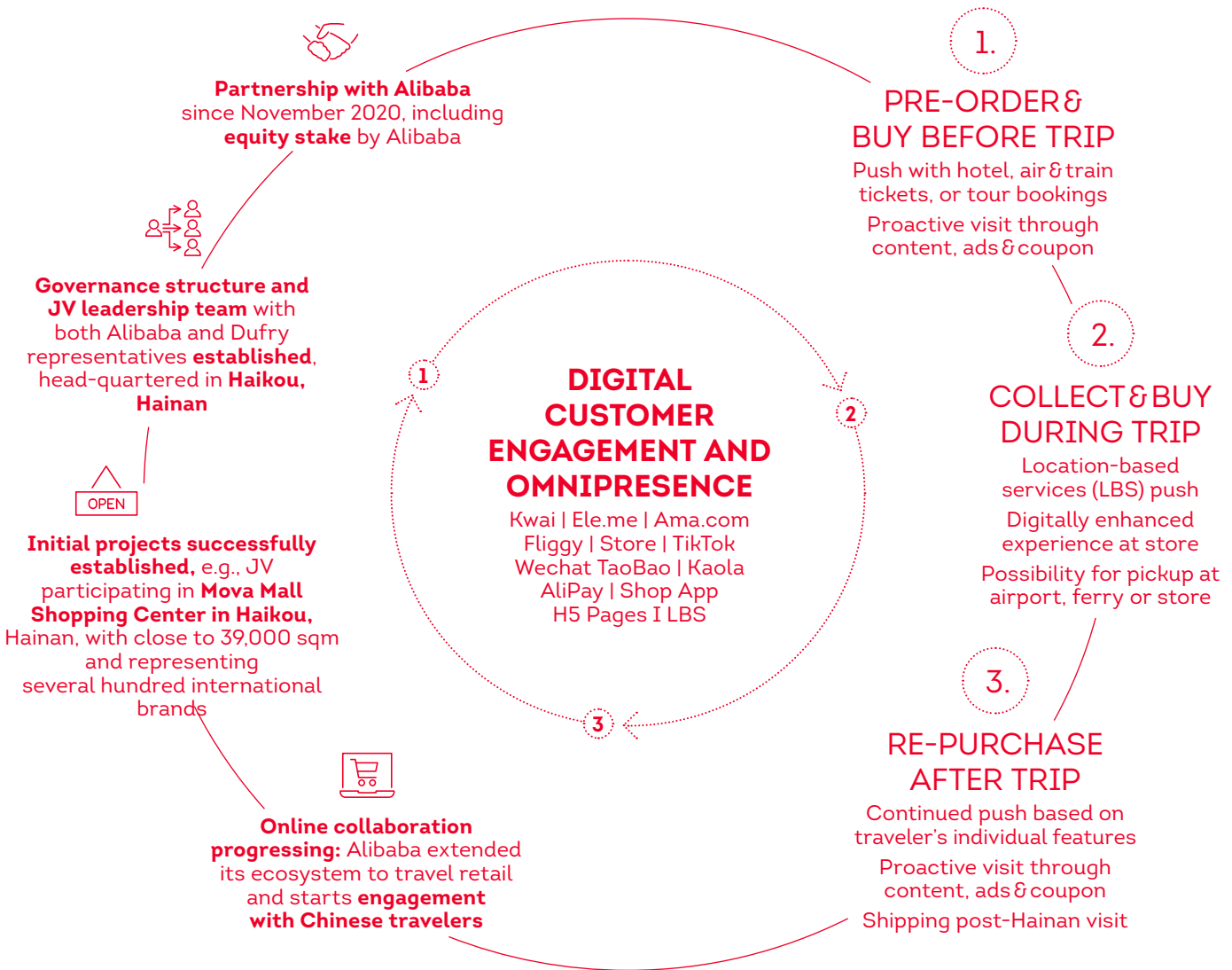
The partnership with Alibaba established in 2020, which also includes an equity participation by Alibaba, is an important asset under many aspects and secures a strong onsite presence in Hainan, through the joint presence of Alibaba and Dufry management teams in the local governance structure.

The collaboration directly facilitated the successful implementation of local projects, such as the participation of the joint-venture in the Mova Mall Shopping Center in Haikou, with a retail area of close to 39,000 m² and featuring several hundred international brands.

Additionally, through the JV collaboration, Alibaba extended its ecosystem into travel retail and started to engage more closely with Chinese travelers through different online-channels and services thus fostering Dufry's omni-channel approach. This includes customer services covering the whole travel journey such as pre-ordering and buying before the trip, buying and collecting during the trip and repurchasing after the trip. Leveraging Alibaba's presence and access to all relevant online-platforms in the region, the joint-venture secures a strong digital customer engagement and wide-spread presence in the market.



PARTNERSHIP WITH ALIBABA TO DEVELOP TRAVEL RETAIL IN CHINA AND TO DRIVE ONLINE ENGAGEMENT GLOBALLY





Foster and grow strong position in Rest of the World

In Europe, the Middle East and Central & South America Dufry traditionally holds a strong position, with some of its largest footprints. Some of these geographies feature a dense network of operations in single countries as in Europe or regionally as in Central & South America. With an estimated market share of over 30%, these areas are expected to further increase passenger numbers over the next five years and create additional scale effects.

In many of these markets the combination with Autogrill is seen as an additional asset by airport operators wanting to offer their passengers an enhanced customer experience, while at the same time simplifying space management and improving performance of their overall retail area.

Leveraging existing partnerships in these markets and providing attractive alternatives in new locations will permit Dufry and the new combined entity to strengthen its footprint, which includes some of the most important touristic destinations worldwide.

Besides global insights on passenger behavior, Dufry can fully leverage its expertise on how to best serve expectations with tailored shop concepts and customized offers, combining duty-free, duty-paid, convenience and now also food & beverage into unrivalled experiences.

In all these markets, further growth can be driven by growing organically, through joint-ventures or by M&A transactions alike.

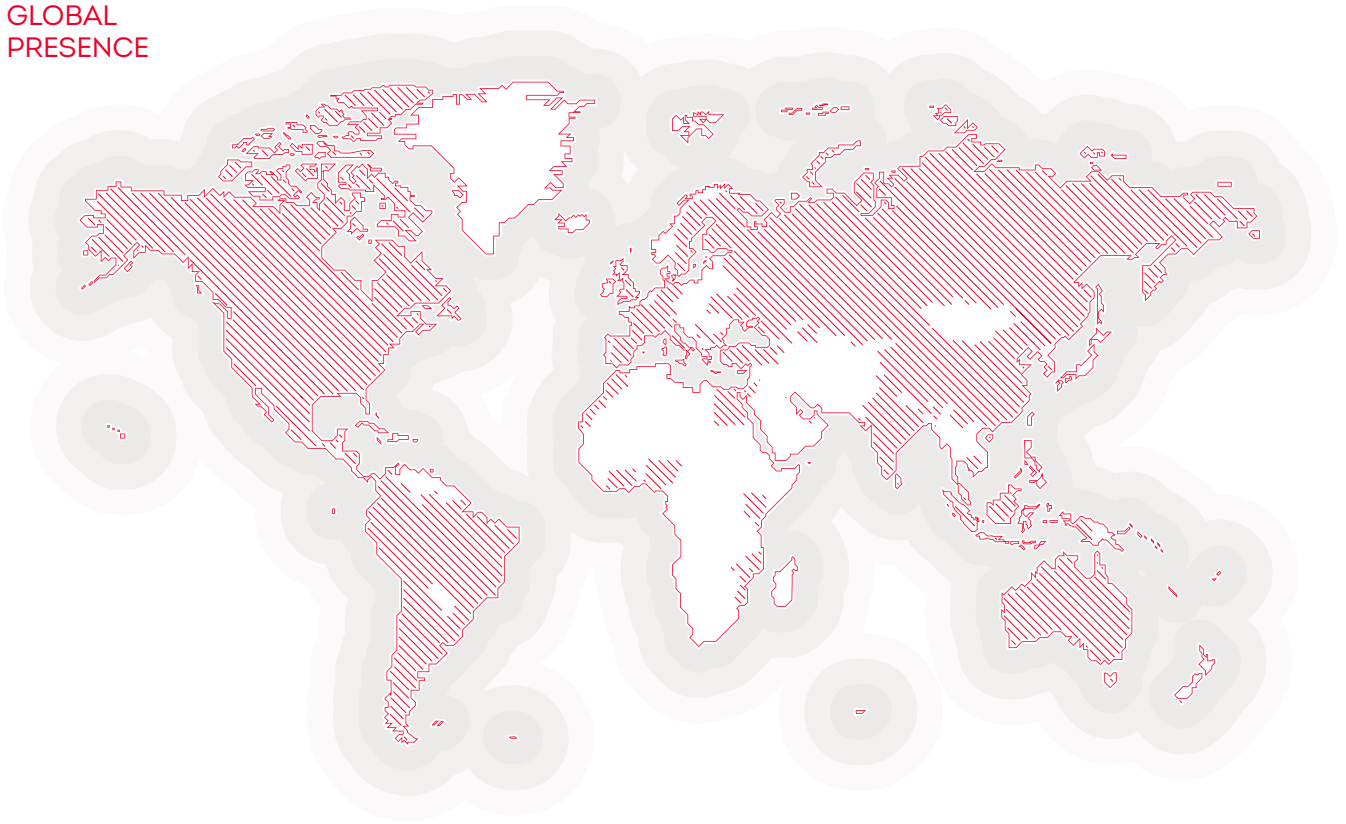
Throughout 2022, we have further evolved our geographic diversification following different paths of action:

- We have advanced as planned on the combination process with Autogrill thus significantly strengthening Dufry's footprint in the resilient US market
- Progressed on strengthening our APAC team by onboarding local senior management and define strategy with partners to follow Chinese traveler
- Continued organic business development in the rest of the world by winning new concessions and successfully extending current contracts; details can be found on page 71 of the this Annual Report.

Diversification by geographies and channels also limits exposure to single contracts, as illustrated by the share of individual concessions in the Group. With the largest concession accounting for just around 6% of our business, and with the ten biggest representing less than 28% of 2022 sales.



GLOBAL PRESENCE



HOW DOES IT CREATE VALUE?

1. Improved risk profile diversifying for local/regional economic cycles and shocks
2. Accelerated passenger growth by serving fast-growing geographies
3. More reliable revenue growth with differentiated geographic portfolio
4. Higher conversion based on learning from different consumer patterns
5. Accelerate digital revenues through new touch-points

WHAT IS GOING TO CHANGE

1. Establish a combined Dufry-Autogrill team in North America
2. Appoint a reinforced and dedicated team in Asia-Pacific
3. Implement a new business development approach with defined priorities

Operational Improvement Culture



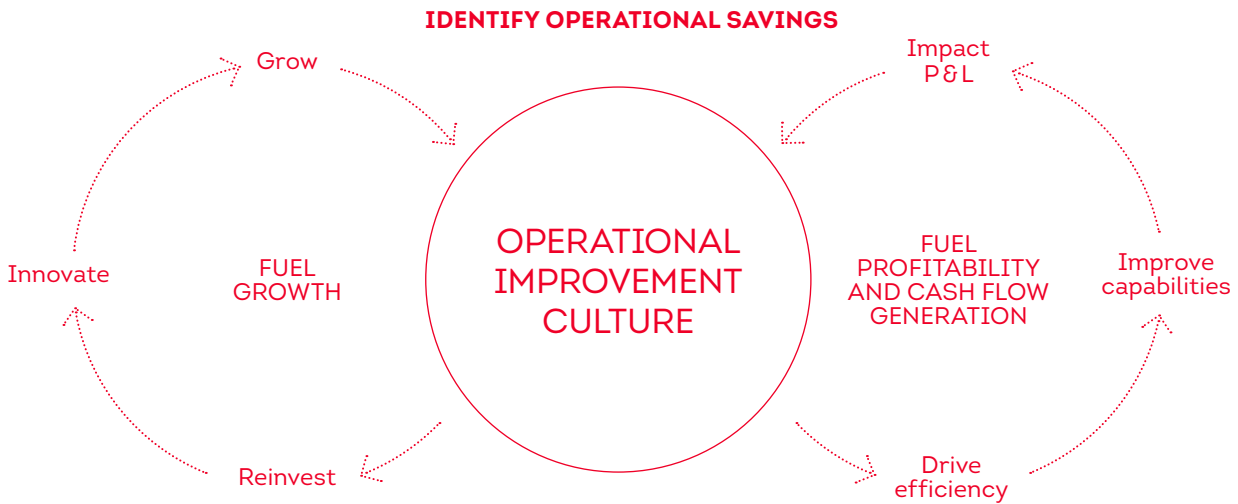
FOCUS

- › Operational improvement culture
- › Zero-based-budgeting (ZBB)
- › Active portfolio management



The most important element to successfully implement our Destination 2027 strategy will be on how we as team do things and on how we approach its implementation. In all we do, we want to establish a permanent and ongoing culture of operational improvement to jointly drive growth, profitability and cash-flow generation. For us, this means identifying operational savings, by actively managing our business and customer portfolio.

ESTABLISH AN OPERATIONAL IMPROVEMENT CULTURE TO FUEL GROWTH, PROFITABILITY AND CASH FLOW GENERATION



ACTIVELY MANAGE BUSINESS / CUSTOMER PORTFOLIO



Zero-based-budgeting methodology

Key trends and methodologies to actively drive cost, reset and improve efficiency require focusing on what is critical and needed to run the business. This further accelerates by identifying new technologies to implement new ways of working, by leveraging the power of digital data, as well as increasing flexibility and agility. We understand the concept of zero-based-budgeting in the wider sense, assessing every single activity, how it contributes to the business, and how it can be improved.

WE ARE LEVERAGING THE ZBB METHODOLOGY TO ENSURE CONSTANT OPERATIONAL IMPROVEMENT

Leading trends driving a cost reset

Keep only what is **critical** and **necessary** to run the business

New technological frontiers for how to get the work done

The value of **flexibility** and **agility**

The power of **data** and **digital tools**

- 1. Simplicity**
Eliminate unnecessary complexity in offerings, structures and processes to focus on highest value areas
- 2. Automation & Digitization**
Harness automation, analytics, core systems and data to improve efficiency, and enhance performance and customer experience
- 3. New Ways of Working**
Streamline organizational structure, processes, talent and tools to increase flexibility, remote collaboration, and variabilization
- 4. Visibility & Accountability**
Adjust control, decision rights and end to end visibility to enhance cost accountability
- 5. Operational Resilience**
Build process / operational resilience to lower total cost of ownership and improve response to rapid changes



Active portfolio management driving profitability

We will permanently screen and assess our concession portfolio with respect to its profitability to react in a timely way with respect to renegotiating or exiting contracts, which do not fulfill our concession specific objectives and expectations. Over time this will allow us to consistently improve portfolio quality and performance.

This involves an ongoing evaluation, analysis and discussion with some of the most critical airports to jointly identify and develop possible actions. The key prerequisite being a permanent and cyclical performance review and re-evaluation of the portfolio, starting with the pre-contractual due-diligence and extended throughout and post start of operations.

With respect to establishing the operational improvement culture, in 2022 we started by:

- Applying the zero-based-budgeting approach for the 2023 budget
- Implementing the full profitability evaluation for ongoing bidding / tender / negotiation processes.

HOW DOES IT CREATE VALUE?

1. Sustain margins
2. Reinvest in business & fast-growing geographies
3. Share with Airport partners thus making concession fees competitive

WHAT IS GOING TO CHANGE

1. Zero-based-budgeting discipline for budget 2023
2. Dedicated integration team focused on synergy delivery
3. Active management of concession portfolio with stronger focus on full profitability evaluation

ESG – connecting element and inherent part of our business



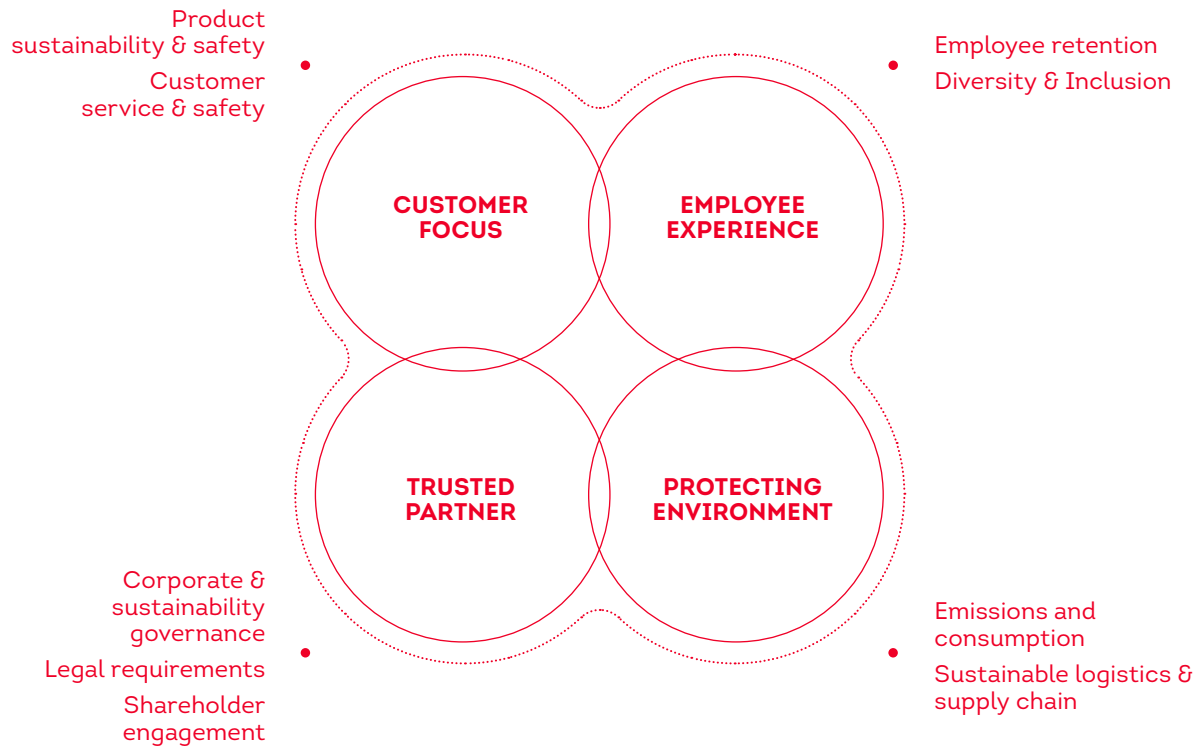
FOCUS

- Comprehensive ESG strategy focused on four areas
- Science-Based Targets (SBTi) in place
- Broad portfolio of local projects with real impact



Dufry's ESG engagement builds on four key pillars. Implementation and development of the comprehensive ESG strategy is managed through as strong governance, making sure it is at the center of the company's activities and securing a sustainable growth for our stakeholders.

DUFRY'S ESG STRATEGY IS STRUCTURED ALONG 4 FOCUS AREAS



For each focus area Dufry develops targeted initiatives to make its ESG engagement real and tangible and to focus on topics where the company can make a difference. One of the key initiative recently implemented is the definition of emission reduction targets for scopes 1, 2 & 3, which have been validated by SBTi.

Key ESG initiatives executed during 2022 include:

- Seeking approval and achieving validation of the Scope 1, 2 & 3 targets by SBTi
- Develop the Dufry's first TCFD Report for 2022
- Conduct second diversity & inclusion survey
- Develop a new community engagement strategy.

Detailed information on Dufry's ESG strategy and implementation progress is available in the ESG Report and page 79 of the Annual Report 2022.

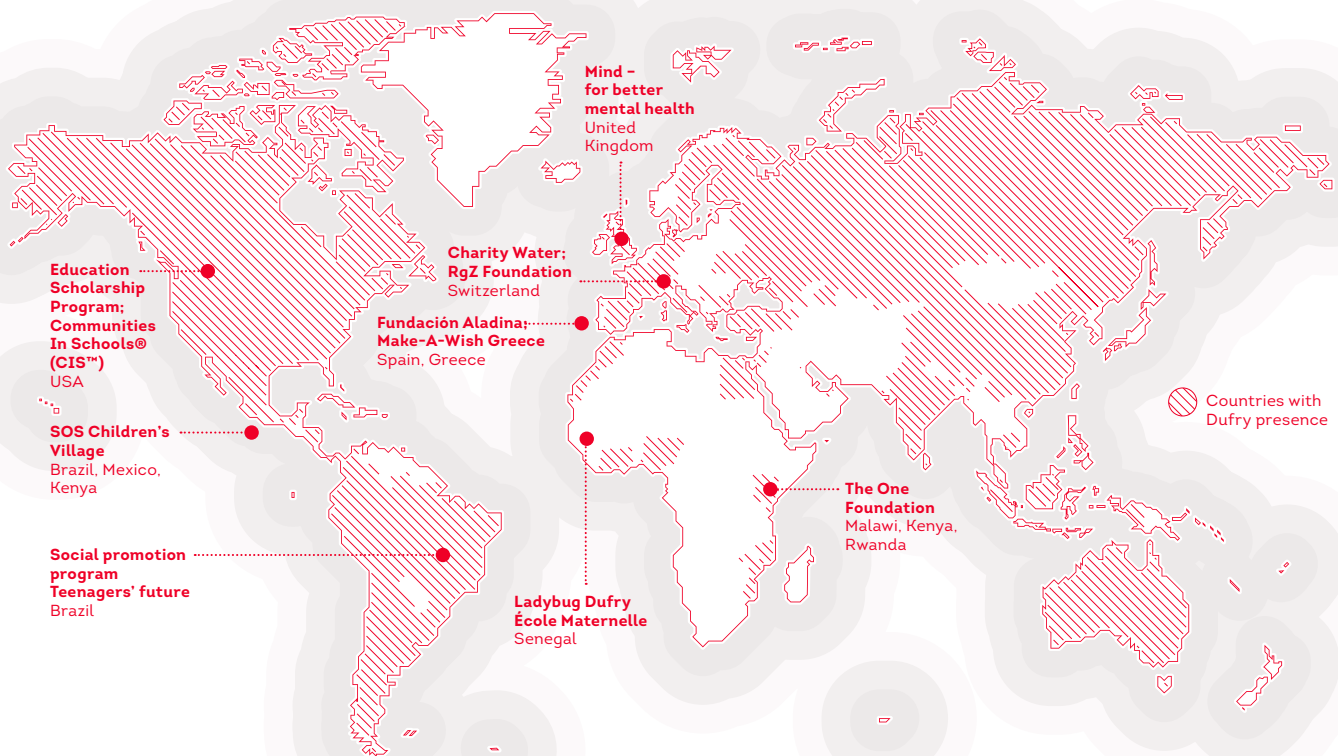


Positively impact society as a good employer and through local projects

Through its presence in 62 countries and across over 410 locations Dufry is an important employer, providing job opportunities for communities around the world. While in 2022 the company employed 23,792 (FTE) colleagues, the number of employees is expected to increase to over 60,000 through the combination with Autogrill.

Additionally Dufry has traditionally been supporting local communities with dedicated community engagement projects, implemented at Group level, by our local teams and / or in collaboration with our landlord partners. This allows us to provide specific and tangible support where it is most needed.

POSITIVE IMPACT ON SOCIETY BY BEING A GOOD EMPLOYER AND SUPPORTING LOCAL PROJECTS MAKING IT TANGIBLE AND VISIBLE



410

Locations in

62

Countries across

6

Continents

A woman with long dark hair is shown in profile, looking towards the right. She is positioned in the foreground, with her face partially obscured by shadows. The background is a soft, out-of-focus scene of a sunset or sunrise, with warm orange and yellow tones transitioning into a cooler blue and purple hue. The overall mood is contemplative and forward-looking.

«DESTINATION 2027» STRENGTHENS DUFRY'S INVESTMENT CASE

Destination 2027 is supported by a solid financial plan to secure value creation for shareholders. Dufry offers an attractive investment opportunity to participate in an ever-growing industry and a company focused on long-term top-line growth, sustainable profits and resilient, risk-adjusted cash flow generation. Despite the currently challenging business environment, travel retail is a structurally resilient industry with a proven track-record of growth.

DESTINATION 2027 STRENGTHENS DUFRY'S INVESTMENT CASE

Long term top line growth

- Underlying passenger growth
- Spend per passenger increase, driven by Travel Experience Revolution
- Business development through diversification and hybrid concepts
- Selected acquisitions / industry consolidation

Sustainable profits

- Operational improvement culture
- Highly variable cost structure and continuous efficiencies
- Reinvestment in business and concession competitiveness

Strong risk-adjusted cash flow generation

- Asset light business model
- Sustainable cash flows
- Quick deleveraging capability

Resilient business

- Secular growth and resilient spending as inherent part of travel
- Diversification across geographies, channels, formats and concepts
- Strong stakeholder relations including concession partners, brands, share- and debtholders, banks

Shareholder Value

- Strong cash flow generation, available for capital allocation
- Fostering growth and innovation
- Focusing on deleveraging
- Shareholder return

For further information on our equity story as the world's leading global travel experience player, please refer to the section Investors on page 72 of the Annual Report 2022.



Dufry –
The World's Leading
Travel Experience Player.