

CORPORATE GOVERNANCE

DUFREY IS COMMITTED TO GOOD CORPORATE GOVERNANCE

1. Group structure and shareholders

1.1 Group structure

For an overview of the management organizational chart and operational Group structure, please refer to page 7 of this Annual Report.

Listed companies

Company	Dufrey AG, Hardstrasse 95, 4052 Basel, Switzerland (hereinafter "Dufrey AG" or the "Company")
Listing	Registered shares: SIX Swiss Exchange Brazilian Depositary Receipts (BDRs): São Paulo Stock Exchange (BM&FBOVESPA – Bolsa de Valores de São Paulo), Brazil
Market capitalization	CHF 2,332,092,749 as of December 31, 2011
Percentage of shares held by Dufrey AG	0.4% of Dufrey AG share capital as of December 31, 2011
Security numbers	Registered shares: ISIN-Code CH0023405456, Swiss Security-No. 2340545 Ticker Symbol DUFN Brazilian Depositary Receipts (BDRs): ISIN-Code BRDAGBBDR008 Ticker Symbol DAGB11

Non-listed companies

For a table of the operational non-listed consolidated entities please refer to page 154 in section Financial Statements of this Annual Report¹.

¹ Including the company names, locations, percentage of shares held, share capital.

1.2 Significant shareholders

Pursuant to the information provided to the Company by its shareholders in compliance with the Swiss Stock Exchange Act during 2011, the following significant shareholders held more than 3% of the share capital as of December 31, 2011²:

SHAREHOLDER	PERCENTAGE
Group of shareholders consisting of:	
1. Global Retail Group S.à r.l. ⁽¹⁾ , controlled by funds managed by Advent International Corporation ⁽²⁾	
2. Travel Retail Investment SCA ⁽³⁾ , controlled by funds managed by Advent International Corporation ⁽²⁾ ; other shareholders are Petrus PTE Ltd ⁽⁴⁾ and Witherspoon Investments LLC ⁽⁵⁾	22.62%
Artio Global Management LLC ⁽⁶⁾	7.07%
Credit Suisse Group AG ⁽⁷⁾	6.81%
Group of funds jointly controlled by:	
Skopos Administradora de Recursos Ltda ⁽⁸⁾ and Skopos Invest Administradora de Recursos Internacionais Ltda ⁽⁹⁾	4.43%
Hudson Media Inc. ⁽¹⁰⁾	4.28%

⁽¹⁾ 76 Grand Rue, L-1660 Luxembourg City, Grand Duchy of Luxembourg.

⁽²⁾ 75 State Street, Boston, MA 02109, USA.

⁽³⁾ 76 Grand Rue, L-1660 Luxembourg City, Grand Duchy of Luxembourg.

⁽⁴⁾ 8 Cross Street, #11-00 PWC Building, Singapore 048424.

⁽⁵⁾ 1209 Orange Street, Wilmington, DE 19801, USA.

⁽⁶⁾ 330 Madison Avenue, New York, NY 10017, USA.

⁽⁷⁾ Paradeplatz 8, Postfach, 8070 Zurich, Switzerland. Shareholding held indirectly through various subsidiaries and investment funds controlled by Credit Suisse Group AG.

⁽⁸⁾ Alemada Tocantins, 75 1st Floor, Room 101-Alphaville, Barueri, SP, 06455-020, Brazil.

⁽⁹⁾ Rua Viradouro, 63, Conjunto 42, São Paulo, SP, 04538-110, Brazil.

⁽¹⁰⁾ One Meadowlands Plaza, Suite 902, East Rutherford, NJ 07073, USA. Hudson Media Inc. is controlled by James Cohen, c/o Hudson Media Inc., One Meadowlands Plaza, Suite 902, East Rutherford, NJ 07073, USA.

Global Retail Group S.à r.l., Travel Retail Investment SCA, Petrus PTE Ltd, Witherspoon Investments LLC and funds managed by Advent International Corporation constituted a group for purposes of the disclosure obligation pursuant to Art. 20 of the Federal Act on Stock Exchange and Securities Trading (SESTA) as of December 31, 2011. Travel Retail Investment SCA and Global Retail Group S.à r.l. were direct shareholders of Dufry AG, holding 14.38% and 8.24% respectively of Dufry on December 31, 2011. Both Travel Retail Investment SCA and Global Retail Group S.à r.l. were controlled by funds managed by Advent International Corporation; other shareholders of Travel Retail Investment SCA are Petrus PTE Ltd, who is an affiliate of Mr. Andrés Holzer Neumann and his family, and Witherspoon Investments LLC, holding on December 31, 2011, 41.74% and 2.08% respectively of Travel Retail Investment SCA.

² The actual shareholdings may differ from the figures indicated in the table, as the Company must only be notified by its shareholders, if one of the thresholds defined in Art. 20 of the Swiss Stock Exchange Act is crossed.

Funds managed by Advent International Corporation, Petrus PTE Ltd and Witherspoon Investments LLC, entered into a shareholders' agreement to govern their relationship as shareholders of Travel Retail Investment SCA. This agreement provided that the funds managed by Advent International Corporation would have a right of first refusal should either Petrus PTE Ltd or Witherspoon Investments LLC wish to transfer their holdings in Travel Retail Investment SCA. In addition, if a third party offered to acquire all the interests in Travel Retail Investment SCA and the funds managed by Advent International Corporation decided to transfer their entire interest in Travel Retail Investment SCA to that third party, then the funds managed by Advent International Corporation had the right to compel the other shareholders to transfer their entire holding in Travel Retail Investment SCA to that third party by exercising their drag-along rights.

On February 3, 2012, Dufrey received disclosure notices that the above mentioned group of shareholders had changed in its composition as of January 31, 2012. Global Retail Group S.à r.l., controlled by funds managed by Advent International Corporation, left the above mentioned group of shareholders. Global Retail Group S.à r.l. held 14.38% of Dufrey as of January 31, 2012. Travel Retail Investment SCA, controlled by Petrus PTE Ltd and Witherspoon Investments LLC held 8.24% of Dufrey as of January 31, 2012.

Accordingly, as of January 31, 2012, the following significant shareholders held more than 3% of the share capital:

SHAREHOLDER	PERCENTAGE
Global Retail Group S.à r.l., controlled by funds managed by Advent International Corporation	14.38%
Travel Retail Investment SCA, controlled by Petrus PTE Ltd and Witherspoon Investments LLC	8.24%
Credit Suisse Group AG	6.81%
Artio Global Management LLC (disclosure notice as of January 24, 2012)	4.81%
Group of funds jointly controlled by Skopos Administradora de Recursos Ltda and Skopos Invest Administradora de Recursos Internacionais Ltda.	4.43%
Hudson Media Inc.	4.28%

Changes of significant shareholders in connection with Art. 20 of SESTA during fiscal year 2011 can be summarized as follows:

BlackRock, Inc., 40 East 52nd Street, New York, 10022 USA, informed the Company that its shareholding (held indirectly as a group of companies through various subsidiaries and investment funds controlled by BlackRock, Inc.) had gone below the threshold of 3% on March 30, 2011, due to a sale transaction. Previous disclosures in fiscal year 2011: Gone above the threshold of 3% to 3.01% on January 4, 2011 (3.01% purchase positions and 0.001% sale positions), due to a purchase transaction.

Credit Suisse Group AG, Paradeplatz 8, Postfach, 8070 Zurich, Switzerland, informed the Company that its shareholding (held indirectly as a group of companies through various subsidiaries and investment funds controlled by Credit Suisse Group AG) had reached 6.813% on June 6, 2011, due to a change in the group of shareholders' composition. Previous disclosures in fiscal year 2011: Participation changed to 6.947% on April 14, 2011, due to a change in the group of shareholders' composition. Participation changed to 7.096% on April 7, 2011, due to a change in the group of shareholders' composition. Participation changed to 6.5% on February 25, 2011, due to a change in the group of shareholders' composition. Gone above the threshold of 5% to 5.49% on February 7, 2011, due to a purchase transaction. Gone below the threshold of 5% to 4.66% on January 26, 2011, due to a sale transaction. Gone above the threshold of 5% to 5.11% on January 20, 2011, due to a purchase transaction. Credit Suisse Group AG held 4.99% of the share capital of Dufry AG as of December 31, 2010.

The Capital Group Companies, Inc., 333 South Hope Street, Los Angeles, CA, USA, informed the Company that its shareholding (held indirectly as a group of companies through various subsidiaries and investment funds controlled by The Capital Group Companies, Inc.) had gone below the threshold of 3% on February 11, 2011, due to a sale transaction. Previous disclosures in fiscal year 2011: Participation changed to 3.8252% on February 7, 2011, due to an exercise of financial instruments, as the investor converted BDRs into registered shares. The Capital Group Companies, Inc., held 4.21% of the share capital of Dufry AG as of December 31, 2010.

Wellington Management Company, LLP, 280 Congress Street, Boston, MA 02210, USA, informed the Company that its shareholding had gone below the 3% threshold on December 6, 2011, as a result of a sale transaction. Previous disclosure in fiscal year 2011: Gone above the threshold of 3% to 3.04% on August 9, 2011, due to a purchase transaction.

Further details to the above mentioned disclosures are available on the website of SIX Swiss Exchange on http://www.six-swiss-exchange.wcom/shares/companies/major_shareholders_en.html

1.3 Cross-shareholdings

Dufry AG has not entered into cross-shareholdings with other companies in terms of capital shareholdings or voting rights in excess of 5%.

2. Capital structure

2.1 Share capital

Ordinary share capital	As of December 31, 2011: CHF 134,881,015 (nominal value) divided in 26,976,203 fully paid registered shares with nominal value of CHF 5 each
Conditional share capital	CHF 2,836,480 (nominal value) divided in 567,296 fully paid registered shares with nominal value of CHF 5 each
Authorized share capital	None

2.2 Details to conditional and authorized share capital

Conditional share capital

Art. 3bis of the Articles of Incorporation reads as follows:

1. The share capital may be increased in an amount not to exceed CHF 2,836,480 by the issuance of up to 567,296 fully paid registered shares with a nominal value of CHF 5 each through the exercise of conversion and/or option rights granted in connection with the issuance of newly or already issued convertible debentures, debentures with option rights or other financing instruments by the Company or one of its group companies.
2. The preferential subscription rights of the shareholders shall be excluded in connection with the issuance of convertible debentures, debentures with option rights or other financing instruments. The then current owners of conversion and/or option rights shall be entitled to subscribe for the new shares.
3. The acquisition of shares through the exercise of conversion and/or option rights and each subsequent transfer of the shares shall be subject to the restrictions set forth in Article 5 of these Articles of Incorporation.
4. The Board of Directors may limit or withdraw the right of the shareholders to subscribe in priority to convertible debentures, debentures with option rights or similar financing instruments when they are issued, if
 - a) an issue by firm underwriting by a consortium of banks with subsequent offering to the public without preferential subscription rights seems to be the most appropriate form of issue at the time, particularly in terms of the conditions or the time plan of the issue; or
 - b) the financing instruments with conversion or option rights are issued in connection with the financing or refinancing of the acquisition of an enterprise or parts of an enterprise or with participations or new investments of the Company.
5. If advance subscription rights are denied by the Board of Directors, the following shall apply:
 - a) Conversion rights may be exercised only for up to 15 years; and option rights only for up to 7 years from the date of the respective issuance.
 - b) The respective financing instruments must be issued at the relevant market conditions.

Authorized share capital

As of December 31, 2011, the Company has no authorized share capital.

2.3 Changes in capital of Dufry AG

Nominal share capital	December 31, 2009	CHF	96,069,770
	December 31, 2010	CHF	134,881,015
	December 31, 2011	CHF	134,881,015
Conditional share capital	December 31, 2009	CHF	2,836,480
	December 31, 2010	CHF	2,836,480
	December 31, 2011	CHF	2,836,480
Authorized share capital	December 31, 2009		None
	December 31, 2010		None
	December 31, 2011		None

Changes in capital in 2009

The capital of Dufry AG remained unchanged during fiscal year 2009.

Changes in capital in 2010

On February 11, 2010, Dufry AG, Dufry South America Ltd ("DSA") and Dufry Holdings & Investments AG ("DHIAG") entered into a merger and amalgamation agreement, pursuant to which DSA was merged and amalgamated with and into DHIAG (the "Merger") by way of absorption in accordance with Art. 3 et seq. of the Swiss Federal Act on Merger, Demerger, Conversion and Transfer of Liabilities (the "Merger Act") and Section 104B of the Bermuda Companies Act. In connection with the Merger, the trading of the shares of DSA on the Luxembourg Stock Exchange and of the Brazilian Depositary Receipt ("BDRs") of DSA on the BM&FBovespa was discontinued. The Company registered with the Comissão de Valores Mobiliários ("CVM") and listed its shares in the form of BDRs on the BM&FBovespa.

The General Meeting of Shareholders of the Company approved the Merger and the necessary capital increase on March 22, 2010. The share capital was increased from CHF 96,069,770 to CHF 134,881,015 by the issuance of 7,762,249 new registered shares with a nominal value of CHF 5 each. The pre-emptive rights were withdrawn for valid reasons in accordance with Art. 652b para. 2 of the Swiss Code of Obligations, i.e. the absorption of DSA by DHIAG, a wholly-owned subsidiary of the Company.

As a result of the Merger, Dufry's share capital as of December 31, 2010, amounted to 26,976,203 shares with a nominal value of CHF 5 each, and Dufry holds 100% of the combined entity DHIAG – DSA.

Changes in capital in 2011

The capital of Dufrey AG remained unchanged during fiscal year 2011.

2.4 Shares

As of December 31, 2011, the share capital of Dufrey AG is divided into 26,976,203 fully paid in registered shares with a nominal value of CHF 5 each.

The Company has only one category of shares. The shares are issued in registered form. All shares are entitled to dividends if declared. Each share entitles to one vote. The Company maintains a share register showing the name and address of the shareholders or usufructuaries. Only persons registered as shareholders or usufructuaries of registered shares in the share register shall be recognized as such by the Company.

2.5 Participation certificates and profit sharing certificates

The Company has not issued any non-voting equity securities, such as participation certificates ("Partizipationsscheine") or profit sharing certificates ("Genussscheine").

2.6 Limitation on transferability and nominee registration of registered shares

- Only persons registered as shareholders or usufructuaries of registered shares in the share register shall be recognized as such by the Company. In the share register the name and address of the shareholders or usufructuaries is recorded. Changes must be reported to the Company.
- Acquirers of registered shares shall be registered as shareholders with the right to vote, provided that they expressly declare that they acquired the registered shares in their own name and for their own account.
- The Board of Directors may register nominees with the right to vote in the share register to the extent of up to 0.2% of the registered share capital as set forth in the commercial register. Registered shares held by a nominee that exceed this limit may be registered in the share register with the right to vote if the nominee discloses the names, addresses and number of shares of the persons for whose account it holds 0.2% or more of the registered share capital as set forth in the commercial register. Nominees within the meaning of this provision are persons who do not explicitly declare in the request for registration to hold the shares for their own account and with whom the Board of Directors has entered into a corresponding agreement (see also Art. 5 of the Articles of Incorporation). Nominees are only entitled to represent registered shares held by them at a meeting of shareholders provided that they are registered in the share register and

they hold a valid written proxy granted by the beneficial owner of the registered shares instructing the nominee how to vote at the meeting of shareholders. Shares held by a nominee for which it is not able to produce such a proxy count as not represented at the meeting of shareholders.

- Corporate bodies and partnerships or other groups of persons or joint owners who are interrelated to one another through capital ownership, voting rights, uniform management or otherwise linked as well as individuals or corporate bodies and partnerships who act in concert to circumvent the regulations concerning the nominees (esp. as syndicates), shall be treated as one single nominee within the meaning of the above mentioned regulation in terms of nominees.
- The Board of Directors may cancel the registration, with retroactive effect if appropriate, if the registration was effected based on false information or in case of breach of the agreement between the nominee and the Board of Directors.
- After consulting the party involved, the Company may delete entries in the share register if such entries occurred in consequence of false statements by the purchaser. The purchaser must be informed immediately of the deletion.

Exceptions granted in the year under review

The Company has registered with the CVM and listed its shares in the form of BDRs on the BM&FBovespa. Each BDR issued by Itaú Corretora de Valores S.A. ("Depository Institution") of the BDR program represents one share issued by the Company and held in custody by the Bank of New York, in London ("Custodian").

BDR holders do not own, from a legal point of view, the Dufry AG shares underlying their BDRs. As a consequence, BDR holders are prevented to exercise directly any of the shareholders rights provided for by the Company's Articles of Incorporation and by the Swiss corporate law. For example, BDR holders are not entitled to personally participate in the Ordinary General Meetings of the Company. However, BDR holders are entitled to instruct the Depository Institution to vote the Company's shares underlying their BDRs, according to the instructions sent to them by the Depository Institution.

To facilitate voting by BDR holders, the Company entered into arrangements with the Depository Institution and the Custodian to enable, by way of exception, registration of The Bank of New York in the share register as nominee with voting rights for the number of registered shares corresponding to the total number of outstanding BDRs. Otherwise, no exceptions have been granted during the year under review.

BDR holders who wish to be in a position to directly exercise any of the shareholders rights granted by Swiss corporate law or the Company's Articles of Incorporation must convert its BDRs into shares of Dufry AG and ask to be registered in the shares register of the company, pursuant to Art. 5 of the Company's Articles of Incorporation.

Required quorums for a change on the limitations of transferability

A change of the limitations on the transfer of registered shares or the removal of such limitations requires a resolution of the Meeting of Shareholders passed by at least two thirds of the votes represented and the absolute majority of the nominal value of shares represented.

2.7 Convertible bonds and options

As of December 31, 2011, there are no outstanding bonds that are convertible into, or warrants or options to acquire, shares issued by or on behalf of the Company. Dufry has a Restricted Stock Unit (RSU) plan, the essentials of which are disclosed under "Compensation, share-holdings and loans" on page 71.

3. Board of Directors

3.1 Members of the Board of Directors

NAME	PROFESSION	NATIONALITY	POSITION WITH DUFREY	DATE OF FIRST ELECTION	TERM OF OFFICE	OTHER POSITIONS WITH DUFREY ¹
Juan Carlos Torres Carretero	Executive at Advent International	Spanish	Chairman	2003	2016	AC NRC
Ernest George Bachrach	Executive at Advent International	American	Vice Chairman	2004	2014	NRC
Jorge Born	CEO of Bomagra S.A.	Argentinian	Director	2010	2013	None
Xavier Bouton	Consultant	French	Director	2005	2014	None
James Cohen	CEO of Hudson Media Inc.	American	Director	2009	2014	None
José Lucas Ferreira de Melo	Consultant	Brazilian	Director	2010	2013	None
Mario Fontana	Consultant	Swiss	Director	2005	2013	AC
Andrés Holzer Neumann	President of Grupo Industrial Omega	Mexican	Director	2004	2013	NRC
Maurizio Mauro	Consultant	Brazilian/Italian	Director	2010	2013	None
Joaquín Moya-Angeler Cabrera	Consultant	Spanish	Director	2005	2013	AC
Steve Tadler	Executive at Advent International	American	Director	2010	2013	None

¹ AC: Audit Committee /NRC: Nomination and Remuneration Committee

3.2 Education, professional background, other activities and functions

Juan Carlos Torres Carretero

Chairman
born 1949



Education MS in physics from Universidad Complutense de Madrid and MS in management from MIT's Sloan School of Management.

Professional Background Many years of private equity and senior management operating experience. 1988 Joined Advent International, a private equity firm, in Boston as a partner. 1991–1995 Partner at Advent International in Madrid. Since 1995 Managing Director and Senior Partner in charge of Advent International Corporation's investment activities in Latin America.

Current Board Mandates Dufrey AG, Inmobiliaria Fumisa SA de CV, Controladora Milano S.A. de C.V., Latin American Airport Holding Ltd., Aeropuertos Dominicanos Siglo XXI, S.A., International Meal Company Holdings S.A., Grupo Gayosso S.A. de C.V.

Ernest George Bachrach

Vice Chairman
born 1952



Education BS in chemical engineering from Lehigh University and MBA from Harvard Business School.

Professional Background More than 22 years of experience in international private equity investing. 1990 Joined Advent International (Advent) in London as a Partner. Since 1995 Managing Advent's Latin American investment activity. Senior Partner and member of the Executive Committee of Advent International Corporation.

Current Board Mandates Dufrey AG, Advent International Corp., Bunge Group Ltd., Grupo Gayosso S.A. de C.V., Controladora Milano, S.A. de C.V., Latin American Airport Holding Ltd., International Meal Company Holdings S.A., Board of Governors of the Lauder Institute at Wharton Business School, and Business Board for Regional Development IAE Business School – Universidad Austral.

Education B.S. in Economics from the Wharton School of the University of Pennsylvania.
Professional Background 1992–1997 Head of Bunge’s European operations. Before 1997 Various capacities in the commodities trading, oilseeding processing and food products areas in Argentina, Brazil, the United States and Europe for Bunge Limited. 2004–2005 Board member of Dufry AG. Since 1997 President and Chief Executive Officer of Bomgra S.A., Argentina.

Current Board Mandates Dufry AG, Bunge Limited, Hochschild Mining Ltd., member of the Wharton’s Latin American Executive Board at Wharton Business School, member of the Board of Governors of the Lauder Institute at Wharton Business School, member of the Board of Georgetown University and Fundación Bunge y Born (Chairman).

Mr. Born served as a member of the Board of Directors of Dufry South America Ltd. until its merger with Dufry Holdings & Investments AG in March 2010.



Jorge Born
 Director
 born 1962

Education Diploma in economics and finance from l’Institut d’Etudes Politiques de Bordeaux and doctorate in economics and business administration from the University of Bordeaux.

Professional Background 1978–1984 Director of C.N.I.L. (Commission Nationale de l’Informatique et des Libertés). 1985–1994 General Secretary of Reader’s Digest Foundation. 1990–2005 Board member of Laboratoires Chemineau. Since 1999 Chairman of the Supervisory Board of FSDV (Fayenceries de Sarreguemines Digoïn & Vitry le François) based in Paris, France.

Current Board Mandates Dufry AG, ADL Partners and F.S.D.V. (Fayenceries de Sarreguemines Digoïn & Vitry le François) (Chairman of the Supervisory Board).



Xavier Bouton
 Director
 born 1950

Education Bachelor’s degree in Economics from the Wharton School of the University of Pennsylvania.

Professional Background Since 1980 Various positions at Hudson Media Inc (President and CEO since 1994).

Current Board Mandates Dufry AG and Hudson Media Inc.



James Cohen
 Director
 born 1958

Education Bachelor’s degree in Accounting from Associação de Ensino Unificado do Distrito Federal, Brazil.

Professional Background 1979–1991 Various positions at PricewaterhouseCoopers Auditores Independentes. 1992 Director of Brazilian Exchange Commission (CVM). 1993–1997 Partner at PricewaterhouseCoopers Auditores Independentes. 1998 Partner at Global Control Consultoria. 1999–2009 Executive Director and later Vice-President at Unibanco – União de Bancos Brasileiros S.A., and Unibanco Holdings S.A.

Current Board Mandates Dufry AG, Diagnósticos da América S.A., International Meal Company Holdings S.A., and Banco Bradesco, S.A.

Mr. Ferreira de Melo served as a member of the Board of Directors of Dufry South America Ltd. until its merger with Dufry Holdings & Investments AG in March 2010.



José Lucas Ferreira de Melo
 Director
 born 1956

Mario Fontana

Director
born 1946



Education Engineering studies at ETH Zurich and Georgia Institute of Technology, Master of Science Degree.

Professional Background 1970–1977 IBM Switzerland, sales representative and international account manager. 1977–1980 Brown Boveri Brazil, Chief of staff and CIO. 1981–1983 Storage Technology Switzerland, General Manager. 1984–1993 Hewlett-Packard Switzerland, General Manager. 1993–1995 Hewlett-Packard Germany, General Manager. 1995–1997 Hewlett-Packard Europe, General Manager. 1997–1999 Hewlett-Packard USA, General Manager. Since 1998 independent Board member at various public companies. Served on the Board of Directors of AC-Service, Amazys, Bon appétit Group, Büro Furrer, Inficon, Leica Geosystems, SBB Swiss Railways, Sulzer and X-Rite.

Current Board Mandates Dufry AG, Swissquote Bank (Chairman), Hexagon AB and Regent Lighting (Chairman).

Andrés Holzer Neumann

Director
born 1950



Education Graduate of Boston University, holds an MBA from Columbia University.

Professional Background Since 1973 President of Grupo Industrial Omega, S.A. de C.V., the holding company of Holzer y Cía, S.A. de C.V., Industria Nacional de Relojes Suizos, S.A. de C.V., Consorcio Metropolitano Inmobiliario, S.A. de C.V., Inmobiliara Coapa Larca, S.A. de C.V., Inmobiliara Castellanos, S.A. de C.V., and Negocios Creativos, S.A. de C.V.

Current Board Mandates Dufry AG, Inmobiliaria Fumisa, S.A. de C.V. (Chairman), Latin American Airport Holding Ltd., Opequimar, S.A. de C.V., and Grupo Domit.

Maurizio Mauro

Director
born 1949



Education Bachelor's in Business Administration from Escola de Administração de Empresas de São Paulo da Fundação Getúlio Vargas and specialization in Corporate Finance from Faculdade de Economia e Administração da Universidade de São Paulo.

Professional Background 1986–1988 Executive Officer of Banco Noroeste. 1988–2001 Several managing and consultant positions in Booz Allen Hamilton. Left the company as Senior Partner and General Manager for Brazil. 2001–2006 CEO of the Abril Group.

Current Board Mandates Dufry AG, Tecnisa S.A., Banco Pine S.A., T4F (Time for Fun), and TopSport S.A.

Academic activities Teaching the discipline of Leadership at Insper Instituto de Ensino e Pesquisa.

Mr. Mauro served as a member of the Board of Directors of Dufry South America Ltd. until its merger with Dufry Holdings & Investments AG in March 2010.

Education Master's degree in mathematics from the University of Madrid, diploma in economics and forecasting from the London School of Economics and Political Science and MBA from MIT's Sloan School of Management.

Professional Background Mr. Moya-Angeler has focused his career on the technology and real estate industries, including having founded a number of companies. 1994–1997 Chairman of IBM Spain. 1994–1997 Chairman of Leche Pascual. 1997–2002 Chairman of Meta4 and TIASA (1996–1998). To date Chairman of Redsa since 1997, Hildebrando since 2003, as well as Presenzia and Pulsar Technologies since 2002, La Quinta Real Estate since 2003, Inmoan since 1989, Avalon Private Equity since 1999 and Corporación Tecnológica Andalucía since 2005.

Current Board Mandates Dufry AG, Corporación Teype, La Quinta Group, Palamon Capital Partners, MCH Private Equity, Industrias Hidráulicas Pardo S.L., Redsa S.A. (Chairman), Hildebrando S.A. de C.V., Corporación Tecnológica Andalucía (Chairman), Inmoan S.L. (Chairman), Board of Trustees University of Almeria (Chairman), Fundación Mediterránea (Chairman), Avalon Private Equity (Chairman) and Spanish Association of Universities Governing Bodies (Chairman).



**Joaquín
Moya-Angeler
Cabrera**
Director
born 1949

Education BS, with distinction, from the University of Virginia and MBA from Harvard Business School.

Professional Background 1981–1984 Loan Officer at Manufacturers Hanover Trust Co., providing financing for a number of leveraged buyouts, technology-oriented firms and special situations. 1985 Joined Advent International's Boston office, becoming managing director of the North American buyouts group in 1994. 1997 Moved to Advent's London office to head the firm's European Operations and returned to Boston in 2006. Since 2002, member of Advent's Executive Committee (Chairman). Managing Partner of Advent International. Serves on each of Advent's Western Europe, Central Europe and North America Investment Advisory Committees.

Current Board Mandates Dufry AG, Advent International Corporation, wTe Corporation, SkillSoft, PLC and Bojangles.



Steve Tadler
Director
born 1959

Messrs Juan Carlos Torres Carretero (Chairman), Ernest George Bachrach (Vice Chairman), and Steve Tadler are related to Global Retail Group S.à r.l., controlled by funds managed by Advent International Corporation, which held 14.38% of Dufry's share capital as of January 31, 2012. Mr. Andrés Holzer Neumann is related to a group of shareholders consisting of Travel Retail Investment SCA, Petrus PTE Ltd and Witherspoon Investments LLC, which held 8.24% of Dufry's share capital as of January 31, 2012. See for details the disclosure under "1.2 Significant Shareholders" on page 50 of this Annual Report. All members of the Board of Directors are non-executive members and they have never been in a management position at Dufry AG or any of its subsidiaries. For information on related parties and related party transactions please refer to Note 36 on page 139 of this Annual Report.

3.3 Election and terms of office

In accordance with Art. 13 of the Articles of Incorporation of the Company:

- The Board of Directors shall consist of at least three and at most eleven members.
- Members of the Board of Directors shall be elected for a maximum term of five years. A year shall mean the period running between one Ordinary Meeting of Shareholders and the next. Previous resignation and dismissal may change the terms of office. New members elected during the year shall continue in office until the end of their predecessor's term.
- The Board of Directors shall be renewed by rotation in such manner that, after a period of five years, all members will have been subject to re-election.
- The members of the Board of Directors may be re-elected without limitation.

At the Ordinary General Meeting held on May 11, 2011, Mr. Juan Carlos Torres Carretero was re-elected for a term of office of five years. Mr. Ernest George Bachrach was re-elected for a term of office of three years. Both members of the Board of Directors were elected in individual elections.

3.4 Internal organizational structure

The Board of Directors determines its own organization. It shall elect its Chairman and one or two Vice Chairmen. It shall appoint a Secretary who does not need to be a member of the Board of Directors.

The Board of Directors has established an Audit Committee and a Nomination and Remuneration Committee. Both Committees are assisting the Board of Directors in fulfilling its duties and have also decision authority to the extent described below.

Audit Committee

Members: Joaquín Moya-Angeler Cabrera (Chairman Audit Committee), Juan Carlos Torres Carretero, Mario Fontana.

The members of the Audit Committee are non-executive and independent members of the Board of Directors. An independent member is a non-executive member, has not been an executive member of the Dufry Group in the last three years and does not have major business relations with the Company. The members shall be appointed, as a rule, for the entire duration of their mandate as Board members and be re-eligible.

The Audit Committee assists the Board of Directors in fulfilling its duties of supervision of management. It is responsible for the review of the performance and independence of the Auditors, the review of and the decision on the audit plan and the audit results and the

monitoring of the implementation of the findings by management, the review of the internal audit plan, the assessment of the risk management and the decision on proposed measures to reduce risks, the review of the compliance levels and risk management, as well as the review to propose whether the Board of Directors should accept the Company's accounts. The Audit Committee regularly reports to the Board of Directors on its decisions, assessments, findings and proposes appropriate actions. The Audit Committee generally meets at the same dates the Board of Directors meetings take place, although the Chairman may call meetings as often as business requires. The length of the meetings lasted usually for about 2 to 3 hours in fiscal year 2011, during which the Audit Committee held 5 meetings. The auditors attended 3 meetings of the Audit Committee in 2011.

Nomination and Remuneration Committee

Members: Ernest George Bachrach (Chairman Nomination and Remuneration Committee), Andrés Holzer Neumann, Juan Carlos Torres Carretero.

The Nomination and Remuneration Committee assists the Board of Directors in fulfilling its nomination and remuneration related matters. It is responsible for assuring the long-term planning of appropriate appointments to the positions of the Chief Executive Officer and the Board of Directors, as well as for the review of the remuneration system of the Company and for proposals in relation thereto to the Board of Directors. The Nomination and Remuneration Committee makes proposals in relation to the remuneration of the Chief Executive Officer and of the members of the Board of Directors. The Board of Directors has the ultimate authority to approve such proposals. The Nomination and Remuneration Committee decides on possible amendments to the RSU plan and the overall size of the RSUs to be granted under the Company's Restricted Stock Unit plan, if any, and makes proposals on the grant of options or other securities under any other management incentive plan of the Company, if any. The Nomination and Remuneration Committee meets as often as business requires. The length of the one meeting held in the fiscal year 2011 lasted about 3 hours.

Work method of the Board of Directors

As a rule, the Board of Directors meets about five to six times a year (usually at least once per quarter). Additional meetings or conference calls are held as and when necessary. The Board of Directors held 7 meetings during fiscal year 2011. The meetings of the Board of Directors usually lasted half a day. The Chairman determines the agenda and items to be discussed at the Board meetings. All members of the Board of Directors can request to add further items on the agenda.

The Chief Executive Officer, the Chief Financial Officer, the Global Chief Operating Officer and the Chief Legal Officer, also acting as Secretary to the Board, attend the meetings of the Board of Directors. Other members of the Group Executive Committee may attend meetings of the Board of Directors as and when required. The Board of Directors also

engages specific advisors to address specific matters when required. Dufry does not publish further detailed information as to the engagement and/or participation of external advisors in Board meetings (other than information regarding the external auditors) during a fiscal year under review for reasons of competition, as doing so would give indications to strategic steps and intentions or specific projects that the Company might actively pursue. The external Auditors attended 3 meetings of the Audit Committee in fiscal year 2011.

3.5 Definition of areas of responsibility

The Board of Directors is the ultimate corporate body of Dufry AG. It further represents the Company towards third parties and shall manage all matters which by law, Articles of Incorporation or Board regulations have not been delegated to another body of the Company.

In accordance with the Board regulations ("Organisationsreglement"), the Board of Directors has delegated the operational management of the Company to the Chief Executive Officer who is responsible for overall management of the Dufry Group. The following responsibilities remain with the Board of Directors:

- Ultimate direction of the business of the Company and the power to give the necessary directives;
- Determination of the organization of the Company;
- Administration of the accounting system, financial control and financial planning;
- Appointment and removal of the persons entrusted with the management and representation of the Company, as well as the determination of their signatory power;
- Ultimate supervision of the persons entrusted with the management of the Company, in particular with respect to their compliance with the law, the Articles of Incorporation, regulations and directives;
- Preparation of the business report and the Meetings of Shareholders and to carry out the resolutions adopted by the Meeting of Shareholders;
- Notification of the judge if liabilities exceed assets;
- Passing of resolutions regarding the subsequent payment of capital with respect to non-fully paid in shares;
- Passing of resolutions confirming increases in share capital and the amendments of the Articles of Incorporation entailed thereby;
- Non-delegable and inalienable duties and powers of the Board of Directors pursuant to the Swiss Merger Act;
- Examination of the professional qualifications of the Auditors;
- To approve any non-operational or non-recurring transaction not included in the annual budget and exceeding the amount of CHF 4,000,000;
- To issue convertible debentures, debentures with option rights or other financial market instruments;

- To approve the annual investment and operating budgets of the Company and the Dufrey Group; and
- To approve the executive regulations promulgated in accordance with the board regulation.

Except for the Chairman of the Board of Directors, who has single signature authority, the members of the Board have joint signature authority, if any.

3.6 Information and control instruments vis-à-vis the Senior Management

The Board of Directors ensures that it receives sufficient information from the management to perform its supervisory duty and to make the decisions that are reserved to the Board through several means.

- Dufrey Group has an internal management information system that consists of financial statements, performance indicators and risk management. Information to management is provided on a regular basis according to the cycles of the business: sales on a weekly basis; income statement, cash management and key performance indicator (KPI) including customer, margins and investment information, balance sheet and other financial statements on a monthly basis. The management information is prepared on a consolidated basis as well as per business unit. Financial statements and key financial indicators/ratios are submitted to the entire Board of Directors on a quarterly basis.
- During Board meetings, each member of the Board may request information from the other members of the Board, as well as from the members of the management present on all affairs of the Company and the Group.
- Outside of Board meetings, each member of the Board may request from the Chief Executive Officer information concerning the course of business of the Company and the Group and, with the authorization of the Chairman, about specific matters.
- The Chief Executive Officer reports at each meeting of the Board of Directors on the course of business of the Company and the Group in a manner agreed upon from time to time between the Board and the Chief Executive Officer. Apart from the meetings, the Chief Executive Officer reports immediately any extraordinary event and any change within the Company and within the Dufrey Group to the Chairman.
- The Audit Committee met 5 times in 2011 with management to review the business, better understand laws, regulations and policies impacting the Dufrey Group and its business and support the management in meeting the requirement and expectations of stakeholders. In meetings of the Audit Committee, the Chief Financial Officer acts as Secretary to the Committee. The Auditors are invited to the meetings of the Audit Committee and attended 3 meetings of the Audit Committee in 2011. Among these meetings some or part of them are also held without management.
- The Internal Audit provides independent and objective assessments of the effectiveness of the internal control and risk management systems. The selection of Internal Audit projects is based on risk assessment, with a focus on operational processes, throughout

the Dufry Group. In fiscal year 2011, the Internal Audit conducted 67 audits, examining operations in 26 countries. A written report is compiled for every audit by Internal Audit and includes a defined schedule of concrete steps for implementing the measures that have been determined. In 2011, a particular focus was, amongst others, on inventory controls, cash collection and compliance with the rules on capital expenditures. The results of the Internal Audit report are communicated to management in charge and the Company's senior management on an on-going basis and to the Audit Committee on a quarterly basis. Regular follow-up is performed to ensure that risk mitigation and control improvement measures are implemented on a timely basis.

- The Board of Directors and the Group Executive Committee regularly carry out risk assessments. The objective is to make the principal risks to which Dufry is exposed more transparent and to improve the quality of the risk dialogue. The principal risks identified in 2011 are, amongst others, in the areas of valuation of intangible assets, supply chain expertise, alternative forms of retail distributions, relations with the airport authorities, product and service quality, acquisition methodology and related integration capabilities, inventory valuation and management, compliance with debt covenants and tax accounting.
- Detailed information on the financial risk management is provided in Note 38 in the Financial Statements of this Annual Report.

4. Group Executive Committee

4.1 Members of the Group Executive Committee

As of December 31, 2011, the Group Executive Committee comprised ten executives. The Group Executive Committee, under the control of the Chief Executive Officer, conducts the operational management of the Company pursuant to the Company's board regulations. The Chief Executive Officer reports to the Board of Directors on a regular basis.

The following table sets forth the name and year of appointment of the current ten members of the Group Executive Committee, followed by a short description of each member's business experience, education and activities:

NAME	NATIONALITY	POSITION	APPOINTED IN YEAR
Julián Díaz González	Spanish	Chief Executive Officer	2004
Xavier Rossinyol	Spanish	Chief Financial Officer	2004
José Antonio Gea	Spanish	Global Chief Operating Officer	2004
Pascal C. Duclos	Swiss	Chief Legal Officer	2005
Dante Marro	Italian	Chief Operating Officer Region Europe	2002
Miguel Ángel Martínez	Spanish	Chief Operating Officer Region Africa	2005
René Riedi	Swiss	Chief Operating Officer Region Eurasia	2000
José H. González	American	Chief Operating Officer Region Central America & Caribbean	2002
José Carlos Costa da Silva Rosa	Portuguese	Chief Operating Officer Region South America	2006
Joseph DiDomizio	American	Chief Operating Officer Region North America	2008

All employment agreements entered into with the members of the Group Executive Committee are entered for an indefinite period of time.

4.2 Education, professional background, other activities and vested interests

Julián Díaz González
Chief Executive Officer
born 1958



Education Degree in business administration from Universidad Pontificia Comillas I.C.A.D.E., de Madrid.

Professional Background 1989–1993 General Manager at TNT Leisure SA. 1993–1997 Division Director at Aldeasa. 1997–2000 Various managerial and business positions at Aeroboutiques de Mexico SA de CV and Deor SA de CV. 2000–2003 General Manager of Latinoamericana Duty-Free, SA de CV. Since 2004 Chief Executive Officer at Dufry AG.

Current Board Mandates Distribuidora Internacional de Alimentacion (DIA) S.A.

Xavier Rossinyol
Chief Financial Officer
born 1970



Education Bachelor's degree in Business Administration at ESADE (Spain), MBA at ESADE and at the University of British Columbia (Canada and Hong Kong), Master's degree in business law from Universidad Pompeu Fabra (Spain).

Professional Background 1995–2003 Various positions at Areas (member of the French group Elixor) with responsibility for finance, controlling, strategic planning. Left Areas as its Corporate Development Director. Since 2004 Chief Financial Officer at Dufry AG.

José Antonio Gea
Global Chief
Operating Officer
born 1963



Education Degree in economics and business sciences from Colegio Universitario de Estudios Financieros.

Professional Background 1989–1995 Various positions at TNT Express Espana, SA. Director of its Blue Cow Division (1993–1995). 1995–2003 Various managerial positions at Aldeasa. Left Aldeasa as its Director of Operations. Since 2004 Global Chief Operating Officer at Dufry AG.

Pascal C. Duclos
Chief Legal Officer
born 1967



Education Licence en droit from Geneva University School of Law, LL.M. from Duke University School of Law. Licensed to practice law in Switzerland and admitted to the New York Bar.

Professional Background 1991–1997 Senior attorney at law at Geneva law firm Davidoff & Partners. Also academic assistant at the University of Geneva School of Law (1994–1996). 1999–2001 Attorney at law at New York law firm Kreindler & Kreindler. 2001–2002 Financial planner at UBS AG in New York. 2003–2004 Senior foreign attorney at law at the Buenos Aires law firm Beretta Kahale Godoy. Since 2005 Chief Legal Officer and Secretary to the Board of Directors at Dufry AG.

Dante Marro
Chief Operating Officer
Region Europe
born 1944



Education Graduate degrees in architecture from Milan's Technical University and business administration from Kensington University, Glendale, California.

Professional Background Prior to 1981 Served as public administrator and as an administrator of the Airport Milano and the Association Airports Italia. 1981 Joined Dufry. He held various managerial positions at Dufrital SpA as General Manager and Chairman of the Board (1987–1992) and acted as General Manager and Board Delegate of all Italian companies belonging to the Group from 1992–2002. Since 2002 Chief Operating Officer Region Europe at Dufry AG.

Education Bachelor's of science degree in economics and business administration from the Universidad de León.

Professional Background 1986–1991 Store Manager at C&A Valencia and Mallorca. 1991–1998 Various managerial positions at Aldeasa SA. 1998–2003 General Manager at Select Service Partner's subsidiary Madrid Trade Fair Center. Joined Dufrey in 2004 as General Manager Dufrey Tunisia and acted as Deputy Chief Operating Officer Region Africa. Since March 2005 Chief Operating Officer Region Africa at Dufrey AG.



Miguel Ángel Martínez

Chief Operating Officer
Region Africa
born 1961

Education Degree in business administration from the School of Economy and Business Administration Zurich.

Professional Background Prior to 1993 Worked in product marketing and international sales of the multinational FMCG (Fast Moving Consumer Goods) company Unilever. 1993–2000 Joined Dufrey in 1993 as Sales Manager Eastern Europe. Product Category Manager Spirits & Tobacco (1995–1996). Head of Product Marketing (1996–1997). Director Division Spirits & Tobacco (Weitnauer Distribution Ltd. 1998–2000). Since 2000 Chief Operating Officer Region Eurasia at Dufrey AG.



René Riedi

Chief Operating Officer
Region Eurasia
born 1960

Education Bachelor's of arts degree from Prieto University, Cuba.

Professional Background Prior to 1992 Active in retail and wholesale industry in North, Central and South America for more than 25 years. 1992–2002 Joined Dufrey in 1992 and held various managerial and business positions. Since 2002 Chief Operating Officer Region Central America & Caribbean at Dufrey AG.



José H. González

Chief Operating Officer
Region Central
America & Caribbean
born 1946

Education Military and Civil Engineer's degree from the Academia Militar of Portugal.

Professional Background 1993–1994 Director of Property Management of Richard Ellis Portugal. 1994–2000 General Director of AmoreirasGest. 2000–2006 Retail Director at ANA-Aeropuertos de Portugal AS. Since 2006 Chief Operating Officer Region South America at Dufrey AG.



José Carlos Costa da Silva Rosa

Chief Operating Officer
Region South America
born 1955

Education Bachelor's of arts degree in Marketing and Business Administration from the University of Bridgeport.

Professional Background 1992–2008 Several managerial positions in Hudson Group (April–September 2008: President and CEO). Since October 2008 Chief Operating Officer Region North America at Dufrey AG.



Joseph DiDomizio

Chief Operating Officer
Region North America
born 1970

Other activities and vested interests

None of the members of the Group Executive Committee of Dufry AG has had other activities in governing and supervisory bodies of important Swiss or foreign organizations, institutions or foundations under private and public law with the exception of Mr. Julián Díaz who serves as member of the Board of Distribuidora Internacional de Alimentacion (DIA) S.A. No member of the Group Executive Committee has permanent management or consultancy functions for important Swiss or foreign interest groups, nor holds any official functions and political posts.

In addition to his employment relationship with the Dufry Group, Mr. Dante Marro, Chief Operating Officer for Region Europe and member of the Group Executive Committee, controls GSA Srl Gestione Spazi Attrezzati (GSA); GSA keeps the usufruct right on 6% of the shares of Dufrital SpA, which are held by Dufry Shop Finance Srl. Upon expiration of these rights in May 2041 GSA shall be entitled to receive 6% of the undistributed retained earnings of Dufrital SpA.

In addition to his employment relationship with the Group, Mr. José González, Chief Operating Officer for region Central America & Caribbean and member of the Group Executive Committee, owns 26.3% of the share capital of the subsidiary Puerto Libre International SA (PLISA). PLISA operates duty free shops at the international airport of Managua as well as border shops in Nicaragua.

4.3 Management contracts

Dufry AG does not have management contracts with companies or natural persons not belonging to the Group.

5. Compensation, shareholdings and loans

5.1 Content and method of determining the compensation and the shareholding programs

Board of Directors

The Board of Directors determines the amount of the fixed remuneration of its members, taking into account their responsibilities, experience, and the time they invest in their activity as members of the Board of Directors. The compensation for the members of the Board of Directors is not tied to particular targets of the Company and the weighting of the criteria mentioned above is determined on a discretionary basis. The Nomination and Remuneration Committee makes proposals in relation to the compensation of the members of the Board of Directors. The Board of Directors ultimately decides on the compensation to its members, upon proposal of the Nomination and Remuneration Committee, once per year and at its own discretion. Extraordinary assignments or work which a member of the Board of Directors accomplishes outside of his activity as a Board member is specifically remunerated and is approved by the Board of Directors. In addition, the members of the Board of Directors are reimbursed all reasonable cash expenses incurred by them in the discharge of their duties.

Juan Carlos Torres Carretero (Chairman), Ernest George Bachrach (Vice Chairman) and Steve Tadler (Board member) do not receive compensation as members of the Board of Directors of Dufrey AG, as they are representing the interests of Advent International Corporation and its funds in the group of shareholders described on section "1.2 Significant shareholders" on page 50.

Group Executive Committee

Members of the Group Executive Committee receive compensation packages, which consist of a fixed basic salary in cash that reflects competitive compensation, the experience and the area of responsibility of each individual member, and a performance related cash bonus. The weighting of the criteria relevant for the determination of the fixed basic salary in cash is defined on a discretionary basis. The bonus is defined once per year and depends on the overall financial results of the Group and of specific sub-divisions thereof, as well as on achieving defined goals by each individual person. Each member of the Group Executive Committee has its own bonus. The main part of the bonus is related to measures regarding financial results, in fiscal year 2011 mainly EBITDA, both of the Group and of the Region in the case of the Regional Chief Operating Officers. Such financial measures are weighted with up to 100%. Non-results oriented targets are also taken into account and are reflected with a weighting of up to approx. 30%. The bonus component can be between a minimum of zero and no maximum.

The bonus part of the compensation for the members of the Group Executive Committee represented in 2011 between zero and 110% of their fixed basic salary and amounted to CHF 3.65 million in the aggregate (2010: between zero and 113% of fixed basic salary and an amount of CHF 2.24 million in the aggregate). In addition, fringe benefits such as health

insurance in an amount of CHF 0.56 million in the aggregate have been granted to certain members (2010: CHF 0.50 million). The bonus compensation for each of the members of the Group Executive Committee is approved by the Chief Executive Officer at his own discretion. The total amount of the bonus pool available for the members of the Group Executive Committee (other than the CEO bonus) is approved by the CEO following guidelines given by the Nomination and Remuneration Committee.

The CEO's own compensation is proposed by the Nomination and Remuneration Committee and decided upon by the Board of Directors at their own discretion. The Chief Executive Officer does not participate during the time of the meeting that the Nomination and Remuneration Committee and the Board of Directors discuss his compensation. The Board of Directors receives the proposal for the compensation of the Chief Executive Officer from the Nomination and Remuneration Committee once per year. The Nomination and Remuneration Committee and the Board of Directors review yearly the compensation of the Chief Executive Officer, Chief Financial Officer, Global Chief Operating Officer and the Chief Legal Officer.

The Company also has Restricted Stock Unit (RSU) plans in place for the members of the Group Executive Committee and certain members of the Dufry Group Management, in the aggregate 86 persons (RSU plan participants). The participants of Dufry's RSU plan have been granted the right to receive on January 1, 2013, free of charge, 349,322 RSU's on aggregate, based on the market value of the Company's shares on the Swiss Stock Exchange (SIX) on December 14, 2011 (i.e. CHF 85.65 per share) ("the RSU Awards 2011"). The RSU Awards 2011 contain two vesting conditions to be met: a) the participants must be employed by the Company from January 1, 2011 (or, if later, from the individual employment entry date) until January 1, 2013 and b) the average price of the Company's shares on the SIX for the ten previous trading days to January 1, 2013 must be equal or higher than 101% of the company's share price on December 14, 2011.

From an economic point of view, the RSUs are stock options with an exercise price of nil. The vesting of the RSU awards is conditioned upon the price of the Dufry share at the vesting date being superior to the price of the Dufry share at the grant date. The total number of RSUs to be granted yearly is set forth in the RSU plans and related documents. The RSU plans have been approved by the Nomination and Remuneration Committee and the Board of Directors. Pursuant to the RSU plans, the Chief Executive Officer, in its own and sole discretion, decides the amount of each specific grant to each individual plan participant. The grants made to the Chief Executive Officer are decided by the Chairman.

For information on individual grants please refer to Note "Compensation, participations and loans" on page 162 of this Annual Report. The fair value calculation and the individual vesting conditions of the granted RSUs are described in Note 30 of this Annual Report.

In 2011, 281,362 RSUs vested to the participants of the RSU award 2010, on the total grant of 291,102 RSUs. This represents 1.04% of the outstanding share capital at December 31, 2011.

In addition to legal and tax advices, Dufry consulted external advisors for a general review of the conditions and the structure of the compensation of the Senior Management and the employee share ownership plan. Confidential studies were done by two international firms, one based in Switzerland and the other in the UK. The peer group contained mainly listed companies in Switzerland, Europe and USA with broad international reach, mostly in the areas of retail, travel but also other selective other sectors, and with comparable size of Dufry. One of the advising companies also acted as tax advisor (different division of that company), while the other has not been awarded additional mandates.

The employment contracts of the Chief Executive Officer, the Chief Financial Officer, the Global Chief Operating Officer and the Chief Legal Officer provide for a termination notice of 3 months and a severance payment corresponding to the salary of 24 months unless the employment agreement is terminated for cause.

5.2 Compensation, shareholdings and loans of acting as well as former members of governing bodies

For detailed information on remuneration, shareholdings and loans please refer to the Financial Statements, Statutory Notes on page 162 of this Annual Report.

6. Shareholders' participation rights

6.1 Voting rights and representation

Each share recorded as share with voting rights in the share register confers one vote on its registered holder. Each shareholder duly registered in the share register on the record date may be represented at the Meeting of Shareholders by any person who is authorized to do so by a written proxy. A proxy does not need to be a shareholder. Shareholders entered in the share register as shareholders with voting rights on a specific qualifying date (record date) designated by the Board of Directors shall be entitled to vote at the Meeting of Shareholders and to exercise their votes at the Meeting of Shareholders. See section 6.5 below.

Nominees are only entitled to represent registered shares held by them at a Meeting of Shareholders, if they are registered in the share register in accordance with Art. 5 para. 4 of the Articles of Incorporation and if they hold a valid written proxy granted by the beneficial owner of the registered shares instructing the nominee how to vote at the Meeting of Shareholders. Shares held by a nominee for which it is not able to produce such a proxy count as not be represented at the Meeting of Shareholders.

As explained under section 2.6 above, BDR holders do not own the Dufry AG shares underlying their BDRs. As a consequence, BDR holders are prevented from exercising directly any of the shareholders rights provided for by the Company's Articles of Incorporation and by Swiss corporate law. For example, BDR holders are not entitled to personally participate in the Ordinary General Meetings of the Company. However, BDR holders are entitled to instruct the Depository Institution to vote the Company's shares underlying their BDRs, according to the instructions sent to them by the Depository Institution.

See section 2.6 before or the Articles of Incorporation on our website
<http://www.dufry.com/en/Investors/Articlesofincorporation/index.htm>

6.2 Quorums

The Meeting of Shareholders shall be duly constituted irrespective of the number of shareholders present or of shares represented. Unless the law or Articles of Incorporation provide for a qualified majority, an absolute majority of the votes represented at a Meeting of Shareholders is required for the adoption of resolutions or for elections, with abstentions, blank and invalid votes having the effect of "no" votes. The Chairman of the Meeting shall have a casting vote.

A resolution of the Meeting of Shareholders passed by at least two thirds of the votes represented and the absolute majority of the nominal value of shares represented shall be required for:

1. a modification of the purpose of the Company
2. the creation of shares with increased voting powers
3. restrictions on the transfer of registered shares and the removal of such restrictions
4. restrictions on the exercise of the right to vote and the removal of such restrictions
5. an authorized or conditional increase in share capital
6. an increase in share capital through the conversion of capital surplus, through a contribution in kind or in exchange for an acquisition of assets, or a grant of special benefits upon a capital increase
7. the restriction or denial of pre-emptive rights
8. the change of the place of incorporation of the Company
9. the dismissal of a member of the Board of Directors
10. an increase in the maximum number of members of the Board of Directors
11. the dissolution of the Company
12. other matters where statutory law provides for a corresponding quorum

6.3 Convocation of the Meeting of Shareholders

The Meeting of Shareholders shall be called by the Board of Directors or, if necessary, by the Auditors. One or more shareholders with voting rights representing in aggregate not less than 10% of the share capital can request, in writing, that a Meeting of Shareholders shall be convened. Such request must be submitted to the Board of Directors, specifying the items and proposals to appear on the agenda.

The Meeting of Shareholders shall be convened by notice in the Swiss Official Gazette of Commerce (SOGC) not less than 20 days before the date fixed for the Meeting. Registered shareholders will also be informed by ordinary mail.

6.4 Agenda

The invitation for the Meeting of Shareholders shall state the day, time and place of the Meeting, and the items and proposals of the Board of Directors and, if any, the proposals of the shareholders, who demand that the Meeting of Shareholders be called or that items be included in the agenda.

One or more shareholders with voting rights whose combined holdings represent an aggregate nominal value of at least CHF 1,000,000 may request that an item be included in the agenda of a Meeting of Shareholders. Such a request must be made in writing to the Board of Directors at the latest 60 days before the Meeting and shall specify the agenda items and the proposals made.

6.5 Registration into the share register

The record date for the inscription of registered shareholders into the share register in view of their participation in the Meeting of Shareholders is defined by the Board of Directors. It is usually 14 days before the Meeting. Shareholders who dispose of their shares before the Meeting of Shareholders are no longer entitled to vote.

7. Change of control and defence measures

7.1 Duty to make an offer

An investor who acquires more than 33 $\frac{1}{3}$ % of all voting rights (directly, indirectly or in concert with third parties) whether they are exercisable or not, is required to submit a takeover offer for all shares outstanding (Art. 32 SESTA). The Articles of Incorporation of the Company contain neither an opting-out nor an opting-up provision (Art. 22 SESTA).

7.2 Clauses on change of control

In case of change of control or in any event which would trigger a mandatory offer pursuant to the SESTA with respect to the Company, the Restricted Stock Units awarded to the RSU Plan Participants shall vest immediately. In case of change of control, all amounts drawn under the CHF 602,800,000 and USD 435,000,000 multicurrency term and revolving credit facility agreements and the USD 1,000,000,000 multicurrency term credit facility agreement shall become immediately due and payable.

8. Auditors

8.1 Auditors, duration of mandate and term of office of the lead auditor

Pursuant to the Articles of Incorporation, the Auditors shall be elected every year and may be re-elected. Ernst & Young Ltd acted as Auditors and has held the mandate as Auditor since 2004. Patrick Fawer has been the Lead Auditor in charge for the consolidated financial statements of the Company and the statutory financial statements as of December 31, 2011. Mr. Fawer took the existing auditing mandate in 2011.

8.2 Auditing fee

During fiscal year 2011, Dufry agreed with Ernst & Young Ltd to pay a fee of CHF 2.6 million for services in connection with auditing the statutory annual financial statements of Dufry AG (including quarterly reviews) and its subsidiaries, as well as the consolidated financial statements of Dufry Group and a fee of CHF 0.3 million for audit related services.

8.3 Additional fees

Additional fees amounting to CHF 1.6 million were paid to Ernst & Young Ltd for transaction services and CHF 0.2 million for tax services.

8.4 Supervisory and control instruments pertaining to the audit

The Audit Committee as a committee of the Board of Directors reviews and evaluates the performance and independence of the Auditors at least once each year. Based on its review, the Audit Committee recommends to the Board of Directors, which external Auditor should be proposed for election at the General Meeting of Shareholders. The decision regarding this agenda item is then taken by the Board of Directors.

When evaluating the performance and independence of the Auditors, the Audit Committee puts special emphasis on the following criteria: Global network of the audit firm, professional competence of the lead audit team, understanding of Dufry's specific business risks, personal independence of the lead auditor and independence of the audit firm as a company, co-ordination of the Auditors with the Audit Committee and the Senior Management/ Finance Department of Dufry Group, practical recommendations with respect to the application of IFRS regulations. Within the yearly approved budget, there is also an amount permissible for non-audit services that the Auditors may perform. Within the scope of the approved and budgeted amount, the Chief Financial Officer can delegate non-audit related mandates to the Auditors.

The Audit Committee determines the scope of the external audit and the relevant methodology to be applied to the external audit with the Auditors and discusses the results of the respective audits with the Auditors. The Auditors prepare a management letter addressed to the Senior Management, the Board of Directors and the Audit Committee once per year, informing them in detail on the result of their audit. In fiscal year 2011, the Auditors also performed a review of the interim consolidated financial statements each quarter.

Representatives of the Auditors are regularly invited to meetings of the Audit Committee, namely to attend during those agenda points that dealt with accounting, financial reporting or auditing matters.

In addition, the Audit Committee reviews regularly the internal audit plan.

During the fiscal year 2011, the Audit Committee held 5 meetings. The Auditors were present at 3 of those meetings. The Board of Directors has determined the rotation interval for the Lead Auditor to be seven years, as defined by the Swiss Code of Obligation; such rotation occurred in 2011.

9. Information policy

Dufry is committed to an open and transparent communication with its shareholders, financial analysts, potential investors, the media, customers, suppliers and other interested parties.

Dufry AG publishes its financial reports on a quarterly basis, both in English and Portuguese. The financial reports and media releases containing financial information are available on the Company website.

In addition, Dufry AG organizes presentations and conference calls with the financial community and media to further discuss details of the reported earnings or on any other matters of importance. The Company undertakes roadshows for institutional investors on a regular basis.

Details and information on the business activities, Company structure, financial reports, media releases and investor relations are available on the Company's website:

www.dufry.com

The official means of publication of the Company is the Swiss Official Gazette of Commerce:

<https://www.shab.ch>

Web-links regarding the SIX Swiss Exchange push-/pull-regulations concerning ad-hoc publicity issues are:

<http://www.dufry.com/en/OurCompany/NewsandMedia/Latestnews/index.htm>

<http://www.dufry.com/en/OurCompany/NewsandMedia/Mediareleasesubscription/index.htm>

Web-links regarding the filings made by the Company with the CVM or BM&FBOVESPA are:

<http://www.dufry.com/en/Investors/CVMFilings/QuarterlyFinancialStatementsITR/index.htm>

<http://www.cvm.gov.br>

<http://www.bovespa.com.br>

The current Articles of Incorporation are available on Dufry's website under:

<http://www.dufry.com/en/Investors/Articlesofincorporation/index.htm>

The financial reports are available under:

<http://www.dufry.com/en/Investors/FinancialReports/index.htm>

For the Investor Relations and Corporate Communications contacts as well as a summary of anticipated key dates in 2012 please refer to page 168 of this Annual Report.