

# SUSTAINABILITY REPORT 2019 ANNEX



**DUFRY**

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# SUSTAINABILITY REPORT ANNEX

## About the report

Following Dufry's commitment towards providing more visibility over its annual non-financial performance, and building on the steps taken in 2016 with the commissioning of our first Materiality Assessment to identify the sustainability topics and in 2017 with the preparation of the first Sustainability Report following international standards. Dufry has again aligned its Sustainability Report, with the guidelines of the Global Reporting Initiative (GRI) Standards on its Core Option. Reporting in accordance with this international standard permits a more transparent and comparable approach to information and facilitates the tracking of sustainability performance indicators.

As indicated in page 78 of the 2019 Annual Report, Dufry has added Data Privacy and IT Security as an additional material topic for this year's report. The rest of the GRI indicators remain unchanged compared to previous years. Dufry 2019 Sustainability Report applies the 2016 version of the GRI Standards for most of the indicators; where noted "2016\*" and "2018\*" in this annex and in the GRI Index, it refers to the Standards issue date, not the date of the information presented.

The report is divided in two main sections. The main one - included in the annual report - gives the reader a wider view of Dufry, its relationship with its main stakeholders and its vision on sustainability. The second part of the report - which is annexed to the Annual Report and also available in the sustainability section of the corporate website, [www.dufry.com](http://www.dufry.com), is this document which contains information presented in several tables with quantitative indicators as per the GRI Standard indications. Both documents present data as of December 31, 2019.

For easier tracking, a list of the whole set of indicators in the GRI Index is available on the website. That Index cross references GRI indicators and page numbers and serves as a guide to where the information on each topic may be found - either in the annual report, on the Group website or in this annex document.

## Scope

During 2019, Dufry has made significant progress in the roll-out of Dufry Connect, Dufry's digital HR platform, which has permitted the company to increase the breadth and depth of our employee-related information to prepare this report.

For the general profile and most of the GRI indicators, we have included information on the whole group. For staff-related indicators - GRI 102-8, GRI 102-41, GRI 202 and GRI 400 series (from 402 to 406), information is broken-down by five geographical divisions:

- HQ - Group Headquarters in Basel, Switzerland
- Division 1 - Europe & Africa
- Division 2 - Asia Pacific and Middle East
- Division 3 - North America
- Division 4 - Central and South America

More information about each of the Divisions and countries included may be found on pages 48-65 of the annual report.

Should you have any comments about the content of the report or want to know more about Dufry's efforts towards sustainability, please email us to [sustainability@dufry.com](mailto:sustainability@dufry.com)

## INFORMATION ON EMPLOYEES AND OTHER WORKERS (USING GRI CODING)

### 102-8 INFORMATION ON EMPLOYEES AND OTHER WORKERS

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4	TOTAL
Headcounts	240	11,653	5,144	10,383	7,666	35,086
Male	120	3,971	2,024	3,298	3,019	12,432
Female	120	7,682	3,120	7,085	4,647	22,654
Number of Nationalities	55	118	53	50	47	133

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
<b>BREAKDOWN BY EMPLOYEE TYPE</b>					
Headcounts	240	11,653	5,144	10,383	7,666
Male	120	3,971	2,024	3,298	3,019
Full time	114	3,219	1,894	2,798	2,869
Part time	6	752	130	500	150
Female	120	7,682	3,120	7,085	4,647
Full time	96	4,492	2,769	5,760	4,364
Part time	24	3,190	351	1,325	283

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
<b>BREAKDOWN BY CONTRACT TYPE</b>					
Headcounts	240	11,653	5,144	10,383	7,666
Male	120	3,971	2,024	3,298	3,019
Permanent	119	3,586	1,847	3,265	2,695
Temporary	1	385	177	33	324
Female	120	7,682	3,120	7,085	4,647
Permanent	118	6,918	2,759	7,036	4,353
Temporary	2	764	361	49	294

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
<b>BREAKDOWN BY AGE GROUP</b>					
Headcounts	240	11,653	5,144	10,383	7,666
Male	120	3,971	2,024	3,298	3,019
< 30 years	7	801	795	981	1,102
30 – 50 years	85	2,221	1,080	1,213	1,650
> 50 years	28	949	149	1,104	267
Female	120	7,682	3,120	7,085	4,647
< 30 years	18	1,509	1,241	1,870	1,567
30 – 50 years	76	4,064	1,664	2,649	2,700
> 50 years	26	2,109	215	2,566	380

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
<b>BREAKDOWN BY PROFESSIONAL LEVEL</b>					
Headcounts	240	11,653	5,144	10,383	7,666
Male	120	3,971	2,024	3,298	3,019
Director / Top management	44	97	9	32	74
Admin & Professional	76	644	429	26	611
Sales & Ops Managers	-	319	135	7	203
Sales & Ops Staff	-	2,911	1,451	3,233	2,131
Female	120	7,682	3,120	7,085	4,647
Director / Top management	15	29	2	14	67
Admin & Professional	105	771	371	19	507
Sales & Ops Managers	-	365	255	24	314
Sales & Ops Staff	-	6,517	2,492	7,028	3,759

Note: These tables provide additional information to that available in the Annual Report, page 93, including: breakdown of headcounts of relevant operations by gender, employee type, employee contract, age and professional level. For more consistent tracking, headcounts from the Distribution Centres have been re-assigned to the divisions where these are located.

**102-41 PERCENTAGE OF EMPLOYEES COVERED BY A COLLECTIVE BARGAINING AGREEMENT 2016\***

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4	TOTAL
IN %						
Headcounts	100%	46%	9%	38%	76%	45%

**201-2 FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE**

It is not possible to determine if the changes in existing rules initiated by climate change will involve changes to business processes associated with significant costs. Global regulation that could massively affect the predicted growth of international air traffic (with expected annual growth rates of 4 - 5% until 2035) is rather unlikely due to the fact that it would necessarily need to be accompanied by restrictions for individual countries.

Stricter regulatory requirements due to climate change could eventually be an opportunity for some of our operations. As indicated in pages 88 - 89 of the 2019 Annual Report, Dufry has retail shops in 38 of the 115 of the airports that have achieved either the optimization or carbon neutrality accreditations.

**202-1 RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE**

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
RATIO (1.00 = MINIMUM WAGE)					
Male	1.00	1.21	1.19	1.17	1.52
Female	1.00	1.22	1.13	1.12	1.51

Note: In the Canton of Basel (Switzerland) where Dufry's HQ is located, there are different levels of minimum wages that depend on skills and experience. Likewise, we have not identified a benchmark for Cambodia, India, Indonesia, Hong Kong, UAE, hence, these operations have been omitted for the calculation of the Division 2 group.

**202-2 PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY**

At Dufry, we believe talent has no nationality. Our operations and offices however are very much linked to where they are based and this is reflected in the composition of our staff at all professional levels. As a general practice, and where possible, Dufry incorporates members of the local communities to its management team as this gives a better understanding and, as a result, a better running of the operations.

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
IN %					
Locally hired	33%	96%	45%	95%	63%

**204-1 PROPORTION OF SPENDING ON LOCAL SUPPLIERS**

The food, confectionery and catering category (which represent 18% of Dufry 2019 global sales) has by large the largest proportion of their global procurement budget spent on local providers, with approximately 60%. This is followed by the Wine & Spirits (17% of the 2019 global sales), with 20% of their budget spent on local brands, and the Luxury category (13% of 2019 global sales), with 19% of their budget spent on local providers. Tobacco goods (11% of the 2019 global sales) accounts for 2.5% while Perfume and Cosmetics (32% of the 2019 global sales) spends approximately 1.5% on local providers.

**401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER**

Note that Dufry operates in airports that have a very marked seasonal pattern and traffic, especially in Division 1 (Europe & Africa) and Division 4 (Central & South America). Over the summer season – from April until October – these airports concentrate over 80% of the annual traffic. Staff is hence reinforced over each summer period. Wherever possible, Dufry employs the same staff year after year. However, these seasonal employment contracts are accounted as new hires in the table below and therefore also impact the turnover figures.

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
<b>HEADCOUNTS</b>					
New Hires	37	3,409	1,824	3,104	1,208
Male	15	1,238	667	1,066	507
< 30 years	4	669	385	589	272
30 – 50 years	10	481	258	354	215
> 50 years	1	88	24	123	20
Female	22	2,171	1,157	2,038	701
< 30 years	8	1,070	627	1,085	387
30 – 50 years	12	887	500	701	290
> 50 years	2	214	30	252	24
<b>IN %</b>					
New Hires	15%	29%	35%	30%	16%
Male	13%	31%	33%	32%	17%
< 30 years	2%	6%	7%	6%	4%
30 – 50 years	8%	12%	13%	11%	7%
> 50 years	1%	3%	1%	4%	1%
Female	18%	28%	37%	29%	15%
< 30 years	7%	14%	20%	15%	8%
30 – 50 years	13%	20%	18%	12%	7%
> 50 years	8%	7%	9%	19%	8%
<b>HEADCOUNTS</b>					
Employee turnover	58	3,331	1,239	6,532	899
Male	29	1,144	499	2,224	439
< 30 years	9	569	292	1,228	222
30 – 50 years	19	478	191	712	155
> 50 years	1	97	16	284	62
Female	29	2,187	740	4,308	459
< 30 years	9	1,054	397	2,318	226
30 – 50 years	19	854	315	1,449	167
> 50 years	1	279	28	541	66
<b>IN %</b>					
Employee turnover	24%	29%	24%	63%	12%
Male	24%	29%	25%	67%	15%
< 30 years	129%	71%	37%	125%	20%
30 – 50 years	22%	22%	18%	59%	9%
> 50 years	4%	10%	11%	26%	23%
Female	24%	28%	24%	61%	10%
< 30 years	50%	70%	32%	124%	14%
30 – 50 years	25%	21%	19%	55%	6%
> 50 years	4%	13%	13%	21%	17%

**402-1 MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES**

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
<b>IN WEEKS</b>					
Minimum notice period	12 Weeks	3 Weeks*	7 Weeks	2 Weeks	4 Weeks

\* There is no such a requirement/information not available for Greece and Uruguay.

**403-1 WORKERS REPRESENTATION IN FORMAL JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES**

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
<b>IN %</b>					
Staff represented in H&S committees	88%	65%	n/a	2%	2%

Health & Safety applicable legislation changes from one country to another. And while in operations like Spain or the UK, 100% of the staff is covered by a joint management-worker committee, in others, like Greece or Brazil, the work done by this committee is outsourced and covered by a third-party company. There is not such a committee in our North America operation.

**403-8 WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM BASED ON LEGAL OR RECOGNIZED STANDARDS**

	HQ		DIVISION 1		DIVISION 2		DIVISION 3		DIVISION 4	
<b>ABSOLUTE / IN %</b>										
Employees and workers who are not employees, covered by the H&S system	240	100%	12,341	106%	1,984	38.57%	n/a	-	7,392	96.43%
Employees and workers who are not employees, covered by the H&S system that has been INTERNALLY audited	-	0%	6,687	57%	1,850	35.96%	n/a	-	3,716	48.47%
Employees and workers who are not employees, covered by the H&S system that has been EXTERNALLY audited	-	0%	6,445	55%	-	0%	n/a	-	4,649	60.64%

\* Division 1 only includes Morocco from Dufry operations in Africa. Division 2 only includes Armenia, Kazakhstan, Russia and Serbia. In Division 3 (North America) there is not such a H&S committee as previously indicated, hence, no information is reported for this indicator.

**404-1 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE**

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
<b>HOURS OF TRAINING</b>					
Total average	22.6	12.4	87.2	1.5	36.7
Male	21.0	13.4	77.6	1.5	29.6
Director / Top management	20.5	11.9	5.0	1.9	19.7
Admin & Professional	21.2	20.6	23.8	1.0	17.5
Sales & Ops Managers	-	21.8	120.8	2.5	26.2
Sales & Ops Staff	-	10.9	89.9	1.5	33.7
Female	24.3	11.9	93.4	1.6	41.3
Director / Top management	20.5	5.5	-	1.8	19.2
Admin & Professional	24.8	17.8	32.2	1.2	18.6
Sales & Ops Managers	-	23.5	163.9	1.5	24.2
Sales & Ops Staff	-	10.6	95.4	1.6	46.2

\* training hours in Division 2 (Asia Pacific and Middle East) are over the global average due to new operations, which resulted in higher training hours of our sales staff. In Division 3 (North America) a different system and criteria for tracking training hours have been applied, resulting in lower training hours than the average. Information will be harmonized for next year.

#### 404-3 PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
IN %					
Total	100%	100%	100%	100%	100%
Male	100%	100%	100%	100%	100%
Office managers	100%	100%	100%	100%	100%
Office staff	100%	100%	100%	100%	100%
Sales & Operations managers	100%	100%	100%	100%	100%
Sales & Operations staff	100%	100%	100%	100%	100%
Female	100%	100%	100%	100%	100%
Office managers	100%	100%	100%	100%	100%
Office staff	100%	100%	100%	100%	100%
Sales & Operations managers	100%	100%	100%	100%	100%
Sales & Operations staff	100%	100%	100%	100%	100%

#### 405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
IN %					
% male	48%	34%	39%	45%	35%
% female	52%	66%	61%	55%	65%
% minority groups	N/A	0.5%	1%	50%	94%
% < 30 years	11%	19%	40%	7%	10%
% 30 – 50 years	70%	55%	53%	59%	61%
% > 50 years	19%	26%	7%	34%	29%

#### 406-1 INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN

	HQ	DIVISION 1	DIVISION 2	DIVISION 3	DIVISION 4
# OF INCIDENTS					
Total number	0	6	0	3	0
Remediation plans implemented	0	1	0	0	0
Remediation plan implemented and under supervision	0	0	0	0	0
Incidents no longer subject to action	0	5	0	3	0

#### 410-1 SECURITY PERSONNEL TRAINED IN HUMAN RIGHTS POLICIES OR PROCEDURES

Dufry does not employ in-house security personnel of its own. This is largely due to the fact that its retail stores are overwhelmingly located in airports, railway stations and on cruise lines (96% of 2019 global sales), where security is already strict and generally provided by the airport authority or cruise line itself. To the extent that security personnel are required and are contracted, Dufry expects its security service contractors to act in a manner consistent with local and national laws as well as with applicable human rights standards. Dufry outsources this service to trustworthy providers, regulated by local governments and with a reputable track record of services, including the respect for human rights. We have not recorded for the period any case of human rights or abuse by the security personnel hired by Dufry.

#### **416-1 ASSESSMENT OF THE HEALTH AND SAFETY IMPACTS OF PRODUCT AND SERVICE CATEGORIES**

We are committed to ensuring that every product we sell is safe. Our procurement teams focus on preventing issues occurring by sourcing products from a reliable supply base. Dufry does not sell own-brand products.

Some of the products that Dufry sell are heavily regulated – especially alcohol and tobacco but also beauty and food. Dufry complies with all regulations and rules related to the products sold in the countries where it operates.