Dufry is a global travel retail operator with over 2,400 duty-free and duty-paid shops in airports, cruise lines, seaports, railway stations and downtown tourist areas. We employ over 31,000 employees (FTEs) across the 65 countries where we hold operations and represent in our stores over 1,000 different global and local brands. Dufry is part of the Swiss Market Index MID (SMIM) on the SIX Swiss Exchange and has a balanced share of large and small shareholders.

Dufry is aware that the impact of its operations goes far beyond its financial goals and is fully committed to contribute to the travel retail industry and the society. Understanding the effects our company has on society and the environment is a vital part of achieving our sustainability goals. This sustainability report, prepared following the guidelines of the Global Reporting Initiative (GRI) Standards, Core Option, serves Dufry to assess the impact under the three dimensions of sustainability – economic, environmental and social – and to share with our stakeholders our vision of sustainability. This report is available online and complements the information shown in the sustainability section of our corporate website: www.dufry.com/en/sustainability-dufry

Evolution of our materiality assessment

Dufry started making inroads in sustainability reporting back in 2016 with its first materiality assessment commissioned with Ernst & Young. As a result of this assessment, we disclosed our first Materiality Matrix, which outlines the topics that are relevant to both our stakeholders and our business and, which served to establish our sustainability reporting framework. Following this milestone, we published our first Environment, Social and Governance (ESG) Report in accordance with the Global Reporting Initiative (GRI) Standards in 2017.

The creation of that materiality matrix was a scaled process, which began with the assessment of a number of internal and external sources such as our existing policies and regulations, publicly available materiality assessments of peers and the SASB requirements (Sustainability Accounting Standard Board) as well as the report of the Governance & Accountability Institute. As a next step, we gathered stakeholder feedback, mainly through various internal sources, but also through our role in trade conferences and associations, one-on-one discussions and the on-going dialogue with stakeholders. This, together with the expertise brought from a third party advisor, enabled us to identify a total of 15 topics that we consider most important to our business and to our industry, and that marked the basis of our ESG Report of 2017.

Our vision of sustainability however is not a static one, and every year we review our materiality matrix to ensure it remains accurate and that the information reported is relevant for our stakeholders. In this regard, during 2019 we have revised the social, environmental and economic impacts of our business, and consequently evolved the material topics of our ESG Reporting by including Data Privacy and IT Security amongst the key topics of our reporting. With the addition of Data Privacy and IT Security, the list of topics totals 16, all listed in Dufry’s Materiality Matrix.

Stakeholder interaction and dialogue

Engaging with our stakeholders on a regular basis to understand their expectations, needs and concerns
is part of our ongoing commitment to sustainability. For 2019, the group of relevant stakeholders included in our materiality assessment remains valid, and includes, airports and other landlords, customers, employees, investors (incl. shareholders, bondholders and lending banks), public authorities, suppliers, media and communities.

We interact with our stakeholders in a number of different ways, both formal and informal.
The graphic below shows our interaction with the core ones. Especially remarkable is the interaction with both suppliers and landlords, which permits Dufry to provide superior service to our customers. Known in the industry as the Trinity (airport authorities & landlords, retailers and suppliers), the tight lines between these three groups permit to improve dialogue and mutual understanding between landlords, retailers and suppliers to the benefit of our customers. Beyond the Trinity described above, our employees and investors are the other two key stakeholders contributing to our company’s success.

**DUFRY STAKEHOLDER ECOSYSTEM**

**EMPLOYEES**
(see detailed description on page 91 of this report)

- Good place to work and grow
- Fair and competitive wages
- Support families and communities
- Drive company success
- Talents and skills
- Generate long-term value
- Provide investment opportunity
- Give access to growth industry

**SUPPLIERS**
(see detailed description on page 70 of this report)

- Supply assortment
- Jointly develop marketing initiatives
- Develop new and exclusive products
- Generate revenues for suppliers
- Give access to global window display & market
- Contribute to global brand awareness
- Generate revenues for Dufry
- Insights & trends

**INVESTORS**
(see detailed description on page 74 of this report)

- Give access to global brands
- Secure retail expertise
- Provide Dufry with retail space
- Secure passenger & customer flow
- Award concession contracts
- Create opportunity for savings
- Provide unique shopping experiences & services

**AIRPORT AUTHORITIES & LANDLORDS**
(see detailed description on page 72 of this report)

- Availability of global and local brands
- Generate revenues for landlords
- Provide access to global brands
- Secure retail expertise
- Generate revenues for Dufry
- Insights & trends

**CUSTOMERS**
(see detailed description on page 66 of this report)

- Generate revenues for Dufry
- Insights & trends
- Availability of global and local brands
- Create opportunity for savings
- Provide unique shopping experiences & services

- Drive company success
- Talents and skills
- Generate long-term value
- Provide investment opportunity
- Give access to growth industry
- Good place to work and grow
- Fair and competitive wages
- Support families and communities
- Drive company success
- Talents and skills
- Generate long-term value
- Provide investment opportunity
- Give access to growth industry
- Good place to work and grow
- Fair and competitive wages
- Support families and communities
While the ecosystem on the left page shows the interaction with the core group of stakeholders, Dufry also holds relationships with additional groups of interest, which include:

- **Travel Retail Associations and Industry Bodies** – Dufry is an active member of each of the regional and national associations in the countries and regions in which it operates (see pages 64/65) and is proud to have senior staff members on the Board of the some of the most respected industry bodies – ETRC, MEADFA, IAADFS, ASUTIL or the Duty Free World Council. This gives Dufry a voice in industry debates, ensuring that it plays a proactive role in shaping the industry’s future.

- **Government & Public Institutions** – The relationship with this group is of major importance, as they are the generators and guardians of laws and regulations that circumscribe Dufry’s operating environment. New laws and regulations can have a significant impact on the business and Dufry needs to be aware of any changes and be prepared to influence draft regulations and react to comply as needed.

- **Media** – an important group for Dufry as it permits the company to communicate with some of our main stakeholders. Dufry strives to build strong and close collaborative relationships with media and our communications teams maintain direct and long-term relations with media representatives and influencers and provide them with timely information on a wide range of global, regional and local topics.

- **ESG Community** – comprised of ESG rating agencies and the ESG community in peer companies of Dufry, the relationship with this group of stakeholders permits our company to have a better understanding of the main topics of concern on a global basis and identify areas of improvement on our ESG reporting and communication.

- **Communities and Charities** – As part of its social commitment, Dufry supports many activities in communities in which it operates. Dufry has a particular focus on education, youth development and charities for children and encourages its employees to work as active members at a local level. For detail information, please see our Community Engagement section in pages 102–108.

**A step forward – UN Global Compact**

The path initiated by Dufry in 2016 reached a major milestone in early 2020 when Dufry applied to become a signatory member of the United Nations Global Compact, the world’s largest corporate citizenship and sustainability initiative. As a signatory, Dufry will support the Global Compact’s 10 principles in the areas of human rights, labor, environment and anti-corruption, reinforcing the company’s commitment to responsible business practices on a global basis.

By joining this initiative, Dufry is committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of the company, and to engage in collaborative projects, which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

**IMPROVEMENTS CARRIED OUT DURING 2019**

- Application as Signatory member of UN’s Global Compact (early 2020)
- Strengthened Dufry’s Code of Conduct to make it more comprehensive and detailed
- Increase of breadth and depth of HR data – which now covers 100% of our workforce
- Successful roll-out of our HR employee platform, Dufry Connect, now covering 31,787 employees
- Engagement survey, aligned with our cultural transformation program ONEDUFRY, completed
- Increased number of suppliers have signed our Supplier Code of Conduct
- Successful roll-out of Cybersecurity and IT protection training and communication campaign
- Strengthened governance structure with the implementation of the Lead Independent Director function – and having a board member overseeing Dufry’s ESG strategy and engagement
- Revised and updated materiality matrix
- New channels of employee communications rolled-out
- Completed the setup of our distribution centers and their respective warehouses (Barcelona, London, Miami and Hong Kong) to further centralize distribution of products and reduce emissions
- Active participation in the ACI Europe Climate Task-Force
OBJECTIVES

For Dufry success goes beyond commercial and financial performance and we understand that our business activities also have an impact on the societies of the countries where we operate. Articulated under the three dimensions of sustainability, our long term sustainability objectives remain unchanged. Since 2019, Dufry supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption. In this regard, we are currently in the process of aligning our overall sustainability strategy with these ten principles. There are a number of on-going initiatives geared to achieve a more sustainable business, and these include:

• As the leading travel retailer, we aim to further improve the overall traveler experience – in our shops we welcome customers from over 150 nationalities every day – and initiate growth opportunities that benefit brands, airports and travelers alike. We understand that, by developing attractive shopping environments, we are directly and indirectly supporting the economies of the countries where we operate. Either by employing local staff, sourcing local products or by paying taxes, we support the development of local economies.

• Supporting the local economies through our workforce is another objective for Dufry. This we achieve by providing quality working conditions to our staff and by sharing the expertise and know-how gained by Dufry over the years in different markets, something we have transferred to all our operations through our staff training programs.

• Diversity and inclusion remains an area of focus for Dufry. Our corporate global initiative, women@dufry.com, which we launched in 2016 and which brings together female leaders across the business in a variety of functions and geographies, continued with the mission of ensuring women’s advancement at Dufry. It supports talented women rise to leadership positions within the company, and helps employees to manage work, family and life-balance topics. The goal of this initiative is especially important to give visibility to women that are progressing in the company, as this gives inspiration to others. Other corporate initiatives, such as the talent program (more details available in the Social section of this report), strive to incentivize women’s progression within Dufry.

• The ongoing development of a fair compensation and of the gender pay gap reduction program remained an important part of our efforts in 2019. Through different initiatives across locations such as the UK (one of Dufry’s largest operations) and Switzerland, compensation schemes where analyzed and remediation plans established if needed.

• Fostering dialogue with employees is a vital part of our strategy, based on the understanding that our staff are our most valuable asset. In 2019, we conducted a new wave of the Engagement Survey with the participation of 25,213 Dufry employees – representing 73 % of our workforce. This was the first survey after the roll-out of the global corporate initiative ONEDUFRY, aimed at harmonizing our corporate culture and values. It served to measure the level of assimilation of the program and the level of adoption of the drivers allowing Dufry to succeed in creating a great place to work and to drive results. Follow up meetings and plans to improve engagement are now being put in place and will continue over next year.

• Continue our plan to monitor our Supply Chain sustainability and include additional suppliers to acknowledge our Supplier Code of Conduct.

• Ongoing evolution of our ESG strategy: The implementation of the Lead Independent Director function strengthens our governance structure at the highest level. Amongst other attributions the function oversees the further evolution of the ESG strategy.

Further details on these topics can be found under the headings of the respective dimensions on the subsequent pages, as well as on pages 66 – 68 for customer and privacy related topics.
ECONOMIC DIMENSION

- Create a sustainable and profitable company.
- Foster customer satisfaction and shopping experience to trigger their recognition.
- Support local economies by buying local goods and services, paying local taxes and employing local staff.

ENVIRONMENTAL DIMENSION

- Minimize our environmental impact by operating an integrated and efficient logistics chain to transport products.
- Reduce our waste and energy consumption.
- Support our landlords in their initiatives to protect the environment.

SOCIAL DIMENSION

- Maintain quality work environments for our employees.
- Responsible procurement practices.
- Support the communities in which we live and work.
Dufry operates in an industry that has shown solid and resilient growth in the last decades - and which is expected to continue to grow going forward. According to Generation Research, a travel retail market research specialist, the travel retail industry had a market value of USD 79 billion dollars in 2018, a 13% increase on 2017, and it is expected to reach USD 116 billion in 2023.

Within this prospective business environment, Dufry follows a strategy of sustainable and profitable growth - see also our focus story on pages 30 to 37 - in order to secure a sustainable development for the company and all its stakeholders.

Creating the best shopping experience
2019 has been a key year for Dufry for establishing solid foundations for the future business. The two main programs that Dufry rolled-out and adopted during 2018 and 2019 - our unified way of operating the business (Business Operating Model) and the cultural transformation program ONE DUFRY - together with the digitalization of our operations and refurbishment of over 41,600 m² of our retail space in 2019 alone, has enabled Dufry to start a new growth phase rooted in the core of our business: retailing.

In renewing its stores Dufry pays special attention to creating a strong sense of place, linking the shopping environment to the country’s cultural heritage, where they are located. The powerful combination of state-of-the-art store designs with local motifs, together with a curated selection of local products on offer that are acquired from local suppliers, results in unique shopping spaces that enable customers to experience a full cultural immersion in the destination.

As the leading travel retailer and as reflected in our corporate brand statement, WorldClass.WorldWide, our ambition is to create the best possible shopping environments to capture the interest of travelers and to generate selling opportunities. That's what has to be the main pillar of our future growth. We closely cooperate with airport authorities and brand suppliers for store design, passenger flows and allocation of commercial space. This collaborative work results in improved passenger services, as well as more visibility and opportunities for brands. Testament to this collaboration, and just as a remarkable example, is Heathrow Airport in London, where Dufry operates a large proportion of the stores. In 2019 again, Dufry’s retail offer in Heathrow has been recognized by Skytrax, winning the accolade for Best Airport Shopping in the world for the tenth consecutive year. Milan Malpensa, where Dufry has operated stores for years, was also in the Top 10 of this award, which began in 1999 and the 2017 – 2018 edition of the Skytrax award survey gathered the opinion of over 13.73 million airport users. For the more detailed aspects related to our customer services and approach, please refer to the Customer Section on pages 67/68.

Excellence in retailing
In 2019, we have consolidated our commitment towards digitalizing our shopping experience. We continued increasing the number of “New Generation Stores” - a digitalized shopping environment that enables Dufry to showcase its 360° Digital Strategy by making extensive use of digital technology - to elevate customer engagement to the next level. This facilitates the communication with the most relevant nationalities of passengers in their own language and addressing the individual preferences of the different profiles. In 2019, Dufry inaugurated New Generation Stores in Buenos Aires, Amman, Alicante and Malaga, taking the total number to 13.

The digitalization process within the stores however is not restricted to New Generation Stores and in 2019 we have seen a significant increase in the use of in-store
digital tools, with the adoption of Sales Tablets in many of our operations (111 locations in 30 countries, mainly in duty-free and larger departure walkthrough stores). Sales tablets enable staff to give our customers a more personalized shopping experience, adjusting the offering to their specific preferences and needs. They also provide our staff with additional product information and details of additional products to complement or enhance the purchase of our customers. A further level of customization of our service is achieved when tablets are used in conjunction with other Dufry digital services, like RED by Dufry. This is the company’s loyalty program (available in 236 locations across 46 countries) that allows Dufry to understand customer’s preferences and engage in a conversation with them before they even get to the airport, by providing information relevant to the customer – connected to their airport of departure and featuring a curated selection of offers adjusted to that customer’s profile. Reserve & Collect is another component of Dufry’s digital marketing strategy. It’s a service available in 170 locations in 44 countries, which allows our customers to plan their shopping ahead of their trips.

Superior customer service however is not only achieved through the use of the latest technologies and engaging in-store communication. In 2019, Dufry started a comprehensive program – called Retail Excellence – which involves revisiting what we do in store, with the sole objective of enhancing our customer service through a more effective interaction with our customers. This program includes a number of operational initiatives including empowerment of teams through strong leadership, staff planning and improvement of our salesforce capabilities.

Industry recognition
Our ongoing goal to develop state-of-the-art shopping environments and new services is also being recognized by the industry and sets new standards. Today, Dufry has a proven track record in delivering successful shopping concepts, specialized stores and marketing activations and some of the latest awards gained by Dufry include the 2018 and 2019 Moodie Davitt Report’s Dreamstore Award for both our Collection and Sunglasses stores in Heathrow Terminal 5. The coveted Dreamstore award is based on ratings of the world’s travel retailers by the world’s brand owners.

Also this year, our Zurich Airport team was awarded the “Best Dedicated Sunglasses Sales Team” in the Sunglasses Vision 2020 & Awards. This category initiative is co-sponsored and judged by leading sunglasses suppliers and it aims to “reward excellence in sunglasses retail, shining the spotlight on the most progressive travel retailers in one of the channel’s consistently fastest-growing categories”. Also in Zurich, Lindt & Sprüngli Travel Retail and Dufry’s new Chocolate Boutique was awarded in the 2019 DFNI Awards in the category “Best New Store”.

A detailed list of the awards won during 2019 is available under www.dufry.com/en/company/our-awards

Stakeholder Value Allocation by Dufry in 2019
The stakeholder value allocation corresponds to corporate output less third-party inputs. The calculation is based on Dufry’s EBIT plus personnel costs. It does not comprise of values allocated to business stakeholders, such as suppliers and landlords.

The value allocated reached CHF 1,676.1 million in 2019 (CHF 1,544.4 million in 2018). Out of this amount, CHF 1,243.3 million was accrued to our employees in form of remuneration and social security payments. CHF 348.7 million were interest expenses as payments to our bondholders and lending banks. Income taxes to public authorities and communities in which the group companies are located amounted to CHF 78.2 million. In 2019, the Board of Directors proposed to the Annual General Meeting 2019 the payment of a CHF 4.00 dividend per registered share for the 2018 business year, resulting in a total amount of CHF 199.8 million returned to shareholders. Further details of the dividend strategy can be found on page 74.
Anti-corruption and anti-competitive behavior
Corruption is a worldwide phenomenon, which is considered to be the cause of many negative economic, social and environmental impacts. From a business perspective, corruption distorts the functioning of the market and undermines governance institutions and in general, the rule of law.

The subject of corruption is of considerable importance to Dufry as the Company expands its operations to many countries with elevated corruption levels and participates in many public procurement processes to bid for airport, seaport and other concessions around the globe each year.

Dufry prohibits bribery and corruption at all times and in any form. We believe that in order to remain a solid business leader, all business must be conducted ethically and in full accordance with all applicable laws, rules, and regulations. Dufry requires all of its employees, officers and directors to behave at all times with honesty, ethics and within the confines of applicable law and in full compliance with Dufry’s Code of Ethics, Sustainability and Integrity in Business Transactions Policy (“Code of Ethics”). Where laws, rules or customs exist that are different from the principles set out in the Code of Ethics, Dufry employees, officers and directors are required to follow whichever sets the higher standard in this regard.

Dufry also wants its employees, officers and directors to fully respect the safeguarding of integrity and fair dealing when performing their activities on behalf of Dufry and to promote the sustainability, diversity, decent work, human rights, zero tolerance to harassment and discrimination standards adopted by the Dufry Group as set out in the Code of Ethics.

Dufry’s Code of Ethics outlines the types of conduct which are not permissible and imposes strict rules in relation to charitable contributions and sponsorships, as well as gifts, hospitality and entertainment expenses, and facilitation payments to minimize the risk of corruption. In addition, the rules require careful due diligence to be conducted on external partners Dufry is working with, including a procedure that must be followed to vet all new joint venture partners, consultants for business development projects, counterparties to M&A transactions and other similar counterparties.

Dufry also conducts compliance training of employees, officers and directors, as applicable on an ongoing basis. These training sessions reflect the ongoing changes introduced in our Code of Ethics, Sustainability and Integrity in Business Transaction Policy. Dufry’s Compliance Department regularly evaluates the content of Dufry’s training on Compliance and Corporate Policies. The efforts of the Compliance Department are fully coordinated with, and supported by, the CEOs of each Division and the respective HR departments, who help identify the individuals, including new hires, who should receive the training.

Dufry properly investigates all complaints and prohibits retaliation or discrimination against any employees, officers and directors who report a concern made in good faith. Since 2018, two new Group-wide reporting channels have been initiated to go alongside the email reporting channel compliance@dufry.com: (1) a worldwide, toll-free hotline in 9 languages (English, Spanish, Portuguese, French, Italian, Mandarin, Russian, Greek and German) also accessible via local dial-in numbers for all countries in which Dufry operates; and (2) the online reporting website www.dufry-compliance.com. These reporting channels, run by an independent third party, ensure the integrity of such investigations by acting as a centralized contact point through which any wrongdoing or corruption concern can be reported directly to the Compliance Department for further investigation. Unless the report is made anonymously, the identity of any employees, officers and directors reporting such concerns or possible violations of Dufry’s Code of Ethics is kept strictly confidential, unless the disclosure of the identity is required by law.

Approximately 5,000 managers have been trained in total since the training started in 2012, most of them more than once. These individuals have been selected based on the following criteria:

1. Community heads at Headquarters (Finance, Treasury, Procurement, Business Development, Internal Audit, HR, IT, Commercial, Marketing, Customer Service);
2. Heads of all Divisions;
3. Local managers with exposure to business development, external partners and third-party contractors;

<table>
<thead>
<tr>
<th>DIVISION</th>
<th>Total Number of Managers trained / retrained in 2019</th>
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<tbody>
<tr>
<td>HQ</td>
<td>235</td>
</tr>
<tr>
<td>Europe &amp; Africa</td>
<td>327</td>
</tr>
<tr>
<td>Asia Pacific &amp; Middle East</td>
<td>108</td>
</tr>
<tr>
<td>North America</td>
<td>122</td>
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<tr>
<td>Central and South America</td>
<td>127</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>919</strong></td>
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</tbody>
</table>
4. Managers with exposure to procurement negotiations;
5. Managers with exposure to government officials such as airport authorities, customs or other public authorities;
6. Managers with signatory power or appointed as directors or officers of a Dufry Group subsidiary;
7. Investor Relations managers;
8. Members of the Legal and Governance Department;
9. Members of the Internal Audit Department, Loss Prevention and ERM department;
10. HR managers worldwide.

As reflected in the table on page 86, during 2019, over 900 managers at Headquarters and across all Divisions have completed this training.

Dufry employees, who are not included in the list above, are familiarized with Dufry’s governance and corporate policies via a series of videos available through various internal channels, including the Group’s intranet – Dufry Gate, the learning management system; Dufry Connect and its in-house television channel Dufry TV, among others. New employees, officers and directors are provided with a copy of the Code of Ethics when they join Dufry and are required to acknowledge acceptance of its terms in writing. Additionally, Dufry employees, officers and directors have access to all of Dufry’s compliance and corporate policies, including its Code of Ethics on Dufry Gate for their reference.

**Monitoring and control**

Dufry adopts a risk management model based on three levels. This model is applicable to all subsidiaries of the Group. The company is supported by an Enterprise Risk Management software tool called GRC (Governance, Risk and Compliance) that allows a comprehensive identification and management of potential risks that may affect the business.

**First level** – The commitment of Dufry and all its subsidiaries with integrity and transparency begins with its own staff. Dufry requires all its employees, officers and directors to act at all times in accordance with the provisions of the Code of Ethics. The latter describes the types of behavior that are not allowed and imposes strict rules regarding the operation of the business.

In addition, the rules require each employee, officer and director to perform due diligence and carefully assess new external partners with whom Dufry is working, including a procedure to be followed to examine all new minority partners, consultants for business development projects, partners for transactions & M&As and similar counterparts.

**Second level** – There are different governance functions across the organization including the Compliance, Legal, Finance and Human Resources departments in charge of monitoring the main risks and establishing the most appropriate controls to mitigate, as well as ensuring compliance with the policies and procedures of the group. The scope of the Compliance and Corporate Governance function is based on the following pillars:
- Review and compliance with the set of global company policies
- Establishment of the overall framework of approvals of the group and establishing a policy of “four eyes” for validations
- Training, both for the members of the staff identified with greater exposure to risk and for the rest of the employees
- Global corporate risk management
- Creating internal communication channels to ensure the integrity of the compliance program

**Third level** – The Group’s Internal Audit provides independent and objective monitoring and consulting services designed to add value and improve the operations of Dufry. This function covers all subsidiaries and applies a systematic and disciplined approach to evaluate and improve the effectiveness of governance processes, risk management and control, including the possible commission of fraud and how the organization manages fraud risk. The main risks identified in the course of internal audits are reported to senior management and the Audit Committee of the Board of Directors, and its status is updated periodically until resolution or acceptance by the governing bodies.
Dufry operates over 2,400 retail stores across 65 countries, where it sells products sourced from over 1,000 suppliers. For information on our divisional structure, countries and major locations covered by each Division please refer to pages 48 to 65. All the stores operated can be categorized into one of five types, which are explained on pages 38 to 47. Considering that the vast majority of our shops is located in premises and buildings owned by third party landlords such as airports or seaports, ships, train stations, and downtown resorts, one of our key environmental strategies is to support and align with our landlords in the implementation of their initiatives to protect the environment.

Environmental management
As a pure retailer, the company does not have any production sites. However, Dufry consumes materials in several parts of its supply chain, from materials used to build stores and boxes, pallets used to transport products as well as office supplies and carrier bags given to customers with every sale.

Dufry is committed to implementing the precautionary principle in activities that may pose an average negative environmental impact and to promote initiatives that respect the environmental balance, and has the ambition that the environment is a collective concern involving both managers and employees. In this regard, especially in the area of development of shops, Dufry seeks innovative solutions that use less energy thus contributing to the fight against climate change and safeguarding biodiversity. We also work to continuously optimize the supply chain to reduce transport of goods and thus contribute to reducing our CO₂ footprint.

Streamlining distribution and transportation
During 2019, and as key element of our Business Operating Model, Dufry completed the process to further improve its organization of the supply chain with the implementation of One Order. One Order is an internal procedure which aims to simplify our supply chain by further centralizing logistics and warehousing. This process is permitting Dufry to benefit from reduced operating costs and administrative tasks and to reduce the environmental impact of the supply chain and distribution processes. Dufry now operates four major warehouses located in Barcelona (Spain), serving Europe, Africa, the Middle East and Russia; Runnymede (United Kingdom) for the UK market; Hong Kong, serving Asia and Australia, and a forth one in Miami for our operations in the US, Canada as well as in Central and South America. These main logistics centers receive main shipments and further distribute products to different operations. Through the high efficiency in our logistics chain, we ensure that the environmental impact of transporting the goods is kept to a minimum.

CO₂ emissions
Reducing CO₂ emissions is one of the concerns of Dufry. Whenever possible, the freight is carried by sea, and we aim to consistently select the most efficient means of transport in terms of CO₂ emissions.

Through the reconfiguration of products in our Distribution Centers’ global and regional logistics platforms, we reduce inter-company transports to the minimum. Distribution to individual stores is generally carried out by road, and Dufry outsources transport logistics to national and international specialized partners, some of which have implemented their own environmental strategies.

Among other actions to reduce CO₂ emissions in the area of business, we advise our employees to consider alternatives to travel, such as the use of virtual meeting systems (videoconferences, teleconferences, computer live meetings, Skype for business etc.) or reducing travel
frequencies by optimizing each trip. In addition, Dufry encourages employees to use public transportation not only for business, but also for their daily trips to and from work. In specific locations, the company provides contributions to employees who use public transport for commuting.

According to the association Airport Carbon Accreditation (airportcarbonaccreditation.org), the airport industry accounts for approximately 5% of total carbon emissions from the sector of air transport. The organization, launched in 2009, currently has 288 airports accredited to the program, distributed in 70 countries worldwide, representing 42.5% of the global air passenger traffic.

Airport Carbon Accreditation has 4 levels of accreditation (Mapping, Reduction, Optimization & Neutrality), depending on the efforts carried out by airports. In order to achieve the Optimization accreditation, airports need to actively engage with airport stakeholders, as they need to develop a more extensive carbon footprint to include specific scope 3 emissions and the formulation of a Stakeholder Engagement Plan to promote wider airport-based emissions' reductions. In many cases this involves Dufry as we are the operator of airport stores.

In 2019, according to background information from Airport Carbon Accreditation, 54 of these airports, including some prominent airport hubs, have achieved the optimization level and 61 airports, representing 10.2% of the global air passenger traffic, achieved the highest accreditation (carbon neutrality), which requires offset of CO₂ emissions. Considering both of the groups - Optimization and Carbon Neutrality - Dufry operates stores in 38 of the 115 airports, including Zurich, London Heathrow, London Gatwick, Abidjan, Dallas Fort Worth, Stockholm and Queen Alia Airport in Amman, Jordan.

**Supporting ACI Europe’s Climate Task Force**
To align its internal ESG strategy and initiatives, with the efforts undertaken by the airport industry, Dufry has joined the ACI Europe Climate Task Force created in 2019 and actively participates in the development of related strategies, goals and initiatives.

**Waste and Recycling. Circular economy**
Avoiding any waste in the first place or recycling it, if it occurs, is an effective way to save valuable resources. In our warehouses, packaging materials, which mainly consist of cardboard, paper, plastic film, wood as well as electronic and plastic consumables such as neon lamps and PET, are sorted into different containers and sent for recycling. The recycling process is outsourced to specialized service providers.

In the shops, the waste produced by our operations is mostly packing material handled through the landlord’s waste disposal system and recycled accordingly where possible. Dufry actively collaborates with the airport’s sustainability teams where possible, as is the case at London Heathrow airport, to contribute and further improve recycling systems and/or reduce energy consumption. In other operations, such as Spain, we are taking measures to reduce single-use plastics and we have started to replace the roll containers used to move products from warehouses to the stores - which have a metal base and two metal sides needing plastic shrink wrapping for the safe movement of goods - with new models that include closures on four sides and top, hence drastically reducing the consumption of the plastic film needed for the covering. Although there is not a common process across the locations, in our largest operations, the recycling process is normally outsourced to specialized service providers.

With regard to cartons and pallets used to transport and protect products, Dufry guarantees that these are reused as much as possible and consequently consumption of new resources is also reduced.

The reduction in the consumption of shopping bags is another area where Dufry is seeking sustainable solutions by replacing traditional plastic bags with reusable bags and/or advising its retail staff to ask customers if they need a bag at all. Dufry increased its bag assortment to several sizes so that packaging relevant to the size of the products purchased is used, thus reducing overall plastic consumption. As a result, we have observed a decrease in the number of bags used per transaction in our main operations in recent years. Investigating alternatives to reduce the number of bags and the impact of each individual bag is however an ongoing improvement objective for Dufry. In this regard, Dufry is in compliance with different regulations to reduce the consumption of plastic bags, especially in our European Union operations which prohibit the free of charge distribution of plastic bags to consumers in retail outlets.

Lastly, in our offices, the reduction of paper consumption is one of our ongoing challenges. Dufry has put in place local initiatives to reduce paper and other office material consumption, including tips to reduce the amount of paper used such as printing double sided, avoiding the printing of the legal text on the bottom of emails, and encouraging people only to print when necessary. The adoption of IT solutions, such as Dufry Con-
nect, which is being rolled-out to staff across all locations, is also helping to reduce the amount of paper used in the day-to-day work of our staff.

**Energy consumption**

For the most part our travel retail shops are operated in premises and buildings owned by third party landlords such as airports or seaports, ships, train stations, and downtown resorts. Thus, a large portion of the utilities’ consumption, such as energy or water sourcing and usage in the shops cannot be directly changed or influenced by Dufry, as these factors are predetermined by the landlords and the building construction.

The highest influence in energy efficiency can be taken when Dufry is designing or re-designing stores. As public spaces, airports have to provide well-lit facilities and naturally this is a substantial part of their energy consumption. The main focus thereby is on substituting traditional lighting for more energy-efficient lighting systems (e.g. LED) on ceiling and furniture displays, and on using A-rated electronic devices (e.g. air conditioning, refrigerators) in our stores, resulting in a significant drop in the energy consumption (and associated CO₂ emissions). The same concept of using the latest energy-efficient technologies also applies for our Basel headquarters, division offices and the regional operation centers.
Socio-Economic Compliance
Having operations in 65 countries also means complying with different national and supranational regulations as well as maintaining an active dialogue to foster an ongoing stakeholder and social engagement. For this reason, from a global perspective, Dufry’s position towards regulations necessarily needs to go beyond the compliance and statutory requirements of the norms and have a more holistic and broader approach. In this regard, Dufry has a number of initiatives and control mechanisms in place that permit the company to monitor and ensure compliance with national and international laws and follow respective ethical standards.

Supplier Social Assessment
Dufry is aware of its responsibility beyond its own direct activities and strives to ensure that suppliers of goods and services behave responsibly towards society and the environment. To ensure this, Dufry expects suppliers and business partners to comply with the law, stipulated contract conditions and international best practices in respect of human rights, the environment, health and safety and labor standards.

As a step forward towards achieving a more sustainable supply chain, in 2017 Dufry developed its Supplier’s Code of Conduct, with the purpose of ensuring that our suppliers across all product categories have in place accepted business standards, as described by the UN Global Compact, regarding:
- Ethics and integrity
- Labor and employment practices and working conditions
- Environmental compliance and sustainability
- Product safety and security

This code of conduct, together with the Dufry Code of Conduct – both of them available on the sustainability section of our corporate website and which was updated in 2019 to reflect developments in law, regulation and professional ethics, as well as our enhanced commitment to a more sustainable business – and the Corporate Governance and Remuneration reports included in the annual report, demonstrate how Dufry assumes its responsibility concerning social, ethical and environmental standards and how we put into practice the principles of sustainable development in our day-to-day work.

We expect all of our suppliers and business partners to comply with the principles included in Dufry Supplier’s Code of Conduct, and ultimately to replicate these standards further down their supply chain. In 2019 we continued our effort to proactively share the Code with additional suppliers from all product categories. The Supplier’s code of conduct has now been shared with suppliers accounting for approx. 42% of our sales. Out of the suppliers reached, we have received acknowledgement of our code from 84% of them. During 2020 we are committed to keep extending the reach and engage with more of our suppliers.

Customer Privacy and IT Security
Dufry is committed to safeguarding the privacy of its customers whose personal information Dufry may have access to. Dufry has implemented the necessary management and IT Security systems to treat any customer’s personal information as confidential, securely store such personal information to prevent unauthorized access to it and collect, use and otherwise process it for legitimate business purposes only, and in accordance with the Privacy statement listed on its website and applicable laws.

Dufry offers two website applications that collect some personal information from customers – the Reserve & Collect service and a loyalty program called RED by Dufry. These customer engagement channels
**EMPLOYEES BY DIVISION**

- **NORTH AMERICA**: 28%
- **EUROPE AND AFRICA**: 32%
- **CENTRAL AND SOUTH AMERICA**: 23%
- **ASIA PACIFIC AND MIDDLE EAST**: 15%
- **HEADQUARTER AND DISTRIBUTION CENTERS**: 2%

**EMPLOYEES BY GENDER**

- **FEMALE**: 65%
- **MALE**: 35%
have experienced an important increase in registered users – reaching over 5 million customers included in the company CRM system by the end of 2019. Some personal information, as well as the personal preferences of these customers is collected during the registration process, so that Dufry can provide a more personalized communication and in-store experience. In 2019, around 4% of Dufry’s global sales collected some identifiable customer data and the company is working towards increasing that share.

**Online transactions**

While Dufry is undergoing a digital transformation of its business and embracing digital technology across multiple customer touchpoints, the company still does not handle online transactions that include payment of goods at its airport locations – exceptions are made for some locations, where respective customs regulations allow for this kind of service. The above mentioned Reserve & Collect service only allows customers to reserve products and collect them at their preferred airport location at the time the customer flies. Normally however, it is not until customers collect the products and show their boarding passes as required, that the payment is processed. This is due to customs regulations that only permit Dufry to sell products at the airport.

**Data protection**

Our Group Data Protection Policy lays out strict requirements for the processing personal data of customers, business partners, employees and other third parties whose personal information Dufry may have access to. It meets the requirements of the European General Data Protection Regulation (GDPR) and globally ensures compliance with the principles of national and international data protection laws in force all over the world, including, amongst others, the Payment Card Industry Data Security Standard (PCI DSS) and the Sarbanes-Oxley Act (SOX). The policy sets a globally applicable data protection and security standard for our company and regulates the sharing of information between our Group companies.

Our employees, as well as third-parties who provide services on Dufry’s behalf, are required by policy and process, as well as by contract, if applicable, to treat customer information with care. Our processes are designed to preclude unnecessary access to confidential information and Dufry has administrative, technical and physical safeguards that reflect this obligation. Dufry regularly reviews and enhances procedures and policies.

Moreover, the Group also undertakes internal Data Protection Audits and intrusion tests, while quarterly meetings are held to discuss and improve the protection of customers’ personal data. Anyone wishing to report a grievance or ask a question regarding Dufry’s data privacy policy, or to access, delete, correct, or transfer his or her personal information can address such subject data requests to privacy@dufry.com.

In 2019, Dufry did not report any incident regarding a breach of customer privacy.

**IT Security**

Dufry is continuously monitoring, reviewing and upgrading its processes to protect its business from potential cybersecurity threats. At a global level, Dufry has a Global IT Security Team, led by the Global IT Security Head that is responsible for keeping IT threats away from Dufry’s business, understanding emerging threats and investing in the necessary technology to mitigate potential new risks.

In this regard, Dufry has a number of systems and security processes in place, including a robust IT security system, and a number of internal policies and procedures in compliance with applicable laws and regulations and which are included in the Global Information Security Policies.

Dufry performs regular test of its systems and takes several measures to improve IT security, prevent malware infections and avoid data breaches. Amongst others, Dufry:
- Encrypts customer, payment and any sensitive data and limits access to it
- Keeps software up-to-date by installing updates and security patches implemented as a result of newly discovered vulnerabilities
- Secures Point of Sale (POS) devices and applications
- Performs regular vulnerability testing to identify weaknesses
- Monitors all activity in Dufry’s systems and data for any anomalous activity and indications of threats
- Uses (and promotes amongst its employees) secure passwords and two-factor authentication
- Runs antivirus software continuously, periodically scanning systems for malicious files

Security Awareness Program
As part of the Security Awareness Program, Dufry conducts regular internal communications campaigns and training of all employees regardless of function and location. The content of this communication and training program includes relevant and individual steps towards achieving an IT Secure environment, including:
- Email and messaging management
- Internet browsing
- Mobile Device Security management
- Password safety
- Social engineering awareness
- Social networks awareness
- Safe remote work
- International travel
- Physical IT security
- Protection of personal computer and home network

An organization with over 31,000 employees worldwide
In the past six years, our workforce has increased by 91% from 16,423 employees at the beginning of 2014 to 31,336 people (FTE) by the end of 2019. The two acquisitions of Nuance in 2014 and World Duty Free in 2015 and their timely integrations have not only changed our footprint in the market and have made Dufry the undisputed market leader in travel retail, they have also meant a lot of transformation and integration in terms of our human resources projects.

Overall, our total workforce remained stable during 2019 with 31,336 people (FTE) working for the group at December 31, 2019 compared to 30,264 at year-end 2018.

Across the 65 countries where the company is present, Dufry generates an additional contribution to the wealth of local communities and the society by offering working opportunities to third party employees and consequently generation of additional salaries and tax payments. Our over 2,400 stores are not just shopping windows for our brand partners to showcase their novelties, but also labor opportunities for the over 3,670 people that work in our stores representing these brands and other service providers. From beauty advisors to IT developers, they all contribute to create a WorldClass shopping experience and benefit from accessing a dynamic market and work opportunities.

Caring about our Employees
We encourage our employees to work together with a focus on our customers, our partners and our company’s goals every day. We take pride in the professionalism of our teams, their outstanding commitment to first-class service to our customers, their team spirit and the close collaboration with our business partners. This builds a strong base for Dufry’s ongoing success and makes Dufry a unique place to work and partner with.

The introduction of the ONEDUFRY program, followed by the Retail Excellence project, puts in context the importance that our staff have, especially in the frontline, in helping us to achieve our goals. For this reason, Dufry takes special care in attracting the best retail talents to our team, invests in training and development, equips them with the necessary tools and provides them with working conditions to retain them.

Dufry offers attractive working environments, interesting tasks, fair and competitive wages – which includes incentive plans based on objectives both for office and store staff – and a general working atmosphere based on mutual respect and appreciation for each individual. Some of our locations have been recognized locally for the quality of the working conditions offered. One of the latest examples is our operation in Puerto Rico, recently awarded as Best Employer and Mejores Patrones by Kincentric. These awards recognize leading employers, using the most objective measure possible – employee opinion. It differentiates on people factors which are the key to accelerating success: high employee engagement, profound agility, engaging leadership and a strong talent focus.

We foster employee development by supporting a broad range of both in-house and external training and development opportunities. In 2019, we have revisited our Learning and Development catalogue to meet the developments introduced by ONEDUFRY in 2018 and the launch of our Retail Excellence program. More details are available further below in this report.

A great Place to Work and Grow
We firmly believe that long-term success for employees, as well as for Dufry is achieved by setting clear expectations and challenging goals, together with continuous feedback and a performance-centric com-
pensation. For this reason, we regularly review and discuss the professional development together with employees and link their performance to incentives. Performance reviews are an important aspect to a long-term, successful employer-employee relationship. Therefore, it is important for us to build a constructive dialogue between each individual employee and manager on goals, priorities and personal development. All our staff members receive an annual performance review aimed at evaluating their performance and identifying further personal development potential for next career steps.

The introduction of ONEDUFRY has also led to the global adoption of best practices amongst our sales staff – like the “morning message” for individual briefings on daily objectives, or the daily follow-ups – which are resulting in more focused staff members, with clearer objectives and immediate feedback when results don’t happen in the planned way.

Dufry’s unique cultural diversity
At Dufry we believe that having a diversified workforce is a precious value. Being present in 65 countries and engaging on a daily basis with customers from more than 150 different nationalities, understanding cultural differences is an essential asset to our company and for this reason it is natural for Dufry to promote an inclusive corporate culture that understands and celebrates the differences, be they in gender, age, race, culture, beliefs or creed. Our workforce comprises colleagues from more than 130 nationalities across all functions and Divisions. This has been a consistent situation for many years and we continue to believe that this broad cultural diversity represents a unique competitive advantage. We also view it as a key element in the successful development of our Group and in the implementation of our long-term growth strategy.

For our employees, our company represents a truly international working environment, with colleagues from around the world and interesting career opportunities. The staff in our local shops in each country are predominantly local. Dufry’s presence in 65 countries around the world make us an important employer in many locations, with many of our operations being located in emerging markets. This, in addition to bringing expertise on operating a business, contributes to local development and wealth beyond the community engagement projects (see also page 102).

ONEDUFRY – Transforming corporate culture
ONEDUFRY is the continuation of a cultural transformation process that started after the acquisitions of Nuance and World Duty Free in 2014 and 2015 respectively. The integration of the three companies into one served to extract the best practices and know-how and the ONEDUFRY program was created aimed at harmonizing values and principles, both at store and office levels. The initiative pursues mobilizing our people to focus their minds, hearts and hands on three core domains: driving employee experience, driving customer experience and driving business results. ONEDUFRY focuses on our values and makes them visible anywhere in the 65 countries we are present.

Therefore, ONEDUFRY is aligning training and development programs, appraisals and recognitions programs, competency frameworks, etc. all with the single objective of ensuring a consistent way of operating and fostering the same attitude towards doing business across the different geographies. The roll-out of this program has successfully continued over 2019, reaching all members of our staff – both at offices and stores – through workshops, online and classroom training sessions.

Successful Roll-out of Dufry Connect, our HR digital platform
2019 has been a milestone year for Dufry in the roll out of its Human Resources information system Dufry Connect, a tool that supports HR and line managers to manage people, development and careers at Dufry in a more consistent, automated and efficient way. The system implementation, which started in 2016 with the staff holding Global functions, continued with the roll-out in key operations in the Divisions over the last 2 years. As part of the standardization of processes included in the implementation of the Business Operation Model (BOM), the vast majority of our locations at country and Division levels have been added.

Dufry Connect has the triple purpose of assisting managers in guiding their teams, helping employees to better control their development and professional careers and enabling HR to manage employee data easily.

From a practical standpoint, this tool provides a more consistent approach to processes such as recruiting or performance reviews, replacing the use of excel or paper documents for a more robust online system that can be updated and progressed, as and when needed. Beyond the improved employee management processes, Dufry Connect’s learning feature, the platform’s central point for managing all learning materials, offers staff a library of self e-learning modules categorized by specific roles, or per function, as well as instructor-led courses that permit staff to self-design their training paths and to easily access training.
modules through a web browser, regardless of where the employee is located.

**Talent Management**

Dufry ensures that future and long-term management needs are being addressed by an optimal balance of promoting internal high-level personnel and hiring external talent (for example in new countries where we start operations). Dufry operates a global, systematic process to identify high-potential talent in the organization and to develop them toward key roles in our business model.

**The talent pipeline**

We strongly believe that talent management and succession planning are key activities for a sustainable business. Accordingly, we develop new and existing candidates to get ready for more senior managerial roles and we carry out yearly reviews of the quality of our talent pipeline at two levels:

- The first level concentrates on a limited number of candidates that already have management experience and that will be able to take over one of the senior positions in our organization. At year-end 2019, this pool of talented individuals included 70 high-potential managers. With these managers, we address and safeguard succession in specific key management positions.

- The second level focuses on our stores. Amongst the top-performing store personnel and supervisors, we have identified over 200 “Retail talent” employees as of year-end 2019, on whose development we will focus, in order to ensure a quality store management succession pipeline.

A tangible example of our Talent Program is Jean-Paul Hewlett, Retail Manager in our Dufry Cruises Division, who was one of the eight winners of “Talent of Tomorrow” in the context of the Frontier Awards (the “Oscars” of the Travel Retail Industry): This award recognizes the achievements of young people (under 35) in travel retail and duty-free and who represent the industry’s talent pipeline and next generation of future leaders.

**Training and professional development**

Training of our staff is a critical element in our long-term strategy mainly for two reasons. First and foremost, it enables our staff to better serve our customers, understand their needs and offer quality service. Secondly, learning is an important part of our employee retention policy. We offer our staff relevant training programs that permit them to upgrade their skills and professional development.

Dufry’s training methodology follows the “Four E’s model”:

- Educate (Formal education)
- Experiences (Development)
- Environment (Culture of learning)
- Exposure (Connections with other colleagues and professionals)

At Dufry we strive to exceed customer expectations and develop the best ‘in-store retail experience’ in the industry. Central to any training offered is that the customer experience is at the heart of everything we do. Any new member of our staff, whether that is in a retail, office or warehouse environment, is offered structured training and development which can open up all sorts of career opportunities and that includes:

- **Induction** – everyone who joins Dufry is invited to attend a company induction, giving an insight into the wider business

- **Service Training** – we give new members of our staff the knowledge and skills to be able to provide exceptional service to all passengers and customers who come and shop in our stores

- **Product Training** – training on all sorts of products we sell; this can be in the classroom or online and is often provided by the reputable beauty, liquor and fashion brands who showcase their best-selling ranges in our stores

- **Development Training** – giving our staff skills to develop techniques such as giving and receiving feedback, problem solving and decision making right the way through to the management skills they may require for future roles

**Global Learning and Development programs**

Dufry carries a strong Learning and Development (L&D) portfolio, both at local and global level. During 2019 we have seen an evolution in our learning and development program to meet the requirements, processes and best practices that followed the roll-out of our Business Operating Model, the corporate initiative to harmonize ways of working.

When it comes to global programs, the Dufry Retail Champions Program is the cornerstone of our Learning and Development strategy. This program has been designed to provide our professionals with the tools, knowledge and capabilities they need to perform well in their jobs and develop to their full potential at Dufry, and includes two sub-programs: Retail Champions for Store Associates and Retail Champions for Store Leaders.
In 2019, we completed the delivery of our Retail Champions program for Store Associates to 15,125 sales staff members and also educated new shop floor hires (3,828) on this Retail Champions philosophy across the entire Group in 65 countries. The sub-program for store leaders, which includes sales professionals, shop managers and supervisors in the retail operation, has been running across all Dufry operations in 64 countries and 2,391 store leaders were trained in this sub-program in 2019.

The success of our Retail Champions program partially depends on our ability to transfer know-how and skill to our trainees. In this regard, our Dufry Certified Trainers play a critical role. Dufry Certified Trainers develop new team members by showing and telling, then observing the behaviors, rating hem and giving effective feedback.

Following the philosophy of train-the-trainer to ensure quicker and more efficient cascading of skills and knowledge, Dufry had a team of 1,680 active Dufry Certified Trainers at the end of 2019. This group of trainers receive regular refreshment training sessions to ensure they are kept up to date with the latest developments and with all our internal procedures and any updates to those.

For our managers we offer an extensive portfolio of learning courses on both operational and soft skills. Managers running important segments in our value chain, such as commercial, logistics, procurement, marketing and retail operations, partake in these various learning offerings to achieve company performance outcomes and run the company according to the Group’s performance expectations.

The Management Skills programs launched in 2013 provide our managers with a formal education allowing them to assess their current capabilities and improve their role as a manager of teams. In 2019, 1,415 managers participated in our instructor-led sessions covering several topics from the Management Skills suite such as leadership, team building, negotiation or delegation.

In the Operational Skills program our whole group of leaders are provided with a large range of e-learning pieces and also instructor-led sessions to acquire the required knowledge on our operational business processes, procedures and tools.

**Equal employment**
Dufry fosters a culture of equal opportunity. Our HR policy is to provide equal employment conditions and to offer career opportunities without discrimination to all our employees. We offer and promote working environments where everyone receives equal treatment, regardless of gender, color, ethnic or national origins, disability, age, marital status, sexual orientation or religion. In addition, we adhere to local legislation and regulations in all the countries where we operate. Any kind of child labor or forced labor is strictly forbidden and clear recruitment procedures and regular workplace controls ensure that this never happens at any location.

Anti-discrimination, diversity and ensuring equal opportunities are and have always been important social and corporate issues for Dufry across all locations, especially (but not exclusively) in developing countries. Many locations in which the Group operates still pose challenges to guarantee equality. We monitor those countries closely to ensure we provide equal opportunities to all our staff. As explained in our compliance section, the company has in place whistleblower mechanisms to denounce discrimination cases if they happen (See page 86).

We provide our employees with fair and competitive wages based on an individual’s background and experience, their particular job within our organization, the appropriate market benchmark in the respective countries and locations, as well as her/his performance.

We assess the remuneration structure of our employees on a regular basis to make sure there is no discrimination related to any kind of diversity. In this context, we also proactively engage in an internal forum – Women@Dufry – where we address today’s challenges for women in their work place, in order to ensure that our female employees can fully develop their potential and career opportunities within the company. The forum is represented by selected female executives of the company and HR management and is sponsored by the CEO.

**Equal salary certification in Switzerland**
Dufry became equal salary certified in Switzerland at the beginning of 2019. This certification shows the commitment to a fair and unbiased reward structure, which enables employees to develop and thrive in their careers. The certification process took place in three stages through statistical evaluation, on-site audits and interviews with individuals and panel groups. All phases of the certification process were performed at Basel HQ and the Zurich airport operation and as result, Dufry has been able to demonstrate how management systems, HR policies and processes integrate the dimensions of equal remuneration.
**Freedom of Association and Collective Bargaining**

Dufry respects legally recognized unions and internal forums created to represent their employees’ interests. The Company’s policy on collective agreements is tailored to each location in which it operates, as each location is subject to its own specific laws and regulations. As an example, the current practice in some of the main Group operations is described below:

- In Brazil, there is a collective agreement in place which covers core employee related topics such as salary reviews, general allowances (meal, transport, benefits, etc.), work contract restrictions/special conditions, work shifts, vacations, health and safety, contributions, gratifications, awards and requirements aiming employee’s guarantees.

- Greece also has a collective agreement in place ruling the main employee topics.

- In Spain, Dufry has a collective agreement in place that covers all employees in that country except senior management. The agreement is negotiated between the Company and a committee made up of employee representatives and labor union members and outlines conditions such as salary, holiday days and health and safety in the workplace, among other human resources related matters.

- In the UK, Dufry has an employee forum – “Voice” – made up of staff representatives. This forum was created as a partnership between the company’s management and employees to influence and communicate business change.

- In the US, there are a number of recognized trade unions that Dufry engages with, including Unite Here, Workers United, United Food and Commercial Workers, Teamsters, Newspaper Guild and Culinary Workers.

**Increasing the reach of our Internal Communication**

Building relationship with our staff is key to achieve an engaged workforce. However, the task of communicating with staff is not an easy one. A large proportion of our staff don’t have daily access to emails, hence, our capacity to reach them with business communications is limited.

During 2019, we have introduced technologies to reduce the information gap between desktop and non-desktop staff. The sales tablets are one of these elements, that are permitting a more fluid communication, especially with our sales staff. Following pilots in selected markets, Dufry has now started to roll-out an application called Beekeeper, which empowers employee connection, facilitates workplace engagement, and increases productivity through unified communications. Through Beekeeper, we are sharing with the unconnected members of our staff both information related to our company – such as the content of our internal magazine Dufry World – as well as information related to their day-to-day work (like shifts, product launches, events in store, etc.). The app also features tools for internal chats and communications and the sharing of information in a very similar environment of that of the most known social networks. This latest feature is very popular amongst our staff and permits immediate recognition of successful initiatives and work by our store manager and operations management. Currently, the Beekeeper app connects 21,749 employees, and we plan to finalize the roll-out in 2020.

We have also worked over 2019 to extend the reach of our existing internal communication channels, including Dufry World, our corporate magazine published in 5 languages 4 times a year, the news section of Dufry’s intranet “Dufry Gate”, which is also available as a fully responsive online news channel called “mygate”, and new initiatives such as Dufry TV, a closed TV circuit that brings the latest corporate developments and activity in store into our offices.

**Awards programs**

Employee recognition is an important way to value employee and team achievements. In 2019, and as a continuation of the roll-out of ONEDUFRY, we launched the One Dufry Awards, which recognize excellence and celebrates the success our people worldwide who are dedicated to delivering.

The awards are divided in five categories:

- The Best Leader Story recognizes individuals that have demonstrated the right behaviors and character, and shown exceptional performance in Driving Employee Experience domain
- Best Customer Experience, recognizes the highest scores measured by our Mystery Shopper Survey
- The Best Partnership Initiative Award recognizes an outstanding initiative with a supplier, business partner, landlord or inter-company (or other) that was innovative, well designed, well executed and impactful
- The Best Business Growth Story Award recognizes the greatest business growth stories, including – but not limited to – a new store opening, a new airport/port border/other development, a growth of a product category or a business channel or an existing store that has delivered exceptional growth
- Finally, Best Organic Growth, which recognizes the country with the strongest year-on-year organic growth
Employee engagement
Measuring employee engagement and satisfaction through regular surveys is an important tool to recognize potential for improvements across the Group. Our employee surveys are done systematically over specifically defined cycles. We ensure that the surveys always involve a substantial part of our more than 31,000 employees, and that they are carried out across the world, involve all Divisions as well as the headquarters and, that over a certain timespan, all employees have been involved in a survey. Applying this system results in regular surveys focusing on the action plans.

These kinds of survey are even more relevant for an organization if they are made after organizational changes, as they provide very valuable insight into the employees’ perspective on changes in the organization, their motivation to be productive, how closely they relate to the work culture and mission.

During 2019, Dufry conducted a new wave of its employee engagement survey, which comes after important changes within our organization and ways of working, which included the roll-out of a new business operating model – with unified processes for all operations across our organization – and the roll-out of our cultural transformation program, ONEDUFRY.

Being part of a great team, being part of a great company, having learning opportunities led by inspiring leaders, having career development opportunities, motivation/recognition/reward or internal cooperation are some of Dufry’s drivers that are used in this survey to measure employee engagement. Moreover, this 2019 edition of the survey not only evaluated the general climate in the company, but also the progress made towards ONEDUFRY in general.

25,213 members of our staff – representing 73% of our workforce – took part in the survey, which was carried out by Willis Towers Watson for the vast majority of Dufry and by McLean for our colleagues in Division 3.

Results of the survey were very positive: 75% of our staff responded that they were satisfied working for Dufry (vs. the retail industry average of 63%), and 78% would recommend Dufry as a place to work (compared to 73% achieved in the 2017 wave of the survey).

Employee health & safety and airport security practices
Dufry is strongly committed to providing all staff with a working environment that protects their health, safety and wellbeing.

Workplace safety is a priority and an essential commitment for the company, both in its offices and in stores. The company ensures that all activities are carried out safely and taking all possible measures to eliminate (or at least reduce) the risks to health, safety and welfare of employees, contractors, customers, visitors and any other person who can be impacted by our operations.

The majority of our workforce operates in airport, port, cruise-ship and similar environments, where as a basic prerequisite employees have to comply and follow the respective airport’s, seaport’s or vessel’s safety rules, as these environments are highly regulated. On top of this, Dufry has specific health & safety regulations for its employees, including internal policies and guidelines – both global and local – which may go beyond the legal health and safety requirements.

Dufry strives to achieve high occupational health & safety standards and actively encourages compliance across the whole Group. As a result, Dufry has a number of different Health & Safety Policies throughout the organization. Regardless of the specific requirements of each local legislation, there are certain principles that all these policies adhere to, including:

- Adherence to country, state and local health & safety legislation and any other requirements
- Workplaces as safe and hazard-free spaces
- That employees have the necessary skills and training to perform their duties
- That employees have been informed of the contents of the policy
- That all the elements and protective equipment required for employees to carry out their job safely have been provided
- That the Group has procedures in place in case of emergency

Management of occupational health and safety management processes change from one location to another, with a number of common guidelines that apply to all our operations, including the following:

- All Dufry operations provide information to employees on topical issues and health and safety initiatives, including workers that are not members of our staff but work on our premises
- Health and safety activities are regularly reviewed to ensure issues are effectively managed and improvements are made where necessary. In some of our locations, reviews include employee representation consultations (where appropriate).
- Responsibility for the governance and review of health and safety sits with local operations and HR teams
At airport and seaport environments, we ensure close collaboration with landlord teams to ensure compliance with their own H&S regulation and management process.

**Promoting a healthy working environment**

Ensuring a safe workplace is a duty of all members of our staff. Whilst the joint work of local Health & Safety Committees and HR teams is crucial in identifying potential risks and hazards, workers are encouraged to report to these teams any work related hazards or hazardous situations to management. The same process is used for workers to remove themselves from work situations that they believe could cause injury or ill health. Work-related incidents are investigated and reported to management to ensure remediation plans (where needed) are designed in cooperation with the Health & Safety committees, and implemented, ensuring that processes are duly updated.

Additionally, Health and Safety committees undertake regular worksite analysis to identify risks and hazards. This analysis is aimed to identify existing hazards as well as conditions and operations in which changes might occur to create hazards. Results of these assessments are shared with the local HR teams and management.

The highest incidence of occupational accidents is, of course, among store and warehouse staff. The greatest risks to which Dufry workers are affected include:
- Risks related to material elements, objects, products and constituent elements of machines or vehicles
- Falls at the same level
- Incidents with transport and transfer devices

Training on Health and Safety is critical to promote a safe work environment. We therefore conduct induction sessions with new members of our staff and hold regular training sessions with all of our staff, both in stores and offices, ensuring understanding of the policies and procedures. If needed, this training is extended to workers who are not members of our staff but do work on our premises.

**Airport security practices**

Due to the nature of our business, most of our staff is located in an airport environment, either working in stores, in airport offices and or in airport warehouses. As part of the airport ecosystem, our staff have to adhere to and follow the security principles and processes established at the airport where our stores are located. Most of these regulations and policies are harmonized across the world to ensure consistent levels of safety and consumer protection. Worldwide safety regulations are set by the International Civil Aviation Organization and within Europe by the European Aviation Safety Agency.

In order to work in our stores, members of our staff need to obtain the corresponding airport authorization, which in most cases involves training courses on security measures and procedures in the airport environment.
For many years, Dufry has placed significant importance on supporting charitable causes as a way of giving back to society. This has been done in a number of ways, such as by making donations to non-profit organizations, supporting cultural events and entities or giving visibility to some social or humanitarian initiatives. And we intend to continue giving our strong support.

Sponsoring and supporting disadvantaged children, young people and their families, together with enabling them access to education, has remained the main line of action in our corporate community initiatives. At country level, similar projects have been supported and, in some of these operations, our employees have actively participated in the process of selecting the projects we support, reinforcing the engagement and motivation to collaborate with the initiatives.

We are very proud of the efforts carried out by our staff in supporting disadvantaged communities and charitable initiatives even during their free time. Where and when possible, we have supported and funded them and made the individuals and their great work visible to the rest of their colleagues, by using our internal communication channel. This serves a two-fold purpose by a) helping them to obtain additional support and b) it is a way of recognizing and thanking them for their philanthropic support.

Finally, it is also important to mention the role of our customers, who have helped us to raise additional funds with the purchase of certain products – including bottled water, chocolates and perfumes – in support of different NGOs, and by making donations in the boxes available in some of our airport locations.

The initiatives described below are just a short selection of the main projects we support. Our relationship with some of these charities has spanned many years, the earliest project having started in 1995, and we are very happy with the progress made so far. During 2020 we will unveil a cross-national charity project in collaboration with SOS Children Villages, one of our long-standing charity partners. So far we have confirmed the participation of Dufry stores in 23 countries and we expect this new project to help us boost the reach of our support even further.

**SOS Children’s Villages supported programs in Brazil, Mexico and Russia**

Dufry and SOS Children’s Villages have been working together for the past ten years, supporting families worldwide with the aim that no child should grow up alone. Back in 2009, Dufry started to sponsor a first project with preventive care in Igarassu, Brazil. The construction of a social center was a tangible example of investing in the care for children and youth. Dufry has been continuing to support the running costs and training classes of the center ever since. In 2019, our donation benefited nearly 400 infants, young children and teenagers with their mothers and enabled them to join family strengthening programs with child-minding and day care centers. In addition, we financed the yearly family-budgets, medical costs and school fees for children in the SOS Children’s Village of Igarassu.

In Russia, Dufry has again been supporting the running costs of the SOS Children’s Villages center in Lavrovo since 2015. Lavrovo lies in the heart of Russia, about 350 kilometers south of Moscow. The SOS Children’s Villages considers foster care as a priority form of child upbringing in Russia. Dufry’s funding in 2019 supported a child’s village family during one year to receive the loving care and requirements to shape their own future. Starting in 2020 this program will be partly self-sufficient and partly financed by other sources. As an
alternative Dufry will support a new project, a family strengthening program in Nairobi, Kenya.

In Mexico, Dufry supports SOS Children Villages Family strengthening programs in Comitán. The programs of SOS Children’s Villages in the social center in Comitán ensure that children are included in early childhood development programs. Mothers have better opportunities to go to work and earn their own income, while counting on day care solutions for their children. Fathers receive rising awareness in educational matters and are better involved in family responsibility, improving the quality of life for these families. The financial support covers expenses for food, school expenditures, medical assistance and educational staff. Dufry’s contribution in 2019 supported more than 1,000 beneficiaries.

Since 2013, Dufry has also run an additional financing channel to benefit the worldwide work of SOS Children’s Villages, by installing coin collection boxes in various Dufry shops all over the world. To intensify the commitment with this organization, and in the context of the 10-year anniversary of our relationship, Dufry and SOS Children Villages are now evaluating new plans to make the work of SOS Children’s Villages even more tangible for Dufry shops, co-workers and partners. In cooperation with this organization, we will be deploying a new cross-national initiative that will serve to reach even more locations and engage with more customers and this will start to come to fruition in the first part of 2020. Each coin or note is a little milestone for the future of the children and youth at the different SOS Children’s Villages projects.

One Water – selling bottles to provide sustainable clean water service
World Duty Free continues to be one of The One Foundation’s main commercial supporters, a place it has held almost since the beginning of the partnership in 2016. World Duty Free sells the charity’s bottled “One Water” and branded jute bags in all of its UK airport stores. To date, World Duty Free has raised £2.2 million for clean water and sanitation projects, changing in the process over 414,000 lives.

In 2019, World Duty Free has helped improve water services in low-income areas in Nairobi through the promotion of household connections and pre-paid water dispensers. World Duty Free’s support has also helped to repair broken water points in rural communities in Malawi, to train community members to manage and maintain their water points for future sustainability, and to help deliver piped water systems in Rwanda. Over the years, World Duty Free employees have been selected to go on trips to Malawi as part of a staff incentive to celebrate stores that have shown the most growth in terms of sales. Employees who were nominated to go on the trip are real advocates for the brand, and the experience provides them with a chance to see for themselves the work that One Water is doing. These journeys to Africa are a great way to inspire our staff to get involved and keep supporting the One Water projects, taking back to the stores and our customers, what they have learnt.

United Nations’ global campaign #YouNeedToKnow
Achieving a more sustainable world is the ultimate goal of the United Nations initiative, #YouNeedToKnow. Started at the UN’s Geneva operations a couple of years ago, #YouNeedToKnow is aimed at raising awareness for the 17 Sustainable Development Goals (SDGs) that were agreed by all 193 nations in 2015.

Since 2016, soon after the SDGs were set, Dufry has been supporting the initiative by giving visibility to the 17 SDGs and the #YouNeedToKnow campaign. Every year, a key event is marked in the agenda – the World Economic Forum in Davos, Switzerland. At Zurich Airport, Switzerland’s main hub for serving international flights, many of the World Economic Forum delegates arrive and/or travel through this airport. Our Swiss team, in coordination with the UN, runs special activities in this airport, sharing with passengers the importance of the SDGs and the role that each individual can play in order to achieve them. Similar activities are performed by our team at the Basel Airport.

One of the major communication tools for the campaign is a booklet, developed by the UN called “170 daily actions to transform our world”. It offers examples of small and incremental – but also fundamental – changes everyone can adopt to live responsibly and to be accountable to the next generation. Some of the actions described in the booklet will become a central piece of a joint campaign by the UN and Dufry and will be launched across Dufry’s network in early 2020.
Continuation of Charity Water Project in Zurich and Basel Airports

The Charity Water project was launched in 2014 as a joint project between Flughafen Zürich AG and Dufry. Since then, Zurich duty-free mineral water has been sold in favor of several charity organizations, which are usually changed every year. The newest one is the one started this year with “Schweizer Berghilfe” (Swiss Mountain Aid), an NGO which supports communities and projects in the Swiss mountains. Swiss Mountain Aid is an organization exclusively financed by donations, with the aim of improving the livelihoods and living conditions of the people in the Swiss mountain area. It promotes the self-help of the mountain population and thus helps to develop many economic and living spaces, to preserve the regional culture and to cultivate the cultural landscape. In the 12 months supporting Schweizer Berghilfe the initiative raised CHF 426,400 for the NGO’s projects.

Since mid-September 2019, the Children’s Hospital (Kispi) Zurich is being supported by Dufry. The Children’s Hospital is a non-profit private institution serving all children and adolescents. It is the largest university children’s hospital in Switzerland and one of the leading centers for pediatric and adolescent medicine in Europe. Each year, approximately 2,300 dedicated employees are committed to the wellbeing of more than 100,000 young patients from the first day of life to the age of 18. A similar activity is also carried out at Basel Airport, in partnership with the NGO Krebskranke Kinder in support of Children with Cancer.

Dufry continued to support Foundation RgZ, which is supporting the development, way of life and social integration of children, teenagers and adults with movement disorders, development problems and mental and/or multiple disabilities, regardless of the severity. The 260 RgZ employees foster, teach, support and engage more than 2,700 children, young people and adults every year in the greater area of Zurich, Switzerland.

Sponsoring children’s education in Haiti

During 2019, Dufry also continued its support to the Hand in Hand for Haiti Foundation, with the sponsoring of their Student Sponsoring Program. Hand in Hand for Haiti runs the “Lycée Jean-Baptiste Pointe du Sable”, which was built as part of the collective response to the humanitarian crisis in Haiti, following the catastrophic earthquake of January 12, 2010. Located in the village of Saint Marc, north of Port-au-Prince, the school provides trilingual education in French, English and Creole to pupils. Dufry’s donation in 2019 supported 25 students to receive free education and it also covered the costs of meals, health services, uniforms, school supplies, and bus transportation to and from the school.

Rio de Janeiro, Brazil – Helping to build the future of young teenagers

Since 1995, Dufry has been sponsoring a social promotion program in Rio de Janeiro, offering free professional education to 30 young people every year from communities around Galeão Airport. Every day, these teenagers go to the program where they participate in various classes and education modules such as English, computer classes, retail operations, professional orientation, teamwork, leadership, rules of etiquette, ethics and citizenship. Classes can be attended by 16 to 20 year-old female or male teenagers. The students also receive free meals, medical and dental care, uniforms, school and educational material, as well as transportation assistance. Dufry supports the students with their career progression too, alerting them to any job opportunities within Dufry’s organization, or with external partners. Employability rates usually reach high levels for those teenagers taking part in the program. Since its beginning over 24 years ago, the program has benefited almost 730 teenagers in total.

Dufry employees are extremely proud to be involved in this initiative and regularly participate as volunteers, as well as acting as mentors to individuals taking part. Every year, 60 volunteers from Dufry and other partners are involved in this important social action.

Support of disadvantaged children remains our main line of action.

Hudson Group supports Communities in Schools in the United States

In 2019, Hudson Group, Dufry’s North American business, continued its long-term partnership with Communities in Schools (CIS), the largest and leading dropout prevention group in the United States, through its fund-raising program.

CIS and its over 160 local affiliates in the United States work directly inside schools, building relationships
1 IGARASSU | BRAZIL
Dufry continued to sponsor SOS Children Village preventive care in Igarassu, Brazil.

2 COMITÁN | MEXICO
SOS Children Village in Comitán, Mexico, improves education and quality of life.
that empower at-risk students to stay in school and succeed in life. The organization works with nearly 1.5 million students and is proud of its success rate: 99% of their students stayed in school and 93% of their seniors graduated or received a GED (General Education Development credential). To date, Hudson has raised and donated over $3 million for the cause, and has also supported various local programs in the communities we serve, including schools and libraries.

Manchester HOME project
Opened in 2015, HOME is Manchester’s cultural organization founded by the merger of two of the city’s long-standing arts venues – Cornerhouse, established in 1985 and the Library Theatre Company, founded in 1952. World Duty Free’s partnership with the Greater Manchester Arts Centre (HomeMcr) supports work with local schools, youth centers and community centers in the Wythenshawe area (south of Manchester).

Since 2016, World Duty Free has funded workshops at The Wythenshawe Community Workshop and projects at the Wythenshawe Primary & Secondary School. These projects provide opportunities to young people and pupils to expand their horizons, develop new skills and increase their confidence. The opportunity for children and young people to take part in creative workshops that help to develop a range of skills, are fun, but most importantly, the projects give the group a chance to maximize their potential for future training and employment.

World Duty Free’s support allowed 196 participants from 7 different groups to take part in a total of 16 workshops in 2019. There were 2 building tours and 3 showcase events attended by 551 people. 81% of high school pupils reported that they felt more confident following participation and 72% reported that they felt more comfortable speaking in front of the class. World Duty Free will be continuing to support similar activities in 2020.

Mind – a new charity partner in the UK for 2019–2021
At the end of 2018, Dufry UK employees selected their charity partner for the next three years. We were delighted to start supporting Mind, the mental health charity supporting individuals who suffer from mental health problems, as of January 1, 2019. Mind won’t give up until everyone experiencing a mental health problem gets both support and respect. Mind empowers people through advice, support and clear information. They campaign to improve services, battle stigma and end discrimination. As well as having a national reach through this work, they also have local presence across England and Wales through their network of 130 local Minds.

During our 3-year partnership, we have pledged to raise over £150,000 to support Mind’s varied and holistic services. This includes online peer-to-peer support and a mental health Infoline, which received around 120,000 calls last year. The £50,000 that Dufry plans to raise each year could enable just under 10,000 calls to that busy Infoline; each response providing clarity and comfort when it’s needed most.

In addition to supporting Mind, staff in Scotland and Northern Ireland will be supporting the Scottish Association for Mental Health (SAMH) and Inspire respectively. All three charities work towards the shared goal of supporting people with mental health problems and promoting awareness and understanding of mental health.

The first year has gone incredibly well with over £55,000 raised in total for the three charities. This has been raised through a range of activities including staff tester sales, brave skydives, bake sales on World Mental Health Day, and of course, generous donations from our customers into till point collection pots in the terminals. To bolster our fundraising during winter, we proudly promoted sales for Meghan the Christmas Bear with a £1 donation to Mind, SAMH or Inspire (depending on location of sale) for every bear sold.

Special Olympics support in Greece
Hellenic Duty Free Shops sponsored Special Olympics Hellas and created a special shopping bag to support this sports organization for athletes with intellectual and physical disabilities. With the support of all the staff more than 8,000 bags were sold, resulting in funds of more than €16,000 donated to the Special Olympics. Bloggers and influencers promoted the Special Olympics in their blogs and social media pages, as part of the dedicated PR program developed by our team in Greece.

At the “2019 Special Olympics World Games” in Abu Dhabi, which took place from March 14 to 21, 2019, the Greek delegation consisting of 91 people achieved a great performance that surpassed any previous results. The athletes returned to Greece with 64 medals (27 gold, 20 silver, 17 bronze).

Humanitarian help in Mozambique
Dufry has donated 591 aid kits to the ASEM orphanage in Beira, a town heavily affected by the March 2019 Tropical Cyclone Idai in the central-east part of Mozambique. Beira is located about 1,200 km north from
In 2019, Dufry has supported the improvement of water services in Nairobi, Kenya.

In Rwanda, One Foundation trains community members to manage and maintain water points.

Maputo, the capital city of Mozambique, where Dufry operates stores at the airport.

The devastation caused by the cyclone in Mozambique North of Beira in March 2019, left 1.85 million people in need of humanitarian assistance. Due to the floods, many children have sadly lost relatives or have been separated from their families. They’re also particularly vulnerable to deadly diseases like cholera and malaria in these dangerous conditions.

The kits included essential, nonperishable food items, including rice, biscuits, milk powder, flour, pasta, sugar and soya oil as well as soap, all packed in a plastic bucket that can be used to transport and to store water.

Hand in hand with the Rotary Club in Maputo, that supported Dufry in identifying where our contribution was most needed, and with the Rizwan Adatia Foundation that helped to prepare the kits and transported them from Maputo to Beira, the aid has been successfully delivered. The orphanage received the kits under the direct supervision of both Dufry’s General Manager in Mozambique, Mario Dinis and ASEM founder, Barbara Hoffman. The Rotary Club in Beira also attended.

Ladybug Dufry École Maternelle – Kindergarten project in Senegal

In September 2019, the NGO Formacion Senegal completed the construction of the Kindergarten Ladybug École Maternelle in Nguiguiss Bamba, in the Louga region of Senegal. This school, 100% funded by Dufry, can host 60 children aged between 0 and 7 years old and has been placed near a training and work cooperative, also built by this NGO, which is empowering over 140 women in the region. The location of this kindergarten close to the workshop allows women to leave their children being looked after, while they build their skills and develop their professional activity. The school project financed by Dufry provides children with early stimulation techniques and essential learning for young children. This is a pioneer initiative in this area of the Sahel, where schooling – in the best case scenario – usually doesn’t begin until the age of seven.
In addition to the construction of the infrastructure and the provision of resources, specific training will be carried out for three local people to permanently perform the functions of caregivers/teachers.

**Ethiopian Enterprises**

Dufry supported Ethiopian Enterprises to run its popular Raffle Rapture, celebrated every year during the Ethiopian New Year on September 11. Proceeds of the raffle were used to finance infrastructure for Ethiopian Enterprises’s Arts&Crafts building at Lemlem Baro School. This center provides invaluable art and crafts lessons for their school students and also offers additional courses to both children and adults from the community.

**Further donations and cultural events**

Dufry supports many other social projects with local activities in countries in which it operates. In Spain, Dufry employees from Barcelona, Bilbao, Madrid, Sevilla and Valencia operations participated in several running events organized by Action Against Hunger as part of the Intercompany Challenge in the months of October and November 2019. For every kilometer run by a Dufry employee, the company funded 10 days of child nutrition treatments. With their efforts on the track, Dufry runners managed to raise over 7,830 days of nutritional treatments, a 40% increase versus the previous year, equivalent to covering the treatment of 780 children with severe malnutrition.

During the Christmas campaign, Dufry Spain partnered with SOS Children Villages and the Spanish airport landlord AENA to jointly promote the sale of two products - Carremi Nougat - a popular Spanish product during Christmas - and one of the best-sellers perfume brands, Tous. Benefits from the sale of these two products were donated to SOS Children Villages and helped to refurbish an upgrade of the facilities of one of their children’s homes in Spain.

In Turkey, Dufry entered a charity run with 40 employees. The aim was to support disadvantaged children with their education and the Dufry team managed to collect substantial funds for this purpose. Dufry also continued its ongoing collaboration with WWF and supported their Green Office program. The goal of this program is to reduce the ecological footprint, combat climate change and promote sustainable lifestyles in offices and beyond.

In Greece, Dufry also continued its long-term partnership with the Hellenic Red Cross, supporting their refugees program by giving monetary support and donating products to the organization for use in their lotteries and raffles to raise much needed funds.

In Australia, Dufry is a supporter of the Diamond Dinner for the Children’s Cancer Institute. In 2019, this fundraising event once again brought together over 250 high-net worth individuals, celebrities and industry leaders to support the work of the institute that is wholly dedicated to childhood cancer. Dufry was the sponsor of this event and also displayed donation boxes at till points in our stores.

In Armenia, we have supported a Children’s Cancer association as well as a project to build playgrounds, smart centers for kids and adults and the provision of medical devices to hospitals in depressed villages in this Country.

In Korea, through different donations, we support local students with high school scholarships, English classes for children of low-income families and Korean language teaching for multicultural families. In Jordan, Dufry employees supported SOS Children Villages joining an entertainment trip for orphans and adoptive parents, giving food and educational games to inspire creativity and their involvement in the society. The activity benefitted 25 children and 7 mothers.

The annual sponsorship of cultural events also continued. Many local community events such as the Swiss Indoor tennis tournament in Basel, the Mutua Madrid Tennis Open, the Baloise Session, a three week music festival in Switzerland or the Fondazione Teatro Donizetti in Bergamo, Italy, received our support.

Having a broad and worldwide network of travel retail shops not only has an advantage for Dufry as the leader in our industry, but it also gives us a unique opportunity to spread the support of social programs worldwide. In many shops we maintain donation boxes and encourage our customers to participate in supporting specific local programs or helping victims of natural disasters. The amounts collected every year are truly surprising and we thank all participants for their generous donations. The charities that we pass them to welcome and really appreciate them.

Last but not least, there is a long list of causes our staff contribute to and help with their efforts, either by baking cakes for selling, looking for sponsors for sports challenges, or by helping colleagues and neighbors affected by natural catastrophes. Dufry has often facilitated the communication and the celebration of such events and in some cases, also contributed to and helped raise funds for these causes.