

Invitation

to the Ordinary General Meeting of Shareholders of

Dufry AG

The **Ordinary General Meeting of Dufry AG will be held on May 18, 2020** at 14.00 hrs at the offices of Dufry AG at Brunngässlein 12, 4052 Basel, Switzerland.

The meeting will be held without the presence of shareholders based on Article 6a of the Ordinance 2 issued by the Swiss Federal Council on measures to prevent coronavirus (COVID-19) in the version of March 16, 2020 (as amended). The shareholders of Dufry AG may exercise their rights at the Ordinary General Meeting on May 18, 2020, **exclusively** through the Independent Voting Rights Representative. This measure makes it possible to hold the Ordinary General Meeting despite the current COVID-19 pandemic. Please refer for details to “Documentation and Attendance Procedures” below.

Agenda

1. Election of the Chair of the Ordinary General Meeting

The Board of Directors **proposes** that Mr. Yves Gerster, Chief Financial Officer of the Company, be elected as chair of the Ordinary General Meeting.

Explanations:

Article 9 para. 1 of the Articles of Incorporation of the Company provides that the Ordinary General Meeting shall be chaired by the Chairman of the Board or, in his absence, by the Vice-Chairman of the Board or by another daily Chairman of the Meeting designated by the Meeting of Shareholders. Due to the current COVID-19 pandemic, no member of the Board of Directors will attend the Ordinary General Meeting.

2. Approval of the Consolidated Financial Statements and the Annual Financial Statements for 2019 and Advisory Vote on the Remuneration Report 2019

2.1 Approval of the Consolidated Financial Statements and the Annual Financial Statements for 2019

The Board of Directors **proposes** that the consolidated financial statements and the annual financial statements for 2019 be approved.

2.2 Advisory Vote on the Remuneration Report 2019

The Board of Directors **proposes** that the remuneration report as shown in the annual report 2019 (pages 252 to 268) be approved on a non-binding consultative basis.

3. Appropriation of Financial Result

	(in CHF 000)
Result carried forward:	59,927
Net earnings (loss) for the year:	(426,070)
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Retained earnings (loss) at December 31, 2019:	(366,143)

The Board of Directors **proposes** that the retained loss be carried forward. No dividend will be paid.

Explanations:

In view of the global crisis caused by the COVID-19 pandemic, the Board of Directors has resolved not to pay a dividend in 2020 in order to strengthen the financial position and resilience of the Company.

4. Discharge of the Board of Directors and the Persons Entrusted with Management

The Board of Directors **proposes** that the members of the Board of Directors and the persons entrusted with management be granted discharge for their activities in the financial year 2019.

5. Creation of Additional Conditional Share Capital (for Convertible Bonds)

The Board of Directors **proposes** to increase the existing conditional share capital from currently CHF 4,442,160 to CHF 63,500,000 and to amend Article 3^{bis} paras. 1 and 4 of the Articles of Incorporation as follows (the proposed amendments are underlined):

Article 3^{bis}: Conditional Capital

¹ The share capital may be increased in an amount not to exceed CHF 63,500,000.- by the issuance of up to 12,700,000 fully paid registered

Artikel 3^{bis}: Bedingtes Aktienkapital

¹ Das Aktienkapital kann sich durch Ausgabe von höchstens 12'700'000 voll zu liberierenden Namenaktien im Nennwert von je CHF 5.- um höchstens

shares with a nominal value of CHF 5.- each through the exercise of conversion and/or option rights granted in connection with the issuance of newly or already issued convertible debentures, debentures with option rights or other financing instruments by the Company or one of its group companies.

⁴ The Board of Directors may limit or withdraw the right of the shareholders to subscribe in priority to convertible debentures, debentures with option rights or other financing instruments when they are issued, if

a) an issue by firm underwriting by one or several banks with subsequent offering to the public without preferential subscription rights seems to be the most appropriate form of issue at the time, particularly in terms of the conditions or the time plan of the issue; or

b) the issuance occurs in domestic or international capital markets or through a private placement; or

c) the instruments are issued in connection with the financing or refinancing of the acquisition of an enterprise or parts of an enterprise or with participations or new investments of the Company or one of its group companies.

CHF 63'500'000.- erhöhen, durch Ausübung von Wandel- und/oder Optionsrechten, welche in Verbindung mit neu auszugebenden oder bereits begebenen Wandelanleihen, Optionsanleihen oder anderen Finanzierungsinstrumenten der Gesellschaft oder einer ihrer Konzerngesellschaften ausgegeben werden.

⁴ Der Verwaltungsrat ist ermächtigt, bei der Ausgabe von Wandelanleihen, Optionsanleihen oder anderen Finanzierungsinstrumenten, das Vorwegzeichnungsrecht der Aktionäre zu beschränken oder aufzuheben, falls

a) eine Ausgabe durch Festübernahme durch eine oder mehrere Banken mit anschliessendem öffentlichem Angebot unter Ausschluss des Bezugsrechts die zu diesem Zeitpunkt geeignetste Ausgabeart erscheint, besonders in Bezug auf die Ausgabebedingungen oder den Zeitplan der Transaktion; oder

b) die Ausgabe auf nationalen oder internationalen Finanzmärkten oder im Rahmen einer Privatplatzierung erfolgt; oder

c) die Instrumente im Zusammenhang mit der Finanzierung oder Refinanzierung des Erwerbs von Unternehmen, Unternehmensteilen oder Beteiligungen oder von neuen Investitionsvorhaben der Gesellschaft oder einer ihrer Konzerngesellschaften ausgegeben werden.

Explanations:

*On April 23, 2020, Dufry successfully completed a private placement with institutional investors of 5 million shares newly issued out of its authorized share capital and 500,000 treasury shares by way of an accelerated bookbuilding (the **Share Placement**). The shares were placed at CHF 27.50 per share and the gross proceeds from the placement amount to CHF 151.3 million.*

*At the same time, Dufry (through its subsidiary Dufry One B.V.) placed CHF 350 million senior bonds due 2023, conditionally convertible into Dufry shares and guaranteed by the company (the **Convertible Bonds**). The Convertible Bonds are issued at par with a denomination of CHF 200,000 and carry a coupon of 1%, payable semi-annually. The conversion price is CHF 33.00, corresponding to a conversion premium of 20% over the reference share price, which is equal to the offer price determined in the concurrent Share Placement.*

For more details, please refer to the press releases dated April 23 and 24, 2020, on www.dufry.com.

These two measures significantly strengthen Dufry's capital base and liquidity position and are designed to help Dufry to weather the COVID-19 pandemic and current economic downturn even under a severe scenario, while also providing the company with enough flexibility to react to business opportunities arising in the context of the current situation.

To allow Dufry the physical settlement of the Convertible Bonds upon conversion, the Board of Directors proposes to increase the conditional share capital to CHF 63.5 million, divided into 12.7 million registered shares with a nominal value of CHF 5.00 each and corresponding to 22.9% of Dufry's share capital following the issuance of the new shares in connection with the Share Placement. The conditional capital will be reserved for the Convertible Bonds. If shareholder approval for the increase of the conditional capital will not be obtained and registered on or before August 4, 2020, Dufry will be obliged to redeem the bonds in cash at the greater of 102% of the principal amount and 102% of the fair market value of the Convertible Bonds, in each case plus accrued but unpaid interest, and otherwise in accordance with their terms.

6. Re-elections to the Board of Directors

6.1 Re-election of the Chairman

The Board of Directors **proposes** that Mr. Juan Carlos Torres Carretero be re-elected as a member of the Board of Directors and as its Chairman for a term of office extending until completion of the next Ordinary General Meeting.

6.2 Re-election of Directors

The Board of Directors **proposes** that Mr. Jorge Born, Ms. Claire Chiang, Mr. Julián Díaz González, Ms. Heekyung Jo Min, Mr. Andrés Holzer Neumann, Mr. Luis Maroto Camino, Mr. Steven Tadler and Ms. Lynda Tyler-Cagni be re-elected as members of the Board of Directors for a term of office extending until completion of the next Ordinary General Meeting. The nominees will be elected individually.

7. Elections to the Remuneration Committee

The Board of Directors **proposes** that Ms. Claire Chiang, Ms. Heekyung Jo Min and Mr. Jorge Born be elected as members of the Remuneration Committee for a term of office extending until completion of the next Ordinary General Meeting. The nominees will be elected individually.

8. Re-election of the Auditors

The Board of Directors **proposes** that Ernst & Young Ltd be re-elected as the Auditors for the financial year 2020.

9. Re-election of the Independent Voting Rights Representative

The Board of Directors **proposes** that Altenburger Ltd legal + tax, Seestrasse 39, 8700 Küsnacht-Zürich, be re-elected as the Independent Voting Rights Representative for a term of office extending until completion of the next Ordinary General Meeting.

10. Compensation of the Board of Directors and the Global Executive Committee

10.1 Approval of the Maximum Aggregate Amount of Compensation of the Board of Directors

The Board of Directors **proposes** to approve a maximum aggregate amount of compensation of the Board of Directors for the term of office from the 2020 Ordinary General Meeting to the 2021 Ordinary General Meeting of CHF 8.5 million.

Explanations:

The remuneration system of the Board of Directors is explained in detail on pp. 252 et seq. of the annual report 2019.

Members of the Board of Directors receive a fixed compensation (except for the CEO, who does not receive any compensation in relation to his position as a member of the Board). As executive Chairman, Mr. Torres Carretero receives a performance bonus. The proposed maximum aggregate amount for the compensation of the Board of Directors for the period until the next Ordinary General Meeting derives from the following components:

- *Board and committee fees, including the board membership fees, the fee of the executive Chairman, the fee of the Lead Independent Director, the fee for the Director overseeing the Company's ESG activities and the committee membership fees for the members of the Board of Directors proposed for re-election above.*

- *A performance bonus for the executive Chairman, which is based on financial performance of the Company and capped at 130% of the target bonus. The bonus will be approved by the entire Board of Directors (with the Chairman abstaining) upon proposal of the Remuneration Committee. The amount included in the proposed maximum aggregate amount is based on the maximum possible bonus pay-out.*
- *Mandatory social security contributions to be paid (or expected to be paid) by the Company pursuant to applicable law.*
- *A reserve amount which allows for flexibility in the event of extraordinary events such as adding additional members to the Board of Directors, significant additional workload of all or certain members of the Board of Directors that requires additional compensation, including membership in ad hoc committees, or an increase in mandatory social security contributions due to a change of domicile of a member of the Board of Directors or of applicable contribution rates.*

As required under Swiss law, the proposed maximum aggregate amount of compensation also includes subsidiary board and committee fees payable to certain of the directors who serve on the board of directors of Hudson Ltd., the majority owned subsidiary of the Company that is listed on the New York Stock Exchange.

The actual pay-out, including the distribution among these non-binding components, for the upcoming term of office will be disclosed in the remuneration reports 2020 and 2021, respectively.

10.2 Approval of the Maximum Aggregate Amount of Compensation of the Global Executive Committee

The Board of Directors **proposes** to approve a maximum aggregate amount of compensation of the Global Executive Committee for the financial year 2021 of CHF 34 million.

Explanations:

As the Company expects to spend less on remuneration, the proposed maximum aggregate amount of CHF 34 million is 20% lower than the maximum aggregate amount of compensation for the financial year 2020 of CHF 42.53 million as approved by last year's Ordinary General Meeting of Shareholders.

The remuneration system of the Global Executive Committee is explained in detail on pp. 259 et seq. of the annual report 2019.

Members of the Global Executive Committee receive compensation packages which consist of a fixed base salary in cash, a performance-related bonus, a share-based incentive plan and other indirect benefits. The proposed maximum aggregate amount for the compensation of the Global Executive Committee for the financial year 2021 derives from the following components:

- *Base salaries reflecting the scope and key areas of responsibilities of the position, the required skills and the experience and competence of the individual person.*
- *Performance-related annual bonuses. The above maximum aggregate proposal is based on the maximum possible bonus pay-out.*
- *Grants of Performance Share Units (PSU). The actual number of shares allocated to each member of the Global Executive Committee under the PSU Plan for the awards that will be granted in the financial year 2021 will depend on the achievement of predetermined performance criteria in 2021, 2022 and 2023, and ranges from 0 and up to 2 shares per PSU, with a target vesting ratio of 1 (see pp. 262-263 of the annual report 2019 for details).*
- *Pension and mandatory social security contributions to be paid (or expected to be paid) by the Company pursuant to applicable pension plans and laws.*
- *Fringe benefits including health insurance, company cars or housing allowances. Dufry limits such benefits to a minimum.*
- *A reserve amount intended to provide flexibility in the compensation structure and in case of extraordinary events such as a significant additional workload of all or individual Global Executive Committee members that requires additional compensation, or an increase in mandatory social security contributions due to a change of domicile of a member of the Global Executive Committee or of applicable contribution rates.*

A portion or all of the compensation of some Global Executive Committee members is expected to be paid in USD or EUR. The exchange rates used in calculating the maximum aggregate compensation are CHF 0.98 and 1.13 to the USD and EUR, respectively. The proposed maximum aggregate amount of compensation excludes any currency exchange rate fluctuation until final payment of all compensation elements.

The actual pay-out, including the distribution among these non-binding components, for the financial year 2021 will be disclosed in the remuneration report 2021.

Documentation and Organizational Matters

Documentation

This invitation to the Ordinary General Meeting of Shareholders, the agenda and the proposals of the Board of Directors will be mailed to the duly registered shareholders of the Company. The annual report, including the remuneration report, the annual financial statements, the consolidated financial statements and the reports of the Auditors for the financial year 2019 are available to the shareholders at the Company's head office in Basel and on www.dufry.com and will be mailed separately to the shareholders upon request.

Registration and Participation at the Ordinary General Meeting

Only shareholders entered in the share register of the Company with the right to vote on May 5, 2020 will be entitled to vote in the Ordinary General Meeting. **Shareholders will not be able to personally participate at the Ordinary General Meeting and will only be able to cast their votes in the manner outlined below. Accordingly, no admission cards will be sent to shareholders.**

Shareholders may cast their votes exclusively through Altenburger Ltd legal + tax, Seestrasse 39, 8700 Küsnacht-Zürich, as Independent Voting Rights Representative by either using the Proxy/Answer Form or an equivalent proxy/voting instruction or by voting electronically in advance, as follows:

The Proxy/Answer Form or an equivalent proxy/voting instruction (in each case as written original or in scanned form and signed by the shareholder or its representative) must reach the Company's Share Register (areg.ch ag, Fabrikstrasse 10, CH-4614 Hägendorf, Switzerland, e-mail: info@areg.ch) no later than May 14, 2020. Proxy/Answer Forms or equivalent proxies/voting instructions arriving after that date will be disregarded.

Shareholders voting electronically must have submitted their proxy and voting instructions on the electronic voting platform (www.netvote.ch/dufry) no later than May 16, 2020, 11:59 p.m. CEST. The login data is included in the Ordinary General Meeting materials provided to each shareholder.

Shareholders will only be able to cast their vote for the number of shares held on May 5, 2020 to the extent they still hold those shares on the start of trading on the SIX Swiss Exchange on May 15, 2020.

To the extent shareholders do not provide specific voting instructions, they instruct, by signing the Proxy/Answer Form or submitting their voting instructions electronically, the Independent Voting Rights Representative to exercise their voting rights in accordance with the proposal of the Board of Directors with regard to the items listed in this invitation. If new proposals or motions with respect to agenda items set forth in this invitation are put forth before the Ordinary General Meeting, they instruct, in the absence of other specific instructions, the Independent Voting Rights Representative to exercise their voting rights in accordance with the recommendation of the Board of Directors. To the extent the voting instructions are not clear, the shares will be deemed non-represented.

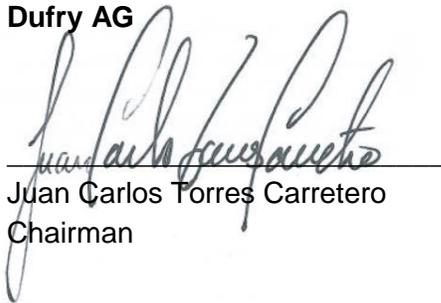
Language

The Ordinary General Meeting will be held in English.

Basel, April 23, 2020

For the Board of Directors of

Dufry AG

A handwritten signature in blue ink, appearing to read 'Juan Carlos Torres Carretero', is written over a horizontal line.

Juan Carlos Torres Carretero
Chairman

Enclosures:

- Proxy/Answer Form
- Return envelope to areg.ch ag, Fabrikstrasse 10, CH-4614 Hägendorf, Switzerland