

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2020

WE SUPPORT



DUFRY

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STATEMENT OF THE CHIEF EXECUTIVE OFFICER

2020 has been a challenging year for Dufry. With our business considerably impacted by the COVID-19 pandemic, our efforts have been focused on safeguarding the resilience of the company by implementing the necessary financial initiatives, adapting the company structure to the new trading environment and, hence, preparing the business for recovery and secure future development.

The pandemic however, has not stopped our determination to keep evolving our Environmental, Social and Governance (ESG) engagement and continue along the path initiated years ago. This is our first year as a signatory member of the UN Global Compact principles and we feel proud of the progress made towards building a more sustainable company.

Amongst other achievements, we have revised Dufry's ESG Strategy by defining four key focus areas. These areas are a reflection of our business model, build on our stakeholder eco-system and clearly define the scope where we can make positive contribution to maintain a high standard of environmental stewardship. Our ESG strategy, which is a cornerstone of our company strategy and governance structure, is described in detail in Dufry's Annual Report 2020 available at www.dufry.com.

In 2020, we have also set the base to measure our greenhouse gas (GHG) emissions, by establishing the relevant processes and collecting the respective energy consumption data. This has allowed us to start determining our carbon footprint and identify improvement opportunities going forward. Moreover, we have successfully completed the re-certification process of the Equal Salary Certification in Switzerland, which we first achieved in 2019, and which includes all functions and operations based in Switzerland.

There are a number of ongoing initiatives that will continue over the coming years, including our continuous fight against bribery and corruption, collaboration with our partners to protect human rights and labor standards as well as initiatives to reduce our environmental impact, such as the replacement of plastic carrier bags with more environmentally-friendly options which we will implement over the next few months. As a signatory to the United Nations Global Compact, Dufry remains committed to the Ten Principles and will keep working towards integrating them into the day-to-day operations of our company.



Julián Díaz González
Group CEO, Dufry

HUMAN RIGHTS & LABOR

Principle 1:

Businesses should support and respect the protection of international human rights.

Principle 2:

Business should make sure that they are not complicit in human rights abuses.

Dufry's commitment to Human Rights is addressed in the Dufry Code of Conduct and the Dufry Supplier Code of Conduct. Both of these codes are built on the basis of globally recognized principles – like those established by the International Labor Organization (ILO) and the United Nations – and set the expected behavior of both Dufry employees and its suppliers when it comes to the protection of Human Rights and Labor Practices. Both of the codes are publicly available at the company's website www.dufry.com

Dufry also has strong internal compliance bodies and mechanisms to ensure that its employees are educated in the matter and to control the existing codes and policies regarding the protection of Human Rights.

More details are available in the Trusted Partner chapter of Dufry's 2020 ESG Report.

✓ During 2020, we have updated the Dufry's Code of Conduct and the Dufry Supplier Code of Conduct to strengthen our commitment to the protection of Human Rights, both internally and externally with our suppliers.

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Dufry respects legally recognized unions and internal forums created to represent its employees' interests as well as the right of its employees to collective bargaining. In this regard, the company has a policy tailored to each location, subject to the specific laws and regulations.

More information is available under the Freedom of Association section of the Employee Experience chapter of Dufry's 2020 ESG Report.

Principle 4:

Businesses should uphold the elimination of all forms of forced and compulsory labor.

Principle 5:

Businesses should uphold the effective abolition of child labor.

Principle 6:

Businesses should uphold the elimination of discrimination with respect to employment and occupational activities.

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 occurs at any location.

Additional information is available in Dufry's Code of Conduct, Dufry's Supplier Code of Conduct and the Employee Experience chapter of Dufry's 2020 ESG Report.

✓ Recertification of Equal Salary Certification in Switzerland successfully completed.

✓ Initiation of evolution process of our women@dufry initiative, extending its scope to diversity and inclusion.

✓ Realignment of training and development program for employees.

✓ Expansion of internal communication channels to improve reach to non-desktop employees.

ENVIRONMENTAL PROTECTION

Principle 7:

Businesses should support a precautionary approach to environmental challenges.

Principle 8:

Businesses should under-take initiatives to promote greater environmental responsibility.

Principle 9:

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Dufry follows a consistent process to assess its operations from an environmental perspective, to identify the current and future environmental impacts of its activities and to promote initiatives that respect the environmental balance.

Additionally, the company undertakes initiatives geared to reduce the environmental impact of its operations and engages with other stakeholders – such as suppliers and airport partners – to collaborate in achieving this goal.

More information is available in the Protecting Environment chapter of Dufry's 2020 ESG Report.

✓ During 2020, Dufry has adopted the precautionary approach.

✓ Actively engaging with our logistics partners to assess our environmental footprint and eventually implement measures to minimize impact.

✓ We have created the plan to replace plastic carrier bags with more sustainable options, starting in 2021.

✓ Mapping of Dufry's GHG emissions including data from operations representing 64% of our global sales as well as the vast majority of the logistics network.

✓ More information available in the Environmental Management Section in the Protecting the Environment chapter of Dufry's ESG Report.

ANTI-CORRUPTION

Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

As stipulated in Dufry's Code of Conduct and Supplier Code of Conduct, Dufry has a zero tolerance policy towards bribery and corruption. In this regard, the company has established strong control and education bodies to ensure all of its employees understand the company's position and guarantee compliance with the principles established in the Dufry Code of Conduct.

More information is available in the Trusted Partner chapter of Dufry's 2020 ESG Report.

✓ Over 900 managers at all levels of the organization have completed this training. Dufry employees who are not included in the list above, are familiarized with Dufry's governance and corporate policies.