

DUF ENVIRONMENTAL MANAGEMENT GUIDELINES



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THE DUFRY GROUP

ENVIRONMENTAL MANAGEMENT GUIDELINES

1. PURPOSE AND SCOPE

Dufry is committed to conduct business in an environmentally conscious manner. Dufry regularly assesses the environmental reach of its commercial activity and works towards minimizing the impact. Due to the special nature of the travel and travel retail industry in which Dufry operates (see section Partnerships below), Dufry closely collaborates with third parties, in particular with concession partners and brand suppliers, towards reducing the environmental impact of its business.

At this regards, Dufry collaborates with its partners to become a more sustainable business by promoting effective resource using – especially energy – across our operations and our supply chain. Our focus is also set on minimizing the generation of unnecessary waste, adopting new technologies that contribute to the reduction on environmental impacts in general, and in particular when designing our stores, as well as supporting our customers in their objective of doing more sustainable product choices.

Dufry recognizes the importance of international initiatives to promote action around environmental sustainability. At this regard, Dufry is a signatory member of the UN Global Compact, adopting the commitment of taking a precautionary approach to its operations; supports the UN Nations to drive awareness about the Sustainability Development Goals (SDGs), and participates in a number of industry initiatives, such as the Airport Council International (ACI) Europe Climate Task Force.

These guidelines apply to all companies of the Group and set the basic expectations when it comes to environmental management of operations. This set of guidelines may coexist with local guidelines where these exist. Where local guidelines or environmental regulations exceed those included in the Dufry Group Environmental Management Guidelines, the most demanding ones prevail.

2. COMPLIANCE AND MANAGEMENT

Dufry complies with, and where possible exceeds, the legal and other requirements to which we subscribe in relation to environmental aspects of the business.

Dufry has implemented an environmental management system that applies precautionary and continuous improvement principles and places the environment at the center of decision-making through:

- Assessing the environmental risks of its activities, facilities, products and services on a regular basis, improving and updating the mechanisms designed to prevent, mitigate or eradicate them;
- Ongoing identification, assessment and mitigation of the environmental impacts of the Group's activities, facilities, products and services;
- Management of risks and impacts by establishing objectives, programs and plans that promote the continuous improvement;
- Environmental training of the Group's professionals.

As an additional step, in early 2023 Dufry published its first Task Force on Climate-Related Financial Disclosures (TCFD) report for the business year 2022, which explores the range of potential impacts climate change would have for our business, including both risks and opportunities.

The adoption of these Environmental Management Guidelines is monitored by the ESG-Committee, who is headed by the Group CEO. The Environmental impact of Dufry's operations and its strategy is regularly disclosed with the publication of the Group's Annual Report, available at www.dufry.com

3. COMMITMENTS

Environmental sustainability in Dufry is structured under the following areas:

- Climate Change & Energy Efficiency
- Resource Consumption
- Shop Development
- Partnership

3.1 CLIMATE CHANGE & ENERGY EFFICIENCY

Dufry measures greenhouse gas emissions caused by its business activities including emissions generated by third-parties that are part of our value chain – thus covering Scope 1, Scope 2 and Scope 3¹ emissions.

¹ The GHG Protocol Corporate Standard (www.ghgprotocol.org) classifies a company's Greenhouse Gas emissions (GHG emissions) into three 'scopes'. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

We acknowledge the goal set forth for the global reduction of greenhouse gases as put forth by the United Nations Framework Convention on Climate Change (Paris Agreement). At this regard, Dufry has set targets aligned with and approved by the Science Based Targets Initiative (SBTi) as well as plans to reduce greenhouse gas emissions as follows:

- Dufry has established an emission reduction strategy for Scope 1 & 2 emissions to eliminate emissions from its own operations through energy efficiency measures, and commits to increase annual sourcing of renewable electricity from 0% in 2019 to 100% by 2025. In addition, Dufry wants to achieve climate neutrality of its own operations (Scope 1 & 2 emissions) by 2025, by compensating unavoidable emissions with carbon offsetting initiatives to be defined in the near future.
- For Scope 3 emissions, Dufry has established two separate objectives to be achieved:
 - Dufry commits that 74% of its suppliers will have SBTi validated emission reduction targets covering their goods and services by 2027.
 - Dufry commits to reduce absolute Scope 3 GHG emissions of upstream transportation emissions by 28% by 2030.

Dufry enhances energy saving measures by improving the efficiency of our operations, as well as introducing innovative technologies and reviewing the design of our stores and offices worldwide. Dufry aims to reduce greenhouse gas emissions by consuming less energy. At the same time, and where possible, the Company promotes the use of energies which emit fewer greenhouse gases for our stores and offices. During the shop development and planning stage, Dufry promotes the use of materials that are produced with lower greenhouse gas emissions as well as reusable and recyclable materials in general.

When it comes to our supply chain partners, Dufry collaborates to measure the greenhouse gas emissions of our suppliers and distributors, and makes efforts to reduce those emissions in cooperation with them.

3.2 RESOURCE CONSUMPTION & SUSTAINABLE CHOICES

Dufry promotes the efficient consumption of resources and promotes, when possible, reusable and recycling initiatives.

Dufry is implementing initiatives geared to the reduction of unnecessary resource consumption – especially the use of single-use plastics; except for the legally required STEBS (Secure Tamper-Evident Bags).

Dufry also collaborates with its stakeholders, especially with product suppliers and landlords, to facilitate consumer's sustainable product choices in our stores.

3.3 SHOP DEVELOPMENT

Dufry is committed to caring for and protecting the environment in which the Company operates, by pursuing a responsible and proactive attitude to improving environmental performance of our stores and buildings. Dufry balances its business aims with environmental considerations and encourages business partners and members of the wider community to join in this effort.

Dufry's centralized Shop Development team is in charge of planning and conducting new store developments and refurbishment processes from design to construction. The team makes sure all the processes comply – and when possible exceed – with all local quality and environmental protection regulations. The respective central guidelines are shared and their implementation controlled on a global scale and need to be observed by the respective local shop development teams and contractors.

During the shop development and refurbishment phase, Dufry follows the principles established by leading green-building certification programs, such as the Leadership in Energy and Environmental Design (LEED). At this regard, Dufry:

- Sustainably designs and plans new store developments and refurbishments considering all aspects, from visioning to renovation preparation. That includes:
 - comprehensive metering of existing energy consumption,
 - introduction of solutions to improve traffic flow, introduction of smarter construction materials (easier to clean, anti-bacterial, etc.).
- Undertakes a collaborative sustainable approach for the design process by engaging with all stakeholders involved in the process (designers, contractors, landlords, material suppliers, etc.).
- Prevents construction pollutions by protecting the site during the construction to avoid pollutants to adjacent sites.
- Reduces the use of natural resources by re-using materials and equipment when possible and by giving modular and recyclable design to furniture and other mobile elements of the stores.
- Encourages recycling for all users – employees, customers and other stakeholders; reduces energy consumption of stores and increases equipment's' lifespan.
- Conducts selective sourcing of materials (natural materials from sustainably managed sources and / or materials that are reusable and recyclable).
- Selects resource-efficient equipment and fixtures (energy efficient, water efficient, etc.).
- Prioritizes local sourcing of materials.

3.4 PARTNERSHIP

Dufry operates shops in highly regulated, third party-owned premises, such as airports, train stations, cruise ships, seaports and downtown resorts, and does not operate own production sites.

For this reason, and in order to reduce the environmental footprint of its operations, Dufry partners with its main stakeholders – mainly landlords but also supply chain partners, product suppliers and industry associations.

Dufry also takes part in international initiatives geared to generate awareness about Climate Change and the promotion of environmental policy frameworks and initiatives.

4. CONTROL AND REVIEW

The ESG Committee periodically reviews the content of these guidelines and proposes its modification or update in line with changes in the business model, new regulations and relevant stakeholder concerns with the aim of improving the environmental management system going forward.

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