

Invitation

to the Ordinary General Meeting of Shareholders of

Dufry AG

The **Ordinary General Meeting of Dufry AG will be held on Thursday, April 28, 2016** at 14.00 hrs (doors open at 13.00 hrs) at the Grandhotel “Les Trois Rois”, Blumenrain 8, 4001 Basel, Switzerland.

Agenda

1. **Approval of the Consolidated Financial Statements and the Annual Financial Statements for 2015 and Advisory Vote on the Remuneration Report 2015**

1.1 Approval of the Consolidated Financial Statements and the Annual Financial Statements for 2015

The Board of Directors **proposes** that the consolidated financial statements and the annual financial statements for 2015 be approved.

1.2 Advisory Vote on the Remuneration Report 2015

The Board of Directors **proposes** that the remuneration report as shown in the Annual Report 2015 (pages 233 to 244) be approved on a non-binding consultative basis.

2. **Appropriation of Available Earnings**

	(in CHF 000)
Result carried forward:	124,128
Other:	3,906
Reclassification of capital contribution reserve:	8,064
Net earnings (loss) for the year:	(28,463)
Available earnings at December 31, 2015:	<hr/> 107,635

The Board of Directors **proposes** that the available earnings be appropriated as follows (in CHF 000):

To be carried forward: 107,635

3. 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 2015.

4. Elections to the Board of Directors

4.1 Re-Election of the Chairman

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

4.2 Re-Election of Directors

The Board of Directors **proposes** that Messrs. Andrés Holzer Neumann, Jorge Born, Xavier Bouton, Julián Díaz González, George Koutsolioutsos, and Joaquín Moya-Angeler Cabrera 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.

4.3 Election of New Directors

The Board of Directors **proposes** that Ms. Heekyung (Jo) Min and Ms. Claire Chiang be 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.

Curriculum Vitae of Ms. Heekyung (Jo) Min

Korean-born Heekyung (Jo) Min, age 57, holds an undergraduate degree from Seoul National University and obtained her Masters in Business Administration from Columbia Graduate School of Business. She has many years of diverse management and leadership experience in Korea, USA, UK, and Japan, and

currently serves as Executive Vice-President at CJ Corporation, a publicly-listed multi-industry Korean conglomerate, with travel retail operations. Ms. Min is also serving on the Boards of a number of Asian companies and associations.

Curriculum Vitae of Ms. Claire Chiang

Singapore-born Claire Chiang, age 64, holds an undergraduate degree from the University of Singapore as well as a Masters in Philosophy from the University of Hong Kong. She has many years of international retail experience, being the founder and Managing Director of Banyan Tree Gallery, the travel retail arm of the publicly-listed Banyan Tree Group. Ms. Chiang also has broad Board level experience, including in the Danish ISS A/S Group as well as in a number of Singapore and Thai companies and associations and was a Member of Parliament for the government of Singapore from 1997 to 2001.

5. Re-Elections to the Remuneration Committee and Election of a New Member

The Board of Directors **proposes** that Mr. Jorge Born and Mr. Xavier Bouton be re-elected, and Ms. Heekyung (Jo) Min 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.

6. Re-Election of the Auditors

The Board of Directors **proposes** that Ernst & Young Ltd be re-elected as the Auditors for the financial year 2016.

7. Election of the Independent Voting Rights Representative

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

8. Compensation of the Board of Directors and the Group Executive Committee

8.1. 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 2016 Ordinary General Meeting to the 2017 Ordinary General Meeting of CHF 7.7 million.

Explanations:

The above proposal by the Board of Directors is based on the recommendation received from the Nomination and Remuneration Committee, which had mandated PwC to carry out a compensation benchmarking for the Board of Directors, based on a group of 18 companies, which are comparable in size, geographic reach and market profile. It also asked for an external expert opinion to review our compensation systems. Such benchmarking and external advice is conducted periodically to update and adjust compensation to current market trends. The Remuneration System of the Board of Directors is explained in detail on p. 235 et seq. of the annual report.

Members of the Board of Directors receive a fixed compensation in cash (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 of CHF 7.7 million 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 and the committee membership fees for the members of the Board of Directors proposed for re-election and election above.*
- *A cash 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 upon proposal of the Nomination and 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 with respect to the compensation of the executive Chairman.*

- *A reserve amount which allows for flexibility in the event of extraordinary events such as adding additional Board members, significant additional workload of all or certain Board members 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.*

The proposed maximum aggregate amount is based on the maximum possible pay-out. For financial year 2015 such maximum possible pay-out amounted to CHF 7.4 million.

The actual pay-out, including the distribution among these non-binding components, will be disclosed in the remuneration reports 2016 and 2017, respectively.

8.2. Approval of the Maximum Aggregate Amount of Compensation of the Group Executive Committee

The Board of Directors **proposes** to approve a maximum aggregate amount of compensation of the Group Executive Committee for the financial year 2017 of CHF 49 million.

Explanations:

As for the remuneration of the Board of Directors, the above proposal is based on the recommendation of the Nomination and Remuneration Committee, which mandated PwC to equally carry out a compensation benchmarking for the Group Executive Committee, based on a group of 18 companies, which are comparable in size, geographic reach and market profile. It also asked for an external expert opinion to review our compensation systems. The Remuneration System of the Group Executive Committee is explained in detail on p. 238 et seq. of the annual report.

Members of the Group Executive Committee receive compensation packages which consist of a fixed base salary in cash, a performance related cash bonus, a share-based incentive plan and other indirect benefits. The proposed maximum aggregate amount of CHF 49 million for the compensation of the Group Executive Committee for the financial year 2017 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 cash bonuses. The target bonus is defined once per year based on performance related criteria of the sort as described on pp. 238-239 of the annual report. The bonus pay-out can be between 0 and the maximum capped amount*

at 130 % of the target bonus for all members of the Group Executive Committee, including the CEO. The amount included in the proposed maximum aggregate amount 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 Group Executive Committee under the PSU Plan for the awards that will be granted in financial year 2017 will depend on the achievement of predetermined performance criteria in 2017, 2018 and 2019, and ranges from 0 and 2 shares per PSU (see pp. 239-241 of the annual report for details). The amount included in the proposed maximum aggregate amount is based on the maximum possible pay-out. Historically, Dufry has always sourced its share based compensation from treasury shares, so that no dilutive effect is expected. On a fully diluted basis, the impact would be 0.3% of the share capital.*

- *Pension and mandatory social security contributions to be paid (or expected to be paid) by the Company pursuant to applicable pension plans and law.*

- *Fringe benefits include health insurance, company cars or housing allowances. Dufry limits such benefits to a minimum.*

- *A reserve amount which allows for flexibility in case of extraordinary events such as a significant additional workload of all or individual Group 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 Group Executive Committee or of applicable contribution rates.*

The proposed maximum aggregate amount is based on the maximum possible pay-out for each element described above under the applicable compensation policies and plans and is also reflective of the fact that the Group Executive Committee increased from 9 to 12 members. For financial year 2016, such maximum possible pay-out amounted to CHF 50.5 million.

The actual pay-out, including the distribution among these non-binding components, will be disclosed in the remuneration report 2017.

Documentation and Attendance Procedures

Holders of the Company's Brazilian Depositary Receipts (BDRs)

The following is *not* applicable to the holders of the Company's Brazilian Depositary Receipts (BDR Holders). BDR Holders are not entitled to personally participate in the Ordinary General Meeting. They are only entitled to instruct the depositary Itaú Unibanco S.A., Sao Paulo, Brazil (Itaú Unibanco) to vote the Company's shares underlying their BDRs, according to separate communication and separate voting instructions sent to them by Itaú Unibanco.

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 (but not to the BDR Holders) 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 2015, is available to the shareholders at the Company's head office in Basel and on the internet via www.dufry.com and will be mailed separately to the shareholders, upon request.

Registration and Participation to the Ordinary General Meeting

Only shareholders (but not BDR Holders) entered in the share register of the Company with the right to vote on April 11, 2016 will be entitled to participate in the Ordinary General Meeting. Shareholders intending to personally participate at the Ordinary General Meeting can request their admission cards using the Proxy/Answer Form enclosed with the invitation.

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 April 26, 2016. 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 April 26, 2016, 11:59 p.m.

Also, shareholders will only be able to cast their vote for the number of shares held on April 11, 2016 to the extent they still hold those shares on the start of trading on the SIX Swiss Exchange on April 27, 2016.

Please note that the shareholders do not need to attend the Ordinary General Meeting in person in order to cast their vote and that they may be represented by:

- a) their proxy who does not need to be a shareholder; or
- b) Buis Bürgi AG, Mühlebachstrasse 8, Postfach 672, CH-8024 Zurich, as independent voting rights representative.

The independent voting rights representative votes as instructed by you. To the extent you do not provide specific voting instructions, you instruct, by signing the Proxy/Answer Form or submitting your voting instructions electronically, the independent voting rights representative to exercise your voting rights in accordance with the proposal of the Board of Directors with regard to the items listed in this invitation. If new agenda items (other than listed in this invitation) or new proposals or motions with respect to agenda items set forth in this invitation are put forth before the Ordinary General Meeting, you instruct, in the absence of other specific instructions, the independent voting rights representative to exercise your 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.

Electronic Proxies and Instructions to the Independent Voting Rights Representative

Shareholders may now cast their votes online at www.netvote.ch/dufry by issuing electronic authorizations and instructions to the independent voting rights representative. The necessary individual login data is enclosed with the meeting materials supplied to each shareholder. Shareholders have until April 26, 2016, 11:59 p.m. to vote electronically, or change any instructions they may have communicated electronically. Shareholders who voted electronically are then not permitted to cast their votes at the Ordinary General Meeting in person, but can attend the Ordinary General Meeting as guests.

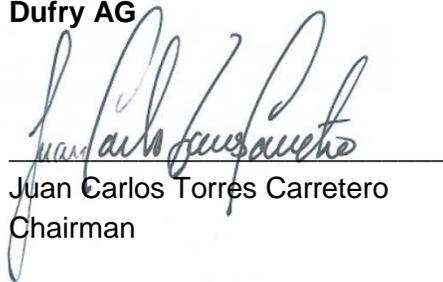
Language

The Ordinary General Meeting will be held in English. Simultaneous translation in German will be available.

Basel, April 4, 2016

For the Board of Directors of

Dufry AG

A handwritten signature in black ink, appearing to read 'Juan Carlos Torres Carretero', is written over a horizontal line. The signature is cursive and somewhat stylized.

Juan Carlos Torres Carretero
Chairman

Enclosures:

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