

**Autogrill Group**

2012  
Sustainability  
Report





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Report





## Dear Stakeholders,

Last year was not an easy one. The world economy was weak and Europe, and especially Italy, continued to be afflicted by stagnation and a contraction in motorway traffic that is now clearly structural in nature.

In this context, Autogrill's year was one characterized by essential stability. The Group's internationalization and the positive trend in its airport business mitigated the effects of the persistent economic crisis, thereby guaranteeing a growth in revenues.

The Company's solidity and the dynamism of its management have enabled us to implement operating efficiencies without losing our ability to see beyond short-term concerns. I refer here specifically to the approaching separation of our principal business areas that will lead to the formation of two distinct and independent groups, making it easier to build on the strengths of each, including through possible future business combinations.

Similarly emblematic of our capacity to weather crises and to look to the future by deploying our ability to innovate was the opening of new points of sale worldwide that combine the concepts of cost efficiency, qualitative excellence and eco-compatibility: from Villoresti Est in Italy to the Delaware Welcome Center in the United States. The Company's dynamism, especially in the airport channel, was also highlighted by the early renewal of Food & Beverage contracts at Amsterdam and Atlanta airports and in the securing of Travel Retail concessions for "core category" products in all Spanish airports until 2020. We thus strengthened our portfolio of long-term contracts, which already included concessions in UK airports until 2023.

# Letter from the CEO

Our capacity to seize important opportunities even in a time of crisis is rooted in our conviction that mobility is growing, globally, across the various channels and geographical regions. The UNWTO estimates that the number of tourists worldwide will grow at an annual rate of 3.3% from now until 2030. This trend is partly down to the newly emerging travel possibilities in developing economies which in turn require the appropriate response in terms of infrastructure. This is where Autogrill is keen and ready to play its part by promoting a food culture in line with new modes of travel and capable of providing the services and products that meet consumers' increasingly diverse needs.

*Gianmario Tondato Da Ruos*



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# Introduction

## Our sustainability

The 2012 financial scenario forced organizations to carry out more detailed analyses on business management and operation, including the impact of business activities on society and the environment. Autogrill Group made concentrated efforts and confirmed its historical commitment towards sustainability to further boost and increase its ability to innovate and compete.

In 2012 the Group continued its focus on employees, gathering their valuable ideas and suggestions. This resulted in two surveys - "Do you Feel good?" and "LINKed" - analyzing Group employee involvement. The analyses allowed the Group to establish a platform upon which to design and develop a plan to continuously improve employee management.

Moreover, great attention was also given to innovating the commercial offering through "Route to Innovation", Autogrill's program and laboratory launched in 2011 to share experiences and best practices within the Group, capitalize resources, know how and competencies, inspire and turn innovation into a competitive edge.

As for the environment, the Group continued its focus on reducing the carbon footprint of its activities through store design utilizing cutting edge technology to lower energy and water consumption, thanks also to the contribution and engagement of both employees and landlords. In particular, the new Villoresi Est location, on the Milan-Lakes highway, represents a further concrete step towards this important evolution for the Group.

Lastly, in 2012 methods were defined to implement the sustainability roadmap launched in the previous year in a structured way, including the definition of the objectives for the 2012-2015 three-year period and for the three strategic areas: "People", "Product" and "Planet".



## Instructions for use

The journey continues with different social, environmental and economic sustainability experiences reflected in this Sustainability Report, which has reached its ninth edition. A route through different consumption and business models as well as through new concepts of traveling, working and leisure time for millions of people on the move every day around the world.

To Autogrill, the Sustainability Report is a technical document summarizing what has been accomplished as well as an insight moment on the path undertaken. The objective is to convey the complexity and richness of the Autogrill universe, channeling information about its social, environmental and economic performance to meet needs regarding knowledge and interpretation of those assets that are considered key for the ongoing improvement of a company's management and the quality of its offering.

### Drafting principles for the definition of the Sustainability Report content

#### **Materiality**

The information contained in this Sustainability Report refers to issues and indicators that reflect the Group's significant economic, environmental and social impacts or that may significantly influence stakeholders' evaluations and decisions.

#### **Completeness**

The Sustainability Report includes all economic, social and environmental aspects relative to the main geographical areas in which the Group operates, to allow stakeholders to evaluate its performance in any period of reference.

#### **Stakeholders' involvement**

The Sustainability Report indicates the Group's stakeholders and provide explanations as to how it met stakeholders' expectations and furthered their interests.

#### **Sustainability context**

The Sustainability Report illustrates the Group's performance in relation to issues concerning sustainability.

## How to read the 2012 Sustainability Report

To provide the most complete and comprehensible overview of the Group, the document is based on a template that includes an introduction followed by the three strategic areas for Autogrill sustainability – “People”, “Product” and “Planet” – with reference to the two business sectors in which the Group operates: Food & Beverage and Travel Retail & Duty-Free.

Each of the three key chapters – People, Product and Planet – contained in the document is enriched by ‘Focus Stories’ that provide additional insight into pertinent topics and issues developed in the past year by Autogrill Group.

## Guidelines

Autogrill has been drafting a Sustainability Report since 2004 according to the international Global Reporting Initiative (GRI-G3) principles.

The standard requires a self-assessment of the same broken down in three levels (A, B and C in decreasing order). The Autogrill Group has achieved a “B GRI checked” status and the verification of the self-assessment by Global Reporting Initiative is reported on page 138.

## Perimeter and sources of information

The quantitative and qualitative data and information contained in this Report make reference to Autogrill S.p.A. and its subsidiaries as at 31 December 2012, unless otherwise specified. The economic-financial data is derived from the Hyperion system (which allows automated procedures dedicated to the periodic consolidation of accounting data and the preparation of reporting documents – Reports and Financial Statements), while all the other information regarding the organization and the environment is contained in the Sustainability Package, the reporting system through which the Group collects information and data regarding sustainability from the different countries according to GRI-G3 guidelines.

The amounts indicated in this document are expressed in euro millions or thousands (unless otherwise specified), and indications as to when the aggregated data is a result of estimates.

## Online, interactive and iPad version

Under the “Sustainability” section in the [www.autogrill.com](http://www.autogrill.com) website the reader can find an online interactive version of this Report, a downloadable pdf version and an Ipad version.





Autogrill in 2012

# Autogrill around the world

Autogrill is the world leader in catering and retail services for travellers.

Autogrill is present in 38 countries with approximately **63,000 employees** and about **5,300 points of sale**<sup>1</sup> in over **1,200 locations**<sup>2</sup> in airports, highways and railway stations, as well as selected locations in city centers and malls, trade fairgrounds and cultural sites.

The Group mainly operates through concession contracts and manages, directly or through licensing contracts, a portfolio of more than **350 brands**: a balanced mix of global and local brands that enables it to effectively meet the constantly changing needs of markets and consumers, presenting itself as a global supplier of services for travelers.

The Group operates in two business sectors: **Food & Beverage** and **Travel Retail & Duty-Free**. These represent the two largest operating segments of the international and multi-channel network that Autogrill has developed in recent years. Food & Beverage, the Group's core business, is strongly present in Europe and North America, while Travel Retail is mainly concentrated in Europe, the Middle East, the Americas and Asia.

Autogrill S.p.A. is listed on the Milan Stock Exchange and is controlled by Schematrentaquattro S.r.l. (59.3%), a company entirely owned by Edizione S.r.l., the holding company controlled by the Benetton family.

## Highlights

**63,302** employees

**56,218**  
in Food & Beverage

**7,084**  
in Travel Retail & Duty-Free

**61%** of **women**

**90%** of employees with a **permanent employment contract**<sup>3</sup>

**30%** of employees in F&B is **aged 21-30**

**32%** of employees in TR&DF is **aged 31-40**

€ **2.7** m  
to support associations  
and local communities

1. Point of sale means a store with a specific concept of service inside a location.

2. Location means a place where different points of sale are present. This can be an airport, a filling station on an highway, a railway station, a mall, a building in a city center, etc.

3. Excluding North America and the Pacific region, where employees are classified according to the currently applicable national legislation ("At-will employment"), which envisages that both parties may terminate the employment relationship at any time without any obligation



**The Group operates in one or both business segments in 38 countries all over the world**



## Highlights

€ **6,077.6**<sub>m</sub>  
Consolidated revenues

€ **4,075.6**<sub>m</sub>  
Food & Beverage

€ **2,002**<sub>m</sub>  
Travel Retail & Duty-Free

€ **589.9**<sub>m</sub>  
Consolidated **EBITDA**

**9.7%** EBITDA margin

€ **251.9**<sub>m</sub>  
Consolidated EBIT

€ **96.8**<sub>m</sub>  
**Net profit**

€ **280.9**<sub>m</sub>  
**Net capex**

**+ 35.1%** vs 2011

€ **1,494.7**<sub>m</sub>  
**Net debt**



## Vision

**Making the traveller's day better**

## Mission

Offering travelers **quality** services in the Food & Beverage and Travel Retail segments with the objective of creating **value** for all **stakeholders** while acting in full **compliance** with different cultures and the environment



Autogrill's *Mission* is strongly oriented towards economic, social and environmental sustainability, which has become a key characteristic of the company identity. The drafting of the first Sustainability Report in 2004 coincided with the development, within the Group, of projects related to sustainability. In 2007, *Afuture* was developed with the objective of innovating Autogrill points of sale by integrating eco-compatibility and economic efficiency. The project evolved over time, from an international think tank of ideas, projects and best practices to share within the Group to a true business sustainability philosophy: "*Afuture, shape our tomorrow*".





**“Shape our Tomorrow”** for us and for future generations, represents the crossing of a bridge, the evolution from a philosophy to a strategy based on sustainability, including the necessary and indispensable involvement of all the stakeholders. Because only if we are open to dialogue and exchange will we be in a position to create value, share it and enhance the reputation of the organization. During this journey, the sharing and understanding of the meaning of sustainability among the different corporate functions was of utmost importance. This enabled the Group to structure and adapt the concept of sustainability to Autogrill and led to the identification of the three strategic areas. The first is focused on people, the fundamental asset for a company like Autogrill; the second revolves around products and the Group’s core business and the third concentrates on the planet, a compelling topic for any organization. Each of the three areas is associated with a statement that defines the Group’s commitment:

## A-People

We want to take care of our **employees** so that they can provide value added services to **customers** and the **local community**.

## A-Product

We want to think in an **innovative** way and offer **products** that ensure safety and quality criteria, so that customers will enjoy and remember their **experience** in our points of sale.



## A-Planet

We want to protect the **environment** by involving our **partners** and **suppliers** with the contribution of our **employees** and **customers**.

## The Group and the business under concession

A dynamic Group which proposes itself both to landlords and customers as a global supplier of services for travelers.

Autogrill manages a portfolio of over 350 quality brands either directly or under licensing agreements: a strategically balanced mix of global and local brands to guarantee multiple responses to the changing needs of markets and consumers.

Since its establishment in 1977, the Group has grown through numerous steps and events that represented important milestones for the development of new plans targeting its growth.

The Group's core business, focused on catering services for travelers until the 90s, was expanded in 2005 to include airport retail. The Group now concentrates on two business sectors: "Food & Beverage" (or also "F&B") and "Travel Retail & Duty-Free" (or also "TR&DF").

### Food & Beverage

Autogrill carries out catering activities in all the channels that relate to mobility (airports, highways and railway stations) in Italy through **Autogrill Italia**, in other European countries (France, Belgium and Switzerland) through foreign divisions and in North America (United States and Canada) through **HMSHost**, a division also responsible for operations at Amsterdam's Schiphol airport and in some other airports in Northern Europe, Asia and Oceania.

The offering is generally characterized by a strong local imprint, through the use of proprietary and licensed brands, and a global approach, through the use of internationally renowned licensed brands (like Starbucks Coffee, Burger King, Brioche Dorée etc.) supplementing proprietary brands (Puro Gusto, Ciao, Bubbles, Beaudevin etc.). In some countries and channels, Food & Beverage units also offer, in a more or less integrated way with the catering offering, products for daily use (papers and magazines, tobacco, lottery tickets) and other products, food and non-food, as well as re-fuelling services.

### Travel Retail & Duty-Free

Travel Retail & Duty-Free operations are located in airports, and to a lesser extent in cultural sites, like historical buildings and museums. Europe is the key market, with a strong presence in the United Kingdom and Spain. The Group is also present in the Middle East, the Americas and Asia. Activities in this sector are managed by the subsidiary **World Duty Free Group** (also **WDFG**), established by the merger between the Group's two main Travel Retail & Duty-Free companies, World Duty Free and Aldeasa, in 2011. This segment is characterized by a mainly international clientele that demands a particularly high-level offering, primarily composed of beauty products and perfumes, liquors, tobacco products and delicatessen items.

Group operations are mainly ensured through contracts for the assignment of commercial services awarded by the owners and operators of infrastructures (airports, highways, railway stations, etc.). In the majority of cases, contracts are stipulated following competitive tenders based on different types of requisites: elevated know-how, high quality standards of the offer proposed and of the quality-price ratio and local differentiation of the product offering in order to meet different consumer needs.

Despite being very competitive, a concession presents an important advantage for the concession holder compared to other types of contracts: exclusivity. The concession system allows the planning of activities over a medium-long time span, because the duration of the contract is usually proportional to the level of capital expenditure required and varies based on the type of offering. Generally, catering activities require substantial investments, so much so that highway concessions have an average duration of 10 to 25 years, with peaks of over 30 years, while airport concessions have a lower duration, 5-10 years on average.

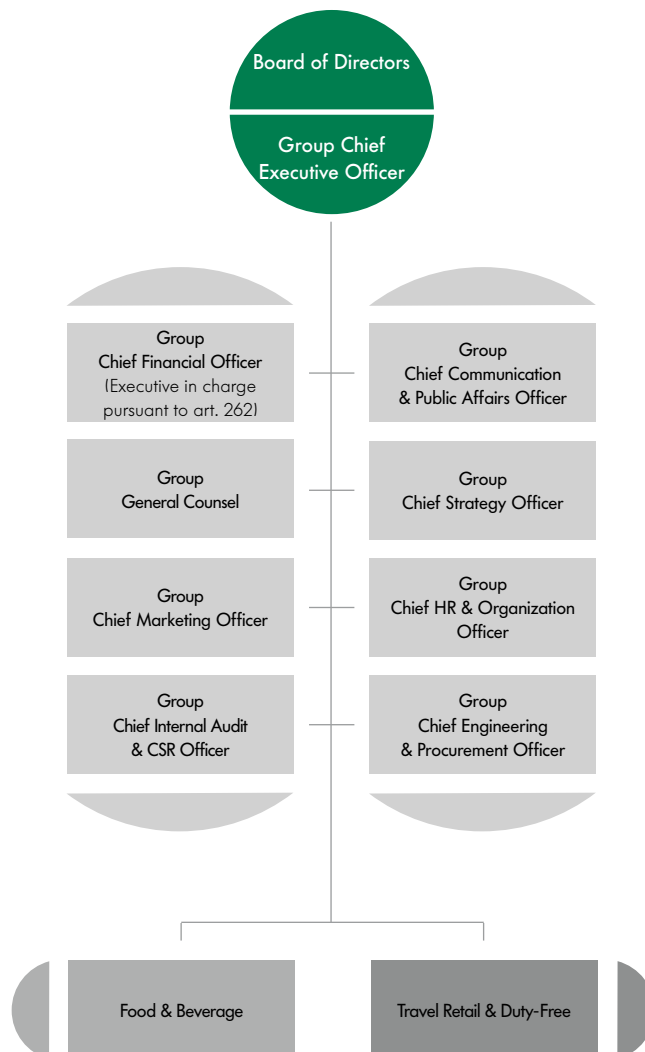
**The valuation criteria of the offer** vary in relation to the business channels, the offer type and the country of reference. The main selection criteria include:

- economic-financial quality and sustainability of the commercial project;
- brand portfolio;
- design and layout of the spaces;
- operator's know-how and track record;
- financial commitments undertaken in terms of capex and rents.

# Organization chart and company structure

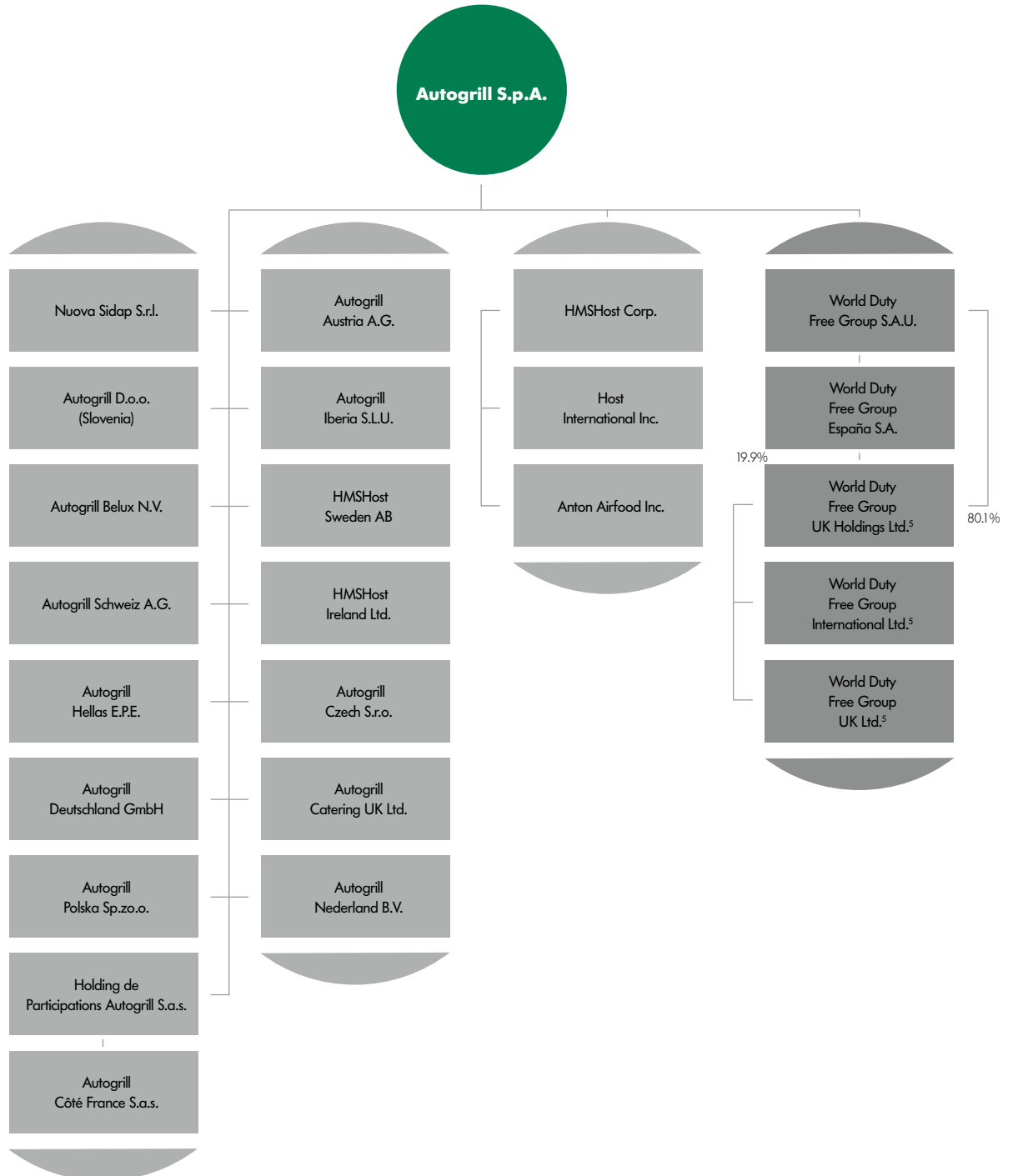
## Organization chart

The Group is made up of business units that manage the operating levers according to objectives and guidelines defined by the corporate functions of Autogrill S.p.A., the parent company. The Business Leaders report directly to the Group CEO. The Business Leaders are responsible for the different areas of activity for the two business sectors (Food & Beverage and Travel Retail & Duty-Free), while the Staff Leaders are responsible for the corporate functions, thus playing a strategic orientation role, including the definition of the Group's standards and policies, promotion of their implementation, exchange of best practices and co-ordination of the Group's planning initiatives.



## Simplified organization structure<sup>4</sup>

The Group's structure reflects its multinational and multi-channel nature, developed through successful acquisitions in Europe and in America.



4. If not otherwise specified, majority investments should be considered as fully owned (100%); a complete list of investments is provided in the relevant Attachments to the Notes to the 2012 Group's Consolidated Financial Statements  
 5. Company names are updated at March 2013

## Corporate Governance

The Corporate Governance and Ownership Structure Report, drafted pursuant to article 123-bis of the Consolidated Finance Act and article 89 of Consob Issuers' Regulation, is posted on the Group's website ([www.autogrill.com](http://www.autogrill.com)).

## The main risks to which the Autogrill Group is exposed

The Autogrill Group is exposed to external risks and uncertainties deriving from external factors associated with the general or specific macroeconomic context of the sectors of activity, the financial markets and the ongoing evolution of the regulatory framework, as well as risks deriving from strategic choices and internal management risks.

A detailed analysis of the main risks to which the Autogrill Group is exposed is provided in the Directors' Report of Operations. Below are the Group's main risks as well as business risks.

### Business risks: risks common to the business sectors

#### Traffic flow

The activities in the Food & Beverage and Travel Retail & Duty-Free segments depend on traffic flow. Any factor that may significantly reduce traffic flow in the countries and channels in which the Group operates represents a risk for the generation of value.

#### Reputation

Loss of reputation may occur both in relation to customers and the landlords with whom the Group operates. In the first case, the causes may relate to the reduced quality perceived in the service rendered, thus implying loss of attractiveness and, consequently, customers. In the second case, it may refer to the company's inability to meet the commitments established in the contracts stipulated with landlords, undermining continuity of relations and the possible renewal of the same contracts.

#### Consumption habits

Changes in consumption habits may result in customer dissatisfaction, when the Group fails to identify it and does not promptly and adequately react with consequent loss of attractiveness and customers.

#### Inexpensiveness of concession contracts

The activity performed in the Food & Beverage and Travel Retail & Duty-Free segments is mainly carried out based on concession contracts. However, concession fees have increased over time in several markets. The risk in question is considerable, because it can expose the Group to significant losses of multi-year profitability in case of assignment of contracts characterized by low performing conditions.

#### Cost of personnel

Labor represents a key factor for production, above all in the Food & Beverage segment. The need to maintain levels of service consistent with customers' and landlords' expectations and the complexity of the overall international regulatory framework result in limitations in the management of the labor force.

### **Regulatory framework**

The Group's operating sectors are subject to strict legislation for the management of operations, customer and employee safety, both with reference to the protection of the individual and product quality. Any failed compliance with regulations may result in loss of reputation towards landlords and customers in addition to exposing the Group to the risk of litigation.

### **Business risks: risks typical of the Food & Beverage segment**

#### **Customer dissatisfaction**

The most significant specific risk in Food & Beverage is to fail to meet and ensure the level of service and quality of the offering that customers expect.

### **Business risks: risks typical of the Travel Retail & Duty-Free segment**

#### **Activity efficiency**

Customer satisfaction depends on the Group's ability to provide customers with an updated product offering that they can appreciate. Effectiveness and efficiency in the management of the supply chain are therefore key factors in these segments of operation.

#### **Exchange rates**

Impulse purchasing at the airport is remarkably influenced by the trend of exchange rates between the currency of the country of origin and that of the country of destination. Price monitoring perceived by the customer based on the exchange rate is therefore fundamental to increase sales.

# The coordinates of the journey

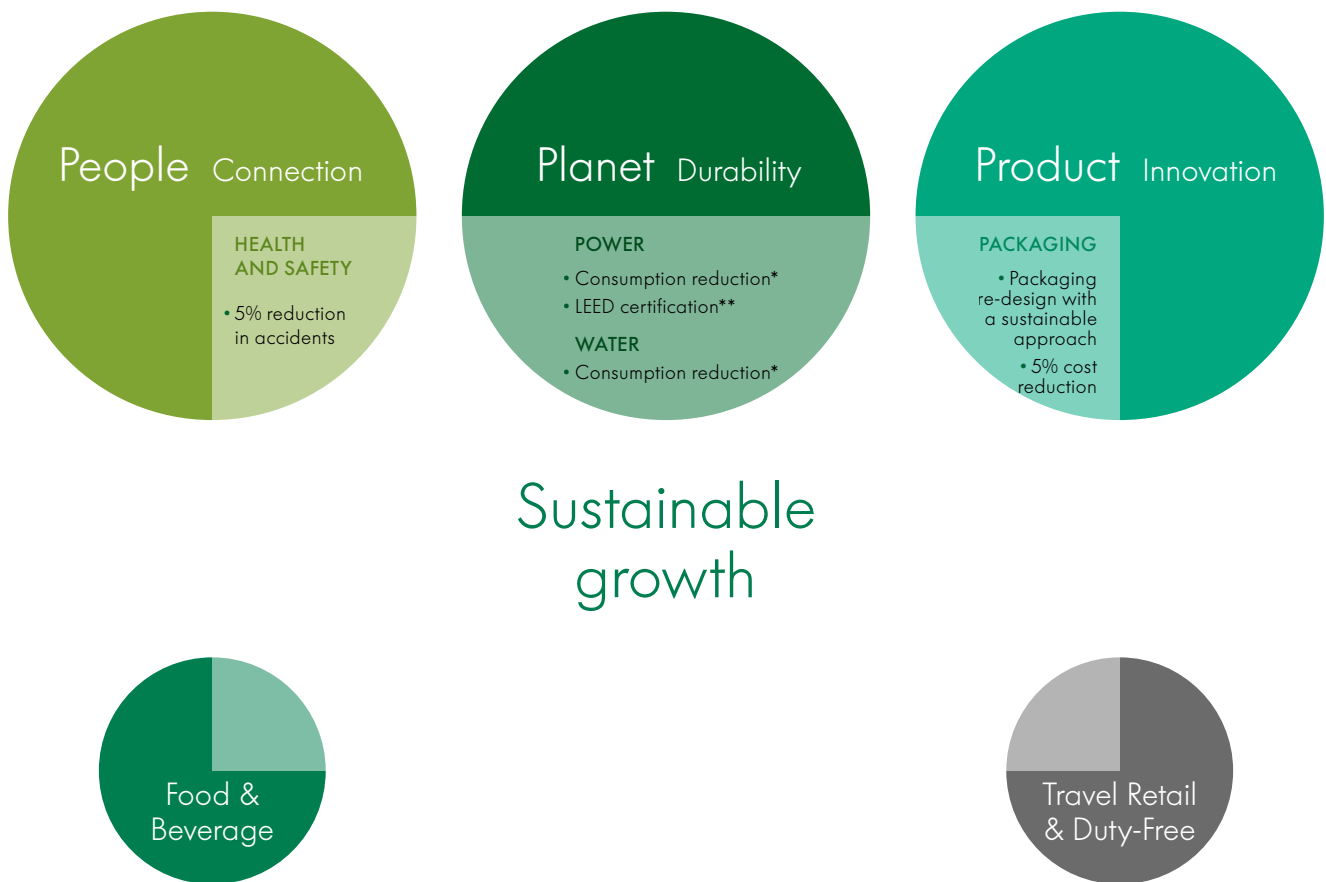
## Afuture Roadmap

To Autogrill, sustainability is an ongoing and progressive commitment, as shown by the numerous objectives reached through the Afuture project. Today, sustainability is a true challenge: an innovation path punctuated by objectives to reach.

At the end of 2011 a new challenge for the 2012-2015 three-year span was launched: the Sustainability Roadmap. A strategic orientation to supplement a sustainable approach in the management of the

Afuture Roadmap (2012-2015)

### Strategic areas for sustainability and improvement objectives



\* 10% consumption reduction on the network (comparable PoS) and 30% in the new stores  
 \*\* Certification for at least 30 new stores



operating activities of the two business sectors, defining improvement and innovation objectives for the Group companies in order to identify, design and implement sustainable actions. In 2012, the three strategic areas identified within the Afuture project – People, Product and Planet – became growth vectors orienting the growth of leadership in the industry as well as key orientations for sustainability actions consistent with the Group's strategic guidelines.

The Roadmap's primary objective is defining areas for improvement of the Group's performance and promoting an approach targeting process, product and service innovation, with the ultimate goal of combining sustainability and stakeholders' expectations both inside and outside the organization.

## Afuture stakeholder

**Autogrill for employees:** the Group promotes behavior based on dignity, protection and respect of the rights of each individual. A daily commitment that becomes manifest in the provision of healthy and safe working environments, free of any type of discrimination, favoring the potential of expression of each single individual. The precise definition of the roles, responsibilities and powers creates the necessary conditions for employees to make decisions in the interest of the entire organization.

**Autogrill for consumers:** the Group ensures its compliance with specific quality standards in all the processes involved in the provision of products and services. The Group also promotes understanding and listening to customer needs and expectations as well as the development of innovative products and services that can meet consumer needs over the long run.

**Autogrill for suppliers:** the Group aims at favoring the creation of stable collaboration relationships over the long term with its suppliers, with the ultimate intention of creating reciprocal value. It therefore acts with transparency, integrity, impartiality and contractual fairness. In addition, it fosters the adoption of socially responsible behavior by suppliers, privileging commercial relationships with those entities that comply with the international regulations and principles in the matter of individual dignity, working conditions, health and safety.

**Autogrill for landlords and brand partners:** the Group collaborates with landlords and brand partners to share the know-how acquired in the promotion and management of the concession-related relationships. Through an effective collaboration with landlords and partners the Group reaches the highest level of stakeholder and consumer satisfaction.

**Autogrill for the shareholders and the financial community:** the Group intends to increase value for its Shareholders, ensuring the Company's financial solidity and providing prompt, complete and transparent disclosures in relation to the management and the strategies adopted.

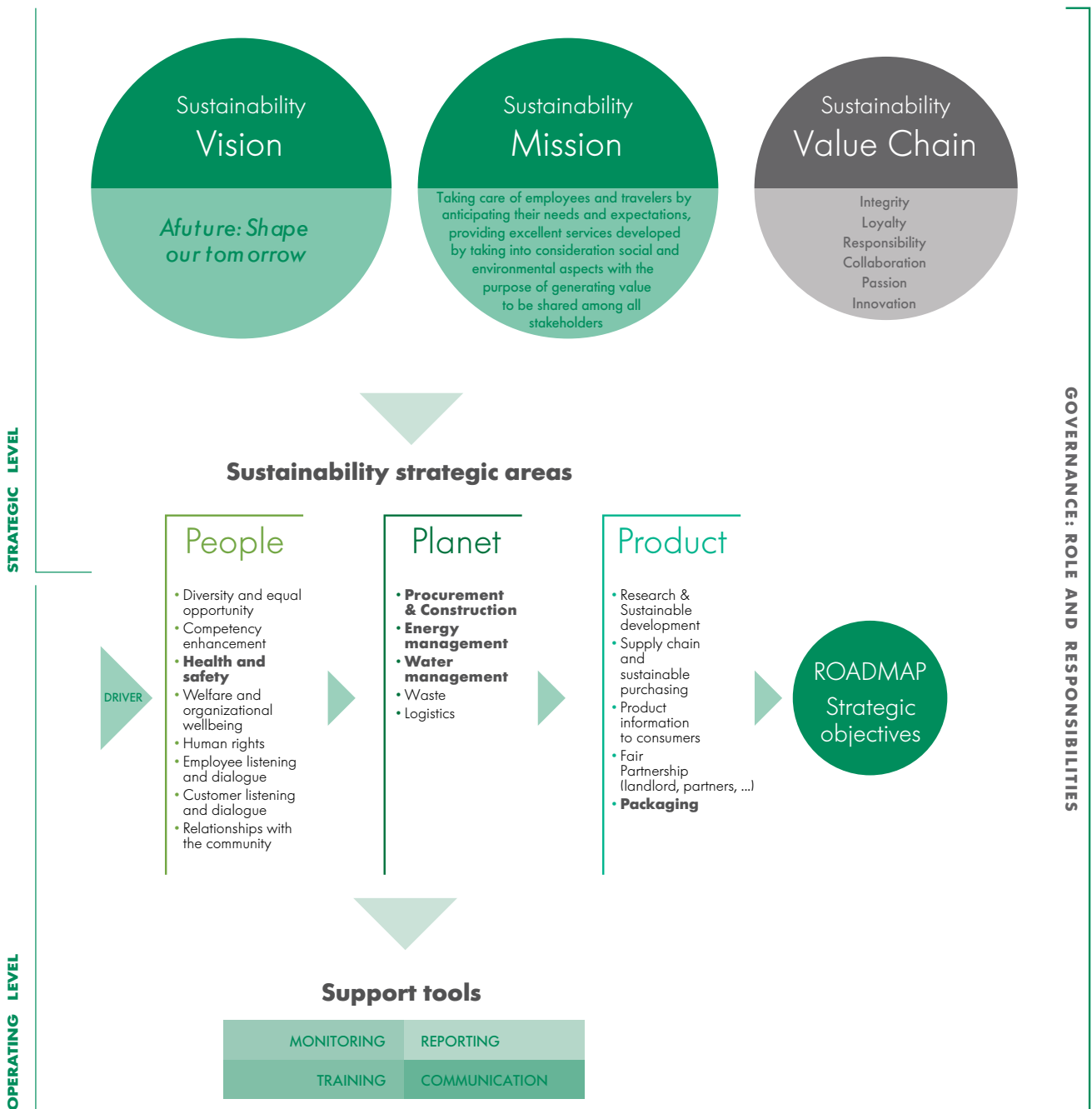
**Autogrill for local communities:** the Group promotes dialogue with local communities in the areas in which it operates, by developing projects of mutual interest or information campaigns on specific issues, aimed at improving the quality of life and protecting the environment.

**Autogrill for the environment:** the Group promotes innovative projects in order to involve stakeholders in achieving sustainability, protection and care of the natural environment. It defines strategies to reduce its carbon footprint and invests in the research and development of solutions that enhance the quality of the environment.

# Afuture Framework

With a view to maintaining and strengthening its market leader position, the Autogrill Group believed it necessary to supplement a sustainable approach in the management of the operating activities of the two sectors of business to create and identify new business opportunities on the one hand and, on the other, to maintain that competitive advantage that sustainability can ensure.

Afuture Framework



Combining a sustainable approach for operating activities means implementing a strategic vision and maintaining a consistent orientation towards improvement and innovation. The determination of sustainability objectives accelerates the development of ancillary processes and activities, highlighting the need for greater alignment between the multiple situations that the Group is currently facing.

For this purpose a broad and well structured framework was identified and defined, enabling the Group to have a clear and integrated vision of what sustainability is to Autogrill: the Group Sustainability Policy.

*Afuture Framework* is the strategic framework of reference for Autogrill's actions, introducing the Policy and summarizing it while defining it also at the operating level in combination with the ancillary activities.

The strategic level defines sustainability in terms of Vision, Mission and Values, from which the three areas - People, Product and Planet – that the Autogrill Group considers as priorities were identified. Specific drivers were also identified within each area, detailing the areas of application of the Policy, supported by the Roadmap that includes specific qualitative and quantitative, medium-long term objectives for each of them (relating to employee health and safety, reduced consumption of energy and water, certification for the design and development of new points of sale, the re-design of packaging and materials and cost reduction).

Support tools were developed to favor and assist in the implementation of the operating activity framework, including monitoring and reporting activities, training and communication.

All these aspects, pertaining to the framework, outline how Autogrill Group manages sustainability.

## The Sustainability Policy

promotes and accelerates sustainability within the Group;

acts as a point of reference for the management of sustainability-oriented ideas, indicating a standard and consistent direction for the entire Group and integrating CSR in the various functions;

is a toolkit to facilitate the integration of sustainable choices within the framework of business management, feeding sustainable ideas and projects;

acts as a company performance monitoring tool and reporting tool to assess the deviation between budget targets and actual results;

acts as a magnifying glass for the identification of correlations between the Company's economic and social-environmental performance;

## Steps in the development of sustainability at Autogrill

# 1

### REPORTING (2005-2006)

The drafting of the first Sustainability Report provided the organization with a key to sustainability. This first report laid the foundations of an approach oriented towards compliance with all the different cultures present in the countries in which the Group operates, which led to a steady and constant growth in awareness about sustainability issues.

# 2

### THE LABORATORY (2007-2009)

An important phase which represented a driving force for the introduction of CSR in Autogrill. An international laboratory of innovative ideas and projects AFuture - mainly in the environmental sector - designed to inform and involve employees operating in locations the world over.

# 3

### THE VISION (2010-2011)

The previous evolutionary steps were indispensable to consolidating the Group's awareness of the importance of sustainability, defining a clear strategic orientation and sharing the sustainability objectives to pursue together with the corporate functions.

# 4

### THE ROADMAP (2012-2015)

At the end of November 2011, within the framework of the **"Route to Innovation"**, an event dedicated to sustainability was organized — **Innovation & Sustainability** — during which the Autogrill Group's sustainability roadmap was officially launched. For the first time, the AFuture Roadmap identified and defined precise sustainability objectives for the Group.

In 2012 the methods were identified to implement the Roadmap effectively. The collaboration with the Corporate functions and with the Group's main Business Units gave rise to a process for the definition of a data baseline that allows the Group to monitor the attainment of objectives.

## Focus: ROUTE TO INNOVATION

**“Route to Innovation”** is a path designed to integrate innovation in business management and turn it into a competitive edge. Innovation, intended as a long term business approach, is in line with the concepts of business sustainability.



The **“Route To Innovation”** was launched in 2011 with the first event dedicated to **Innovation & Technology**. The second step was dedicated to **Innovation & Sustainability**, an event during which three round tables were organized, one for each strategic area (People, Product and Planet) ending with the presentation of the Afuture Roadmap and the sustainability objectives.

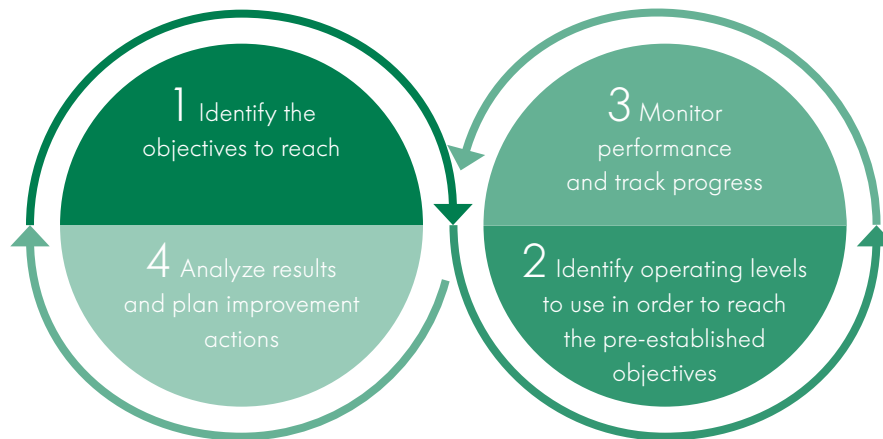
The **“Route To Innovation”** continued in 2012 with the **Innovation & Business results** event, held in Washington, launching the Cross In - Innovation lab project, within which international and interdisciplinary teams worked together to generate innovative ideas on concepts and products (more info on the Route to Innovation on page 75).

## A process of ongoing improvement

The definition of a Sustainability Policy for Autogrill Group was an important step in disseminating its vision in all the countries in which it operates while maintaining competitiveness. The Policy enabled the Group to standardize processes linked to sustainability and integrate them in the operations, thus laying the foundations to steadily update actions targeting the achievement of strategic objectives.

Within the Policy, the Roadmap details the sustainability objectives for the 2012-2015 three-year span, while establishing a series of useful parameters for sustainability reporting and the Group's strategic and management processes.

Moreover, in this continuously evolving context it is important to constantly update the Roadmap, taking into account any changes in the scenario of reference within the Group, as well as any external circumstances.



### A future Roadmap timeline - Where are we?

Step	Activity	2011	2012	2013	2014	2015
1	<b>Involvement</b> Sharing with Corporate Functions to define sustainability areas and targets	✓				
2	<b>Kickoff</b> Roadmap kickoff	✓				
3	<b>Monitoring</b> Monitoring phase		✓	■	■	■
4	<b>Actions</b> Definition of actions by the BUs Sharing business cases of other Bus		✓	■	■	■
5	<b>Reporting</b> KPI consolidation			⊙	■	■
6	<b>Communication</b> Group Intranet Corporate website, sustainability section	✓	■	■	■	■
7	<b>Updating</b> Action update Target update				■	■

✓ = Done; ⊙ = On Going

## The Group Strategy

**The Group strategy** consists of ensuring growth in cash flow from increased sales by passenger and by vehicle, the expansion of operations in the regions and channels of activity, ongoing innovation of the services and products offered to customers and the penetration of new and promising markets in terms of potential of demographic growth and traffic.

The key elements that recap the Group performance are cash flow generation and the size and time horizon of the concession portfolio.

These objectives are pursued through ongoing innovation of products, services and concepts offered to meet the changing needs of consumers and landlords.

In the **Food & Beverage** segment a great deal of attention is dedicated to innovating concepts and a steady monitoring of the partner brands in order to include increasingly innovative and profitable brands in the Group portfolio. With regard to airports and railway stations, in addition to consolidating the already attained results, a growth strategy will be implemented both in the countries in which the Group already operates and in the emerging ones. With regard to highways, the commitment will be more selective and targeted, considering the channel's limited growth potential in the developed countries and the high investments necessary to penetrate new markets.

As to **Travel Retail & Duty-Free**, the Group aims at constantly developing sales techniques both through its own sales formats by product category and through the establishment of collaborations with key luxury brands, in order to be in a position to apply best practices for each product category to the airport channel. Thanks to the commercial results obtained and the cost synergies achieved and in the process of realization as a result of the ongoing integration of the companies acquired in the segment, the Group believes it possible to consolidate the improvement already attained with regard to profitability and sustain development in new countries characterized by attractive growth prospects. The recent consolidation of the portfolio of concessions following the renewal of the Spanish contracts will enable the Group to pursue and leverage on additional growth opportunities, particularly in emerging countries.

In both segments of activity, growth objectives will also be supported through a streamlined organization and leaner corporate processes, along with improved operating efficiency and investments.

A well-balanced financial structure is an essential condition for achieving organic growth objectives. Growth opportunities through external lines will be selectively evaluated both from an industrial perspective — and congruence in terms of geographical presence and channel — and from the standpoint of financial sustainability. They shall then be implemented based on criteria that ensure the possibility of maintaining a financial structure consistent with the activities already performed and with the needs of the Group and its stakeholders.

## Two businesses, one objective

In order to meet the needs of increasingly demanding customers, the offering should be ample, global and local, capable of meeting the ever-changing needs of modern consumers. To this end, the ability to innovate is of the essence: it is necessary to start a structured process of research that involves the entire network of relations that any organization puts in place to give rise to truly revolutionary ideas that will anticipate changes. In order to achieve this objective, it is essential to analyze the needs of the market and observe people's behavior in detail. To achieve this, it is of the essence to analyze market needs and scrupulously observe the behavior of the People whom Autogrill is in an excellent position to monitor.

An organization of people offering services to other people. The same places in which the Group operates have increasingly become the expression of the stories of travelers of different cultures and origins. Thanks to this characteristic of connection and steady contact with millions of travelers, Autogrill has the possibility of getting to know the relevant different cultures, languages and expectations. As a result, listening to and understanding these experiences allows the Group to put in place open and collaboration-based innovation mechanisms, thus increasing the organization's ability to come into contact with new ideas and to valuate and implement new targets.

The interaction between the Group and its stakeholders allows it to leverage on the innovation potential of the two business sectors (Food & Beverage and Travel Retail). For both areas, sustainability-oriented objectives are based on the protection of the environment and people, which concretely translate into an ongoing updating of the range of products and services, new design methods, production, provision and distribution, as well as the introduction of changes in the management and organization of work.

### Food & Beverage



### Travel Retail & Duty-Free





## Results from operations

In 2012, the Group's geographical diversification by channel and by business enabled it to offset the weakness of the highway channel in Europe, whose results are strongly influenced by the economic recession in the area and reduced consumption.

The better performance of airport traffic as compared to highway traffic enabled the Group to target better results in the sectors and areas in which this channel is predominant, Travel Retail & Duty-Free, which in 2012 posted excellent results both in terms of sales and margins as well as in F&B airport activities managed by HMSHost.

Conversely, reduced revenues on the European highways, particularly in the Mediterranean region, led to a sharp decline in margins in the Food & Beverage sector as a consequence of the labor squeeze following the ongoing surveillance obligations in the stores located on the highway and the limited possibility of adjusting rents to the fluctuations of sales.

Despite the uneven performance of the two sectors, cash flow generation improved significantly against the previous year, thus enabling the company to cover the considerable capital expenditures it envisaged following the renewal of the Food&Beverage contracts, particularly in the United States, and for the new openings in Mexico, Jamaica and Brazil for Travel Retail & Duty-Free.

### Food & Beverage

In 2012 Food & Beverage posted revenues showing a growing trend in North America thanks to the increase in the average receipt, but declined in Europe due to the adverse economic scenario, which penalized mobility flows and consumer spending.

In 2012 **North America and the Pacific Area** generated revenues from sales totalling \$ 2,730.0m, up 1.9% against \$ 2,679.0m in 2011.

On a comparable basis<sup>1</sup> revenues in US airports<sup>2</sup> grew by 5.3% with a 0.8% increase in traffic flow:<sup>3</sup> the difference in excess over traffic was obtained thanks to the increased number of transactions and, above all, the increased value of the average cash register receipt.

In 2012 revenues generated in **Italy** were equal to € 1,228.0m, down 9.4% against € 1,356.1m in 2011.

In 2012 the highway channel posted revenues totaling € 929.6m, down 10.2% against € 1,034.8m in 2011. Given the bearish trend of traffic, down 7.1%,<sup>4</sup> sales slumped 10.5% against the previous year on a like-for-like basis, reflecting the shift of customers from an offering characterized by a reduced average receipt and more concentrated in the food sector.

In 2012 revenues generated in the **other European countries** equaled € 723m, down 3.4% against € 743.7m of the previous year (-2.8% at current exchange rates). The positive performance registered in the airport and railway station channels was not sufficient to entirely offset the negative performance in the highway channel.

*(Source: 2012 Directors' Report on Operations)*

1. With equal number of points of sale and offering

2. Representing approximately 81% of revenues for the channel

3. Source: A4A, number of passengers, January-December 2012

4. Source: AISCAT, January-December 2012

**Travel Retail  
& Duty-Free**

In 2012, Travel Retail & Duty-Free posted revenues of € 2,002m, up 5.2% against € 1,820.8m of 2011 (+10.0% at current exchange rates), thanks in particular to the excellent performance registered in the United Kingdom, Latin America and the Middle East.

In the **UK** 2012 revenues reached £ 779.9m, up 4.5% against £ 746.1m in 2011. This result, obtained as a result of a 1.2% traffic increase,<sup>5</sup> is the fruit of consistent growth in per passenger (pax) spending, thanks to the constant updating of commercial offers aiming at specifically attracting passenger traffic for extra-European destinations, characterized by higher pax spending and oriented towards a higher average receipt.

In 2012 revenues from sales in the **Spanish airports** totalled € 544.4m, up 2.3% against € 532.1m of the previous year despite the heavy reduction in passenger traffic (-5.0%)<sup>6</sup>.

In 2012 revenues from sales in **other countries**<sup>7</sup> were equal to € 449.2m, up 9.7% against € 386.8m of 2011 (+16.1% at current exchange rates). In particular, the excellent performance of Vancouver (+24.8%) is worthy of note, obtained thanks to a higher number of flights to Asia and despite the extension work completed last spring. Revenues also grew significantly in Chile (+23.6%), Mexico (+21.8%), Peru (+21.9%), Kuwait (+20.6%) and Jordan (+20.5%).

*(Source: 2012 Directors' Report on Operations)*

5. Source: BAA and Manchester Airport and Gatwick Airport, January-December 2012

6. Source: AENA, January-December 2012

7. Mexico, Jordan, Chile, Canada, Kuwait, Peru, United States, Netherlands Antilles, France, Cape Verde, Panama, Sri Lanka, India and Italy

# Commitments, progress and objectives reached over the years

As to the activities connected to the three strategic areas - People, Product and Planet – the Group has reached important objectives over time and will continue its commitment in the future, aiming at reaching the objectives indicated in the Roadmap.

## People

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<b>"EMPLOYEE ENGAGEMENT" SURVEYS</b>	Launch of the Employee Engagement program through the "Do you Feel good?" survey for F&B Europe and the "LINKed" survey for TR&DF. Goal: identifying the level of employee engagement and developing an action plan structured on the outcomes of the survey. A total of 25 countries participated with almost 30,000 employees.	62
<b>HEALTH AND SAFETY</b>	Ongoing commitment to ensuring a healthy and safe working environment, by further decreasing the number of accidents at the Group level through prevention and training actions as well as the implementation of new technology and tools. Launch of a more standardized monitoring phase at the Group level thanks to the dissemination of the Afuture Roadmap.	54
<b>KNOWING TO ENHANCE</b>	Expansion of the GHRP system (a platform for employee personal data management) to Italy, France, Spain, Switzerland, Belgium and the Netherlands, WDFG (UK and Spain). Expansion is expected to continue in 2013 in the other countries of F&B Europe.	60
<b>"CUSTOMER SATISFACTION" SURVEY</b>	For the fourth consecutive year, Customer Satisfaction continues to be assessed at the global level through the "Feel good?" survey, designed to measure the level of quality perceived by customers. The countries involved are Italy, France, Spain, Switzerland, Belgium, the Netherlands (Schiphol airport), United States for F&B, UK, Spain and Peru for TR&DF.	67
<b>DONATIONS</b>	Support to communities, in particular through donations in kind, specifically food deriving from leftovers at the end of the day in the stores or at the warehouse as well as the partnership between WDFG and One Water.	71

## Product

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<b>INNOVATION</b>	"Route to Innovation" is a program developed to share experiences about innovation within the Group, to find inspiration and transform innovation into a competitive advantage. The route began in 2011 with a first event dedicated to technology, followed by another one focused on sustainability. The third step was developed in Washington and concentrated on business results. "Route to Innovation" continued at the beginning of 2013 with laboratories which involved International teams, because innovation means constantly striving for improvement.	77
<b>PARTNERSHIP</b>	In the last years, numerous important partnerships were stipulated and/or renewed, both with brand partners and suppliers. Below is a list of the most significant ones: <ul style="list-style-type: none"> <li>• exclusive agreement with Starbucks in the airports and along highways in North America and expansion of the partnership to develop new activities in Europe;</li> <li>• agreement with Burger King, including the expansion of the partnership in different European countries;</li> <li>• partnership with Kimbo for the cafeteria offering in 11 countries of the F&amp;B Europa area.</li> </ul>	79
<b>QUALITY OF THE OFFERING</b>	The Autogrill Group distinguishes itself in the steady attention to the quality of the offering through well defined supplier selection processes and its ongoing commitment to understanding consumption trends for increasingly sustainable and innovative products.	80
<b>VYAGGIO</b>	Mapping expansion of the stores included in the "Vyaggio" application, which won the FAB Award as "Best digital or social media initiative". Currently, the application is available in six different languages (English, Italian, French, Spanish, German, Dutch) and includes information regarding over 950 stores managed by Autogrill, HMSHost and World Duty Free Group all over the world.	77

## Planet

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<b>CONSUMPTION</b>	Ongoing focus on the reduction of consumption of energy and water in the different countries in which the Group operates through the creation of management systems, the application of energy efficiency technologies and collaborations with partners.	100
<b>INVOLVEMENT</b>	Being aware of the fundamental role played by employees in the correct management of stores, the Group organizes different initiatives to increase their involvement and raise their awareness in relation to eco-sustainability.	98
<b>SUSTAINABLE POINTS OF SALE</b>	In Italy, the new Villoresi Est store was opened, an international best practice flagship for the Group in relation to sustainable innovation, since it features virtuous solutions that may then be individually implemented in other points of sale of the Group's global network. The Villoresi Est store was entirely built in accordance with the energy efficiency standards and carbon footprint set out in the LEED Protocol (Leadership in Energy and Environmental Design) as well as the Design For All and Dasa Rägister principles regarding accessibility.	95
<b>CERTIFICATIONS</b>	In recent years the Group has obtained various new certifications and renewed existing ones: <ul style="list-style-type: none"> <li>• the ISO 14001 certification on environmental management systems (in Italy for the offices in Milan, the Brianza Sud store and the points of sale within the Torino Caselle Airport; the Telefonica headquarters in Madrid and all the WDFG stores in the UK);</li> <li>• EMAS certification (in Italy for the Milan Headquarters and the Brianza Sud store);</li> <li>• HQE certification – High Environmental Quality (in France for the Ambrussum store and the Canaver store).</li> </ul>	97

## Prizes and awards

Numerous prizes and awards were obtained by the Group and its companies in 2012. Below is a list of a few acknowledgements received during the year, testifying to the company's dynamic approach and its striving for excellence.

### Prizes awarded to the Group

#### Corporate Governance Award

Milan, May 17, 2012 – During the “Corporate governance: the path to follow” conference, the winners of the first edition of the Ambrogio Lorenzetti Contest received the prize.

The Contest was launched by GC Governance Consulting to select boards of directors, enterprises, institutions, managers and directors which in the past three years have adopted good corporate governance practices. Autogrill S.p.A. won the second prize in the category of listed companies with the following motivation:

“Disclosures of information and steady communication to stakeholders.

The company has achieved high levels of governance, reinforced corporate culture, enhanced the role and the contribution of independent directors, the interaction of committees with the board of directors, accessibility of corporate information and consistent communication to stakeholders.”

#### Academy Award for financial statements

Milan, December 3, 2012 – For the second consecutive year, the Autogrill Group was selected as a finalist in the “listed companies and large companies” category for the Academy award for financial statements, promoted and managed by FERPI – Federazione Relazioni Pubbliche Italiana. Below the motivation of the jury panel:

“Financial reporting includes “Company Annual Report and Financial Statements”, “Group's Consolidated Annual Report and Financial Statements”, “Sustainability Report” and the “Corporate Governance and Ownership Structure Report”, fully meeting the various needs of the different stakeholders. The Group's corporate structure and organization is well represented, analyzed also by business sectors. Accounting reporting is clear, complete and transparent. Great attention is dedicated to the risks to which the Group is exposed. The “Sustainability Report” launches the new challenges of the “Sustainability Roadmap” for the 2012-2015 three-year time span”.

## Food & Beverage

#### Corporate Responsibility Award

Amsterdam, March 15, 2012 – HMSHost Europe, inside Amsterdam's Schiphol airport, received three acknowledgements of great success during the Consumer Airport Awards initiative: two Guest Friendliness prizes and one prize for the new Corporate Responsibility category.

The Corporate Responsibility Award is assigned to the airport operator showing the greatest dedication to sustainability. HMSHost offers an ample array of sustainable products in its restaurants, ranging from fair trade certified coffee and tea to 800,000 sustainable “grab n’ go” sandwiches sold every year. Also, there is the use of sustainable materials in the design and development of restaurants, as well as in the adoption of furniture and equipment that are the result of informed choices.

### Moody Report\_FAB Award

Amsterdam, June 21, 2012 – For the second consecutive year, Autogrill received various FAB Awards, the International initiative dedicated to global airport catering services organized by the business intelligence magazine “The Moodie Report”. In the awards ceremony on 21 June, held at Amsterdam's Schiphol airport, Autogrill received the first prize in the following categories:

- Best Fast Food/Quick Service Restaurant for the Tartas Frontera concept introduced by the US HMSHost associated company in Chicago's O'Hare International airport;
- Best digital or social media initiatives through the Vyaggio application;
- Best Food & Beverage concessionaire program for the catering offering in Amsterdam's Schiphol airport.

### Aiports going green Award

Chicago, November 6, 2012 – HMSHost was awarded the Chicago Department of Aviation's Aiports going green Prize for 2012 for its proactive contribution in making the Chicago O'Hare International Airport more sustainable every day. The “startsomewhere” sustainability program implemented by HMSHost aims at simple yet effective initiatives, including kitchen waste and coffee grounds composting, the purchase of locally grown food, the attention to avoiding the use of polystyrene containers and the donation of excess food to charity organizations at the end of the day.

## Travel Retail

### Business in the Community – Awards for Excellence

Manchester, June 14, 2012 – World Duty Free Group received an acknowledgement within the “Awards for Excellence” initiative promoted by Business in the Community, an association that recognizes the best company practices to promote company wellbeing.

The Travel Retail & Duty-Free division won the Pricewaterhouse Coopers North West Business Class Award for the partnership between the “Biza” concept and the Manchester Newall Green High School. The partnership between the World Duty Free Group and the Newall Green High School started in 2009, to demonstrate the reciprocal advantages for the business and the school resulting from collaboration over time. “Biza” is a WDFG store located within the Manchester Airport facility and supports the “Future Leaders” by holding workshops on leadership, communications and public speaking. All participants appreciated the possibility provided by WDFG to identify opportunities linked to their future.

## Green Apple Awards

Birmingham, November 14, 2012 – World Duty Free Group received the Champion of Champions acknowledgement during the Green Apple Awards for the pioneering development of an energy efficiency model implemented in duty-free stores. The prestigious prize is assigned to the most virtuous company of the year in environmental responsibility practices. The Group also won the Retail Green Champion prize. As a result of the prizes received, the World Duty Free Group will represent the UK at the European Business Awards for eco-sustainability in 2013.

### **Sustainability ratings**

Autogrill is periodically subject to a series of evaluation procedures performed by international sustainability rating agencies (EIRIS, Vigeò, Accountability Rating Italy, RiskMetrics and Carbon Disclosure Project Italia). As a result of low market capitalization, which is calculated by multiplying the number of shares issued by their unit price, some sustainability rating agencies do not take the Group into account, excluding it from their annual valuation, and this is the reason why Autogrill stock is not included in the baskets of the major international ethical indexes. Ethical indexes are frequently used as a reference for investments by the ethical funds that invest in companies whose objectives, in addition to optimizing market value, also include protection of environmental, social and human capital.



A-People



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## The Group's first strategic area for sustainability

Autogrill Group pays a great deal of attention to managing relations, from relations with employees to those with consumers and the local communities. Taking care to generate value, this is the key concept of any strategic relation aimed at managing and enhancing people, differentiated according to the business area of reference and geographical context, respecting local communities and capitalizing on differences.

The Group is an organization made of people that creates products and services for other people, nourishing a circular and virtuous value-creating circle involving the organization itself and its employees and customers.

Improving employee relation and satisfaction; offering travelers better service; sharing objectives with partners and landlords; carrying out periodic analyses to fully comprehend the landlords, consumers and the characteristics of the markets means being innovative, extending and re-inventing one's own concepts.

Employees and consumers meet every day on the highway network and in airports all over the world. They have different needs, roles and desires, but they are all part of the same Autogrill Group journey.

"We want to take care of  
**our Employees**  
 so that they can provide  
**value added services**  
 to **Customers** and the **local Community**"

The Group invests continuously in recruitment, training, listening, safety in the workplace and well-being for its employees, without ever neglecting other important topics like diversity, the co-existence of different cultures and dialogue with the trade unions. The commitment is equally strong to the consumers who visit the stores. This is important in order to guarantee compliance with specific quality standards in all the processes regarding the provision of products and services, to continuously innovate the concepts related to stopovers and the experience of the journey with particular attention to travelers' needs with an open attitude to interpreting changes, the future and a focus on the long term. The Group's commitment and attention cannot be limited to the stores, but must also be extended to the local communities through a dialogue that is based on involvement targeted to improving the quality of life and protecting the natural heritage.

This is the multi-faceted scenario in which the Group operates.

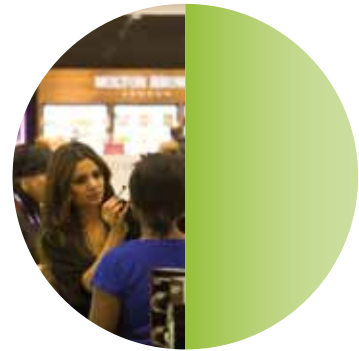
63,302  
Group  
employees

2012 "Feel good?" data:

63,655  
customers involved  
+75% against 2011  
in 523 location

€ 2.7m  
donated by the Group to  
local communities

# Employees



A clear social and well-structured social responsibility policy focused on the relations that an organization develops with its employees can result in benefits to its competitive edge, because they represent the human capital of the organization itself, i.e. the combination of skills, knowledge, competencies and professionalism that characterize and distinguish the organization.

The consolidation as a market leader in the Food & Beverage and Travel Retail sectors is the result of an important globalization and expansion process that led to an increasing number of employees joining the Group, adding value with their different nationalities, cultures and competencies. The organization of the Food & Beverage Europe division was subject to restyling in 2012 with the objective of better integrating regional and international teams and enhancing the Group's dimension by leveraging on the know-how and competencies of the different countries.

Any employee faced with a customer represents the Company itself, the Company's business philosophy, its know-how and its attitude towards the environment and, in fact, every satisfied customer is the best promotional means outside any organization. This is why the relationship between Autogrill Group and its employees is a strategic element and a fundamental variable for creating and sharing value.

The attention towards the individual and his/her wellbeing brings the Group to work on different topics and initiatives that involve its people both in their role as employees (recruitment processes, development plans, training) and in their private lives (wellbeing and health, family, social commitment and compliance with the environment).

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## Listening to learn, learning to improve

In the modern social scenario, where one-way communications appear anachronistic and are being extensively replaced by a wide range of tools to instill involvement, sharing and the co-development of contents, employee engagement is a fundamental lever to manage resources in the long term. And defining clear objectives that also take into account employee needs and desires is another important lever to target innovation and engagement. Communications at Autogrill are developed on different tools, including Aconnect, the Group intranet, management roadshows on the sales network and the traditional newsletters and noticeboards. However, for the purpose of understanding what development areas to focus analyses on and start new projects, the Group turns directly to its employees, using surveys and employee engagement analyses.

Listening provides an opportunity to promote and validate relationships with employees and improve cohesion and professional satisfaction among employees.

### What's going on in Food & Beverage?

Autogrill's focus on people is the driver for a series of initiatives aimed at increasingly involving employees. In past years, some countries developed surveys to assess specific areas (e.g. company and organizational culture, communication, involvement, training, leadership style and management, team work and motivation) to understand the level of loyalty to the organization and highlight areas of improvement. This year, Autogrill decided to apply the World Duty Free UK's best practice in the matter of employee engagement to Food & Beverage and consequently carried out a structured survey aimed at probing four areas considered key to express employee level of engagement. These are:

- *Satisfaction*: level of satisfaction that an individual obtains from his/her work within the organization;
- *Advocacy*: willingness to act as a promoter for the organization, conveying a positive image;
- *Pride*: pride and sense of belonging to the organization;
- *Commitment*: level of correspondence between the personal objectives of an individual and the objectives of an organization, represented by the desire and the motivation to remain in the company.



The **“Do you Feel good?”** People Engagement Survey was completed by 67% of the Group's population with a 59% Employee Engagement index (for more details see the “Focus Story” on page 62).

This initiative was accompanied by additional services, differing from country to country, again dedicated to listening to employees. For instance, HMSHost provides a toll-free number, available 24/7 for all employees in North America to air any concern or problem, in addition to a web-based line for comments or questions to be posted at any time. In Italy, too, two email addresses are made available to all employees. One is dedicated to Social Accountability 8000, where employees can post any comments in relation to the standards, and the other to communicate any stressful situations at work.

#### What's going on in Travel Retail?

In the Travel Retail channel, employee engagement surveying is now considered a best practice.



This year, the “LINKed” surveying initiative included three phases from October 2012 to March 2013 to involve the countries of the World Duty Free Group (this is in fact the first year in which the employee engagement survey was extended to the entire group, extending beyond the boundaries of the UK, where this type of survey is a consolidated practice).

Also in this case three areas of interest were measured:

- *Say*: propensity to speak positively about the organization;
- *Stay*: involvement and desire to continue working for the organization;
- *Strive*: dedication and commitment in performing one's job.

Downstream of the employee engagement survey the objective is to define a detailed communication plan to inform employees about the results obtained and define concrete actions to further improve relations with and within the Group.

## Work life balance and corporate welfare: the solutions for a long lasting balance

The Autogrill Group operates in a market that requires great flexibility. Successfully managing daily, weekly and seasonal peaks while always remaining strongly focused on customer care requires complex planning skills.

The key idea is that of translating the need for continuous flexibility into an opportunity to balance private life and professional needs through the provision of part-time contracts, work schedule planning and post-maternity programs.

A breakdown of employees by age brackets is also important, because it makes it possible to integrate the type of job and the level of engagement requested with the different needs of the various generations.

To facilitate a long term worklife balance the Group is committed to developing various initiatives of welfare and worklife balance. Attention to employees is not limited to management of working hours, but instead takes into consideration all those elements that contribute to improving the quality of people's lives.

61% of the Group  
personnel are women

90% of the Group  
employees have a  
permanent employment contract

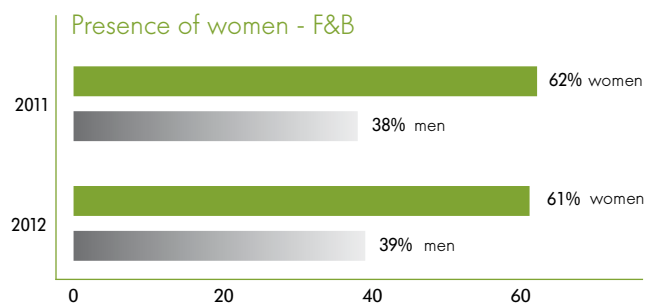
**What's going on in  
Food & Beverage?**

In those cultural contexts in which women represent a pillar in the organization of the family it is of the essence to provide the possibility of relying on part-time contracts.

In the United States, HMSHost administrative personnel may work on a home office basis, depending on specific needs and projects.

The employees in Italy are given the opportunity to rely – in accordance with the trade unions – on the formula that allows for part-time work until their child is 36 months old. New mothers are given concrete support through the preparation and dissemination of the maternity kit and the development of the maternity tutor. In Italy, starting in 2007, special agreements were stipulated with nurseries located in proximity of the offices or along the main access routes. The agreement envisages the payment of approximately 50% of the monthly fee by the company.

Also, in other European countries efforts were made to introduce flexible working hours for employees as an advantage and not as a penalization. For instance, in Austria several employees of the central offices work from home and special employment contracts make it easier for mothers to integrate work with their family needs or employees living particularly far from the office to concentrate their work in four days of the week.



In the United States, the headquarters feature a fitness center with showers for employees who wish to exercise or who come to work by bike.

In Italy, various services are offered, including tax advisory services for compiling returns (including forwarding to the competent authority), special agreements with credit institutes for loans and current accounts, car insurance facilitations, special agreements with spas and other fitness centers throughout the territory, partnerships with other companies for the purchase of products and services at discounted prices and online temporary shops with direct delivery to the workplace offered at substantially reduced prices. The latter initiative was also launched in France in 2012.

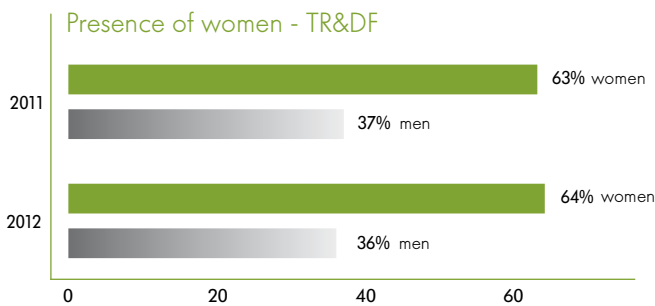
Also in Italy, employees of the headquarters are given the possibility to deal with specific errands directly from within the company: there are dry-cleaning; shoe repair and dressmaking shops on site, and theater tickets can be purchased at reduced prices. Moreover, the "Good for me" project was launched at the beginning of 2011 in the Italian headquarters to promote healthier lifestyles through the offering of balanced menus within the headquarter's Ciao restaurant, the organization of meetings with experts and online columns and advisory services provided by a nutritionist directly in the workplace at a reduced price. For the network online columns on the Company's Aconnect intranet portal with insights on diet as

well as the "Ask the expert" section for specialist advice. The project also includes initiatives that promote physical exercise, including a corporate bike sharing service (with an indication of the bike paths closest to the offices in Milan), access to changing rooms equipped with showers and free medical certificates of healthy and strong constitution for employees to promote physical exercise.

In the Food & Beverage sector in Spain, a number of agreements have been stipulated with the local private health structures, offering significant savings and benefits to all our employees and their families. Our colleagues in Spain can also take advantage of discounts on insurance policies and theater tickets, and the sales force can attend free training courses designed to improve their skills and knowledge in the area of customer service.

**What's going on in  
Travel Retail?**

In Travel Retail, where the work force is 64% female, maternity leave is obviously an important issue, and the Group has worked out dedicated solutions. In Spain, in addition to the four months of maternity leave guaranteed by law, mothers are given the possibility to add another month by contract (optional for the breast-feeding period). To favor worklife balance, when employees who work at airports return to their job, they are given priority with respect to the store where they wish to work, the shifts and the type of labor contract (part-time or full-time) until the child is 8 years old. Lastly, contributions for yearly study grants have been envisaged for families with children up to 23 years of age. In the UK, women returning to work after maternity leave are given the possibility to rely on flexible work schedules. For instance, London's Heathrow airport has a flexible team of employees with a permanent contract, who organize themselves in shifts according to their personal and working needs. In addition, employees in the central offices can take advantage of home office schemes based on permanent weekly agreements or agreements stipulated occasionally for specific requirements.



There are also initiatives dedicated to personal wellness: employees at the English head offices have access to changing rooms with showers, enjoy fresh fruit in their break lounges, can take advantage of special offers from participating fitness centers and have a dry cleaning service on site. Free and elective annual check-ups are offered at various levels, based on the type of contract, and a Health Help Desk has been set up, which operates in complete confidentiality and offers consultations to employees who have earmarked a portion of their paycheck for private medical insurance. In addition, in the UK there are the "Childrencare vouchers" which provide for the conversion of a portion of the salary into activities dedicated to children (nursery, recreational activities until the age of 16) and benefit from tax relief. Moreover, World Duty Free Group offers employees who have been with the company for at least three months the possibility of purchasing products directly from the company at reduced prices through a specially developed online platform called SPLAT (Staff Prices Low And Tempting). Also the online system called "My rewards", accessible by the entire population of the company, allows employees to take advantage of discounts on holidays, cinema tickets, travel insurance and parking. Last but not least, for the recognition of the years of work accomplished, employees who celebrate 5, 10, 15, 20, 25 years of service in the UK are given SPLAT vouchers and a £ 1,000 prize for the 25 years of service.

With a view to disseminating best practices within the Group, these initiatives are constantly monitored and assessed for the purpose of extending them to other Group companies in compliance with the regulatory and tax framework of each individual country in which the Group operates.

## Different cultures: how to accomplish integration

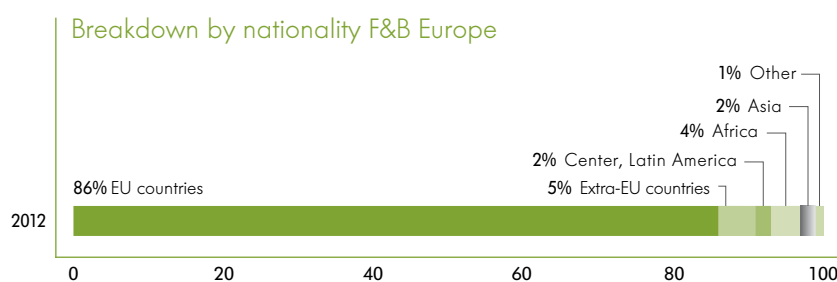
Issues linked to innovation and social and cultural change are an integral part of the Autogrill mission. Well before the onset of global migration flows, the Group's philosophy was centered on the promotion of change, by supporting transformation and anticipating new scenarios.

The cultural diversity of our employees is an asset and an important growth lever and reflects the progressively changing scenarios that involve customers, products, services and consumption models. Only with the support of employees with different cultural backgrounds will the Group have the strength to face the challenges posed by emerging markets. For this reason the activities relating to the acceptance, introduction and integration of newly-hired people are a key focus in the Group's commitment to orientation. The challenge of cultural diversity lies in the promotion of an attitude that respects differences and guarantees equal opportunity. This is a challenge already being won in many European countries, through the attainment of important targets.

### What's going on in Food & Beverage?

In Spain, Autogrill defined the "Plan de Igualdad" [Equality Plan], a policy promoting equal opportunity for all employees. In addition, the Group has also implemented a set of targeted activities, including the exemption of Muslim employees from the performance of their duties during the Ramadan period, and foreign employees are given the possibility of taking a one month vacation, without interruptions, to enable them to visit their country of origin.

In Belgium, employees are given the possibility of not going to work for one month (without salary) in addition to the holiday month, in order to spend more time with their families. Also in Belgium, Flemish courses are held during working hours: the teacher works together with the employee and meanwhile helps him/her to learn the language on the job.



In Italy, a survey on employee knowledge of foreign languages was carried out to enhance employees' competencies and improve customer service. Badges with the flags of the main spoken languages were distributed to employees: in addition to English, French and Spanish, one hundred people speak Rumanian, while only a limited number know Russian, Polish or Arabic.

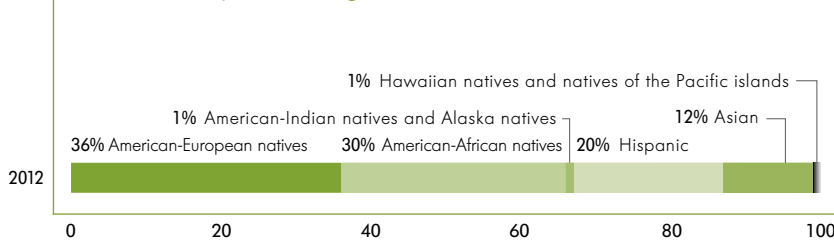
HMSHost prepared ad hoc kits to illustrate health and pension plans and systems in different languages, confirming the already consolidated orientation in the United States towards a policy of non-discrimination. Moreover, within locations highlighting specific needs, courses in English as a second language were organized in order to facilitate the process of integration of foreign workers. In 2012, the Italian headquarters increased the number of training hours dedicated to foreign languages in order to facilitate collaboration between colleagues from different countries. In the head



offices, approximately 50 people of different nationalities are involved in training courses on cross-culturality in order to help identify the methods and the tools to effectively collaborate in multicultural, multinational teams scattered throughout Europe.

Lastly, with a view to instilling greater integration and increasing mobility, a Group policy for the management of expats was introduced. In fact, in 2012 several people volunteered to work for an extended period (from a few months to years) in countries other than their own.

Breakdown by ethnic origin F&B North America



**What's going on in Travel Retail?**

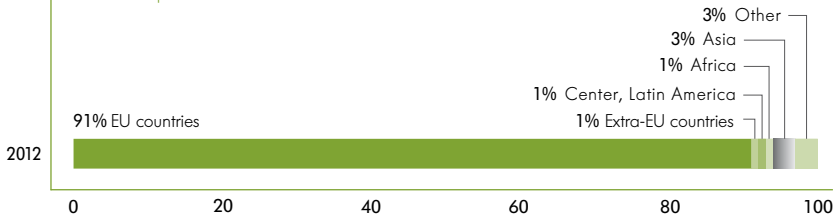
Particular attention is devoted to the creation of a "diverse workforce" (i.e. a team composed of members who speak different languages, etc.) with the ultimate objective of increasing the value provided to Group customers.

World Duty Free Group defined a series of policies targeting diversity and equal opportunity. Equal opportunity plans were developed aimed at preventing any form of discrimination (salary-based, career-oriented, etc.) between men and women. These initiatives have been designed in compliance with the currently applicable laws and in agreement with worker representatives.

Lastly, following the establishment of a single group to manage retail activities, an international exchange program between Spain and the UK was developed (in 2012 five employees participated) and Spanish courses were organized for the benefit of the employees in the central offices and some of the sales network.

Breakdown by nationality TR

Perimeter: Spain and United Kingdom



## Leveraging on diversity

Autogrill is inspired by the highest international standards (International Labour Organization), implementing the principles established in its Corporate Governance in all circumstances, and the Group is committed to reducing to a minimum any obstacles to equal opportunity and the proactive promotion of numerous activities to encourage and enhance diversity. In all the geographical areas in which it operates, it shuns the use of child or forced labor, pursuant to the main international legislation, such as the UN Convention on Children's Rights (UNCRC) and the Human Rights Act of 1998.

Autogrill has promoted concrete actions in relation to the differently able, including the elimination of physical barriers, store design that complies with current applicable regulations in the matter of making

their stay more comfortable and particular attention to differently able employees.

Regulations in the matter of disability and labor differ from country to country and the Group companies are committed to scrupulously complying with the pertinent laws.

#### What's going on in Food & Beverage?

In accordance with trade unions and in compliance with the legislation in force, Autogrill employs differently able individuals where possible, or stipulates collaboration contracts with outside companies, employing them for service activities in line with its needs.

In Italy, 474 differently able people and individuals belonging to the so-called "protected" categories are currently employed by the organization.

HMSHost, too, has drawn up guidelines for the hiring, training, integration and management of individuals with various forms of disability, according to the regulations issued by the Equal Employment Opportunity Commission and consistently with the requirements set out in the American Disabilities Act of 1990. Many locations in the United States directly collaborate with local organizations to employ differently able individuals. As a result of this commitment, both parties periodically carry out accurate appraisals to ensure that employees are given a position that guarantees their health and safety on the one hand, and, on the other, the productivity of the post for the organization.

In France, in 2010 an agreement was stipulated with Agefiph (the French association for the management of funds for the professional integration of differently able individuals), envisaging a development plan, called "Mission Handicap", for the employment of differently able individuals).

#### What's going on in Travel Retail?

World Duty Free Group in Spain has increased its engagement with the differently able through an agreement signed with the non-profit organization Afanias Jardes. 70% of the Association's workers are differently able, and they provide cleaning services at the airport of Madrid Barajas as well as at the Company's offices. In the UK differently able individuals were hired in compliance with the internally defined policies to ensure equal opportunity and personal dignity at work ("Dignity at Work Policy" and "Long-Term Sick and Capability Policy") pursuant to the British Equality Act 2010.

## Recruiting

The importance of employer branding and personnel recruitment activities are generally recognized by most organizations, since they are strictly correlated to the possibility of growth. The design and development of personnel recruitment systems represents an important investment by the Group: this is a process that must be based on transparency and equity in full compliance with equal opportunities and skill enhancement. In addition to complying with local legislation and the most widespread market practices to identify the professional profiles best suited for filling vacant positions, Autogrill is also committed to the ongoing improvement of selection criteria aimed at identifying not only the required skills and competencies for the short term, but also the potential necessary to cover other positions in the long term, growing within and together with the Group.

This is also why the selection process is often complex and broken down into different steps. In Italy, aptitude tests (administered by qualified people), English tests and targeted interviews are used to identify the candidate's adherence to the Autogrill competence model, while group assessment centers with qualified auditors are organized for internships.

In all the countries in which the Group operates, the selection process favors the hiring of personnel from areas adjacent to the location where the activities are carried out, and management is also mainly local, given the importance and the need for knowledge and integration within the territory.

The improvement of the human capital is achieved also through job rotation and job posting processes within the Group companies, at the international level between different countries, but also for vacant office-based and network positions. To Autogrill, internal mobility represents an important tool for disseminating best practices at the Group level and developing the professionalism of the best talents, increasing the knowledge and skills of employees by exposing them to new contexts and increasing the sense of belonging to the Group.

**What's going on in  
Food & Beverage?**

Traditionally, the Sales Network represents the key expansion area for the Autogrill Group, always looking for new personnel according to the business seasonality. Recruitment occurs through the "Work with us" section posted on the local websites and other career growth tracks (Facebook, Twitter, YouTube) made available to contact and attract young people. At the corporate level, in 2012 Autogrill developed a company page and a career section within LinkedIn, including videos and interviews with employees.

For the purpose of establishing a direct bridge between the organization and young people entering the world of work, in the US the partnership between HMSHost and the Culinary Institute of America (CIA), one of the world's most prominent culinary institutes, plays a fundamental role. A training path was designed to enable young chefs to complete their studies by participating in an 18-week work-study program in the Group's restaurants while still enrolled at school. The objective of the program was to establish a relation with the Culinary Institute of America and create a channel for the future selection and recruitment of people with sector-specific skills.

HMSHost also participates in the "Work and travel" program, sponsored by the US State Department, in which foreign university students spend approximately 90 days working at a Group restaurant. In this way, foreign students and US employees have the possibility to enjoy an experience of cultural exchange targeting improvement and better understanding.

Worth mentioning are also the partnership between Autogrill Italia and the Master in Store Catering Management in collaboration with the university of Parma; the partnership between Autogrill The Netherlands, the Maastricht Hotel Marketing School and the Avans Hogeschool of Breda and, last but not least, the collaboration between Autogrill Belgium and Erasmushogeschool of Brussels and the Sint Lievens college. In fact, at the central office level, universities (e.g. the Bocconi University and the Polytechnic of Milan in Italy) have progressively become important partners for the recruitment of young employees and for the development of new ideas and innovations. Different collaboration agreements resulted in events, career days, project work and days dedicated to the organization at the most prestigious universities.

Also in Spain, various collaborations were stipulated both for the headquarters and the sales network. In 2012 the Italian Chamber of Commerce in Spain, in collaboration with different culinary institutes, offered young talents the opportunity to develop their professional skills in the industry (for a total of more than 2,500 hours of internship with a specialized tutor).

In addition to internships, the Spanish offices also offer the possibility of taking part in research activities. In 2012, 15 students from the universities of Ceu San Pablo and Camilo José Cela and the Fundación Universidad Empresa carried out research on "safety in the workplace" with particular reference to emergency plans and certifications.

In addition to developing relations with universities and vocational schools, Autogrill is strongly committed to the development of new selection models based on internal Job Posting.

**What's going on in  
Travel Retail?**

In Travel Retail as well, the recruitment process (especially with respect to the positions open in sales) gives precedence to applicants who reside relatively near the store or offices in question.

Equally important is internal Job Posting, used by World Duty Free Group to fill vacant positions both in the central offices and in the stores. This process directly involves employees, making them proactive players in the process of selection and evaluation of candidates. Employees are invited to participate in the development of careers from within the organization by making use of the "Link" house organ, with particular attention to managerial positions, with employees changing post and location over the years.

As to contacts with schools and universities aimed at bridging the gap between the world of education and work, the collaboration with the Newall Green High School in Manchester enabled World Duty Free Group to win the Business in the Community - Awards for Excellence prize. The award was assigned to the partnership between the "Biza" concept and the Newall Green High School, started in 2009, demonstrating the reciprocal advantages reaped for the business and the school over time. "Biza", the World Duty Free Group store located within the Manchester Airport facility, supports the future leaders, offering workshops on the development of leadership, communication and public speaking skills.

## Evaluating competencies and performance for growth and development

In recent years, the Group's internationalization and expansion process has resulted in a sustained growth of its human capital, above all across nationalities, cultures, skills and competencies.

In 2012 this process progressively accelerated HR policy semantic standardization by sharing a common incentive framework, including salary and compensation policies, grading systems, performance appraisal and, above all, the elimination of the cultural barriers in competency and performance appraisal processes.

In order to evaluate the Group's dimension and capitalize on its know how, best practices and the competencies available at the international level, a Group HR management strategy was developed in 2012 and broken down into three phases:

- 1. HR policy standardization.** The definition of common grading systems, position weighting schemes and framework-based and common KPI-oriented incentive systems (particularly for the Group's executives) represented the foundations for the standardization of the Group's HR policies. Concurrently, tools were developed to better know the people (performance/potential mapping, succession planning, etc.) as well as policies to regulate international mobility. As a result, a model based on competency leadership was adopted, involving the employees of the various Group companies, coordinated centrally by the project management, to design dedicated instruments.
- 2. Employee potential evaluation and talent development.** In this case as well, a standard, certified management process was developed, based on standard metrics and managed locally. Consequently, a development center was established in 2011 to evaluate the development potential of individuals in gaining and obtaining broader managerial responsibilities

and contributing to the formation of specific career paths, while offering concrete support in the understanding and improvement of one's role. A "360° questionnaire" was then drafted, thanks to the feedback received from heads of functions, colleagues and employees, which enabled the company to work on participants' awareness of their points of strength and areas of improvement at the managerial level.

**3. Establishment of international teams and structures.** The orientation towards gaining more knowledge about people enabled the Group to establish international teams and structures in 2012 (with the involvement of high potential employees), generating relocation options (with a variable duration through transfers to other Group companies).

The establishment of shared functions at the international level provided an additional employment opportunity within the Group, which led to the introduction of new "job families" like, for example, the Extended Business Travellers, international profiles who spend most of their time abroad, providing services in a cross-sectional way to Group companies all over the world.

**What's going on in  
Food & Beverage?**

The evaluation process for competencies and performance was divided and optimized as a function of two different objectives. The first objective, specifically relating to the evaluation of competences, targets individual training and development, while the second objective focuses on performance, as a specifically designed tool orienting the individual's professional performance.

In America, HMSHost implemented a web-based platform to manage the evaluation of employee competencies and performance both for the headquarters and the sales network. The process also includes an annual employee self-assessment that is taken into account during the interview with the managers during the performance review. The user-friendly interface of the software with other company tools makes the performance appraisal process simple, seamless and highly transparent. Following the same "Autogrill model" logic, according to which local best practices are then repeated and reproduced within the Group, the same online solution was also implemented in Italy in 2012. The population of the headquarters and of the sales network, up to the Heads of Service (approximately 2,500 people operating in more than 500 locations) were subject to appraisal. The online management of the process and the possibility of validating assessment forms by electronic signature enabled the company to substantially reduce the use of paper assessment forms. More than 1,200 people accessed the system to view and confirm their assessment form although they did not have a corporate email address or access to a company PC. The web-based, online platform can be accessed from any PC. Approximately 70% of the company population managed to complete the process in time: approximately 600 self-assessment forms had been already completed 72 hours after its launch. In 2012 the process for the implementation of the same tool in other countries was started.

**What's going on in  
Travel Retail?**

"DevelopMe" is the name of the evaluation tool used for the personnel in the stores. This process is activated twice a year, in June and December, and provides an opportunity to review — together with one's supervisor — the activities carried out and the performance achieved during the period, compared to objectives defined at the beginning of the year. For all the other employees (staff at the central offices and store managers) there is an online tool — "PrepareMe" — through which feedback on the performance registered over the year is recorded, which measures, in quantitative terms, how people experience the Group's values on an everyday basis.

For World Duty Free Group, too, the launch of a single online tool is envisaged for performance appraisal.

## Compensation and benefits

The Group's compensation policy is based on incentive systems that are designed to recognize employees' commitment and merits, while promoting a sense of belonging and attracting talents from the outside. For the purpose of ensuring alignment among Group companies, the Group established international guidelines on different aspects concerning salary and compensation in full compliance with the currently applicable legislation and local regulations. One of the pillars of the system is the "weighing" of positions: a Group cross-sectional evaluation (an evaluation on a common scale of the impact of any role on the organization), which is constantly aligned to labor market benchmarks in correlation with the positions covered. To ensure cost optimization and the

use of common standard benchmarks, the Group promotes centralized supplier services and the central management of initiatives that are proposed to the companies (i.e. pulse surveys), assuming the role of central co-ordination and data collection.

Also, with regard to benefits the Group is committed to guaranteeing transparency and clarity to its employees. The mechanism for the acknowledgement of benefits does not particularly differ from standard labor contract formulas (fixed term contracts vs. permanent labor contracts and part-time vs. full-time), but varies according to the different geographical areas as a function of the relevant applicable laws that comprise or exclude specific situations and/or welfare and insurance

coverage (health care, accident coverage, maternity or paternity leave, disability) and to local labor market practices. Corporate supplementary pension funds and insurance certainly constitute a self-explanatory example. In some countries the law promotes their use, providing tax benefits in return. A clear example is that of HMSHost, which published its salary scheme on the Company's intranet, thus enabling people to understand the logic behind the construction of their packages. For the purpose of underscoring the relevance attributed to transparency, in the United States Autogrill Group launched a communication campaign in Spanish to enable first language Spanish employees to perfectly understand their situation and the advantages offered.

## Towards ongoing training

Employee training represents the key leverage for personnel development and the development of Autogrill Group. It is a twofold investment, benefiting both the employee and the company. For this reason a structured training process was developed to meet the upgrading needs of all the hierarchical levels and for all the areas of development, both managerial and technical and seniority levels, ranging from orientation and support to newly hired employees to the development and upgrade of specialized competencies required in order to keep pace with ever-changing market and business scenarios.

The support of technology plays a fundamental role in training. The Moodle online platform, accessible from the Aconnect intranet portal, enables employees to view the entire list of courses made available in Food & Beverage Europe and Travel Retail. The management of each country in which the Group operates decides independently on matters pertaining to the development of its local training programs, but the underlying criteria applied are shared by the entire Group. The starting point is an analysis of the processes of evaluation of competencies, followed by the suggestions made by employees themselves. In this way, the specific areas of intervention are identified, based on which Human Resources designs and organizes targeted activities and courses.

In addition, there are also special initiatives: already in 2010 specific training courses at the international level were organized with the objective of getting people from different offices and

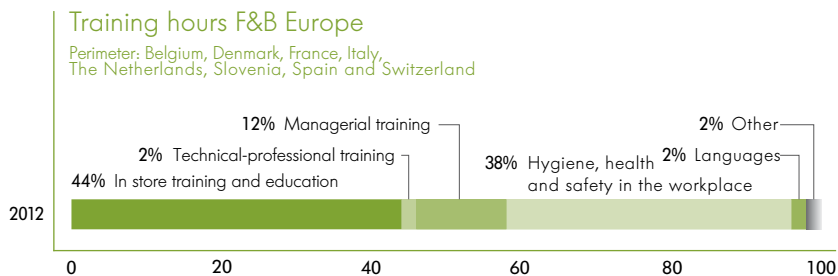
countries to know each other and exchange experiences and opinions in the service of professional growth and cross fertilization.

**What's going on in Food & Beverage?**

As for Food & Beverage, in Italy, Spain, Belgium, the Netherlands, Switzerland, Denmark, France, Slovenia and North America, training is regularly provided directly in the points of sale or through dedicated training centers.

The courses are designed for internal staff, including store directors and managers, and are intended to optimize their experience in the field. The provision of training activities in the stores follows the concept of "cascade training". This means that store directors and/or managers themselves pass on the training they have received, enriched by the experience accrued over time, directly to their employees. However, since 2012 the online training offering was also increased thanks to the installation of "kiosk", PC-based ergonomic consoles, including keyboard and intranet connection, located in selected stores of the sales network, working also as a point of reference for other stores in the surroundings. These stations can be accessed by all employees, who can take advantage both of the training courses offered and the services made available through the Aconnect intranet portal (always accessible from any PC with an embedded online connection).

In Italy, training for Heads of Service, Assistant Managers and store managers is provided in nine dedicated spaces in the network. In 2012, a new training campaign was launched on the SA8000 standard – an international standard focusing on social responsibility – initially involving a number of stores and, in particular, HR Business Partners, professional profiles identified in the year of reference, charged with supervising management processes, training, development and recruitment of human resources for the sales network and designated as supervisors for the promotion of the standard across the network.



In 2012 HMSHost launched "People First" in a number of locations. This is a training course that aims at developing a new culture entirely focused on people, to the benefit of both employees and customers. The objectives are:

- put people always at the core of the activities, develop a service culture oriented towards ongoing improvement of customer experience and, consequently, of the experience perceived by employees;
- establish a working environment centered on respect, productivity and fun, also for the ultimate objective of retaining high potential individuals within the Group;
- support the understanding of everyone's real contribution to the attainment of the objectives set by the organization.

"People First" involves store managers in training and development initiatives pertaining to teamwork and the development of managerial and leadership skills, without neglecting to put great emphasis on the importance of feedback as a key tool to instill employee development and motivation. Knowing the people has become a strategic element to embrace changes that can lead to the attainment of measurable results, for example in terms of greater engagement and productivity achieved by the team or reduced absenteeism and turnover rates. "Manager in Training" is one of the support tools of the People First program. Its second phase, "Manager In Training 2", launched in 2012, will be implemented

in 2013 and will be dedicated to the new managers who have completed the first phase upon their employment or promotion. The objective is to provide them with information in different fields, including HR management, IT, safety, cash management and food security.

Moreover, HMSHost carries out periodic visits to the stores for the purpose of identifying and analyzing employee training needs.

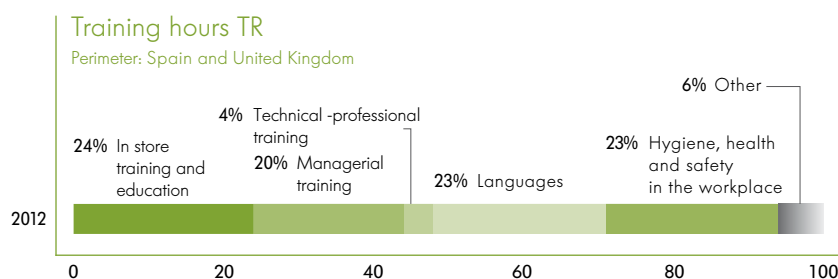
As usual, every year, the US subsidiary launched a reprise of an online training course to raise employee awareness concerning the contents of the code of ethics, to enable them to make appropriate decisions and report any suspect, unfair situations or potential violations of the company policies or the law.

#### What's going on in Travel Retail?

As for Travel Retail, in England there are ten training hubs (Heathrow T3 and T5, Gatwick, Stanstead, Manchester, Birmingham, Bristol, Newcastle, Glasgow, London offices), where training sessions aimed at improving customer service dedicated to sales personnel are provided. In particular, some training courses are held at Heathrow Academy, which releases certificates recognized nationwide to participants, while other courses are managed online through the Moodle web-based platform. In 2012 a large selection of training courses was offered: "Fundamentals of Service" for UK employees; "Inspirational Leadership", completed by 90 managers; "Trainee Leader Scheme", the first cross-sectional training program within the entire World Duty Free Group, which involved 20 employees. For the first two, training courses for tutors were also organized upstream to ensure the most effective completion of the program.

In 2012 all World Duty Free Group employees of the British region participated in a training session dedicated to the Group's Code of Ethics and another course dedicated to diversity was organized at Heathrow.

For Travel Retail too, training planning is strictly correlated to the outcomes derived from employee performance and competency evaluation processes. Moreover, in the UK there are specific professional profiles available to help complete training plans with employees in the stores.



## Health and safety: two opportunities for growth

Autogrill Group's ongoing commitment to ensuring the health and safety of all its employees is based on prevention, technology, training and daily monitoring.

For this reason the Group has established specific Health and Safety Committees in all the countries in which it operates (based on the relevant policies), composed of worker representatives, management and trade unions, to periodically monitor compliance with the relevant applicable laws.

The Committees carry out training activities, analyze any issue identified and develop the most suitable solutions to eliminate or, when it is not possible, mitigate risks regarding the occurrence of accidents through the use of protective devices. A key and recurring theme on the Committees' agenda is the



provision of ongoing training in the matter of health and safety in the workplace vis-à-vis employees and, above all, newly hired people.

In order to ensure that the activities currently in place continue to be effective, with specific reference to the control and analysis of the number and type of on the job accidents, a better designed monitoring system was launched and used by the key countries in which the Group operates. In this way, it will be possible to share competences and initiatives in the matter of health and safety in the workplace. This is one of the concrete actions put in place to achieve the objectives of the Group Roadmap.

The Group continues to focus on the integration of new technology and individual protective devices, necessary to guarantee the highest standards of safety for employees, as well as through the ongoing updating of the policies, procedures and training about safety in the workplace. Given its unwavering focus on ongoing improvement in the matter of health and safety in the workplace, the Group was able to target a remarkable reduction in the number of accidents in the last three years, based on an analysis of comparable data.

With a view to protecting employee health and safety, in 2012 a medical assistance service co-ordinated by more than 20 physicians conducted 4,752 clinical visits in Italy on behalf of the Group, 517 visits on behalf of Autogrill Spain, 1,446 in Belgium and 960 in the Spanish division of the World Duty Free Group. In Italy, eye examinations were provided to operators at terminals.

#### What's going on in Food & Beverage?

Attention to employees with regard to health and safety in the workplace is also reflected on suppliers and final consumers, as clearly expressed in the policies and procedures adopted by each single country in which the Group operates.

In Italy, the management systems envisaged by the Policy and integrated in the Company's Integrated Management System are governed by Italian Legislative Decree No. 81/08 and subsequent amendments and through standard SA8000:2008 and the voluntary adherence to UNI-INAIL guidelines which guarantee healthy, safe and ethical working conditions. To this end, the Group is currently working on the definition of a framework of indicators focusing on different levels of analysis to enable an efficient monitoring of stores and an effective management of issues regarding both health and safety and, also, food safety and environmental protection. Also in Italy, the Health & Safety Committee meets four times a year (twice more than in 2011) to periodically monitor accident trends, health surveillance and vocational illnesses, analyze the relevant causes and severity levels and evaluate the correlated risks. A great deal of attention is also dedicated to the monitoring of specific indicators indirectly correlated to the number of accidents. This, in fact, contributes to providing a preventive overview of events (like, for instance, information relative to structures, training, etc).

The same issues are dealt with in meetings with the Supervisory Body and are periodically submitted to the attention of the Board of Directors in relation to the implementation of the Organizational Model pursuant to Italian Legislative Decree No. 231/2001 – Special section dedicated to Safety in the Workplace. Starting from these analyses and monitoring activities, corrective actions are developed to mitigate the risks identified, with measures that may range from the revision of production processes to the adoption of new accident prevention tools and specific training programs.

In 2012, in line with the new government-regions agreement, Autogrill Italia developed targeted training sessions focused on Safety in the Workplace (Italian Law 81/08) by also relying on the newly introduced on line training tools. In an effort to further reduce injuries caused by cuts, the informational campaign "Knives and blades: use them safely" was launched in all the stores of the Italian sales network. To confirm the success of this initiative, injuries caused by equipment containing blades were down 35% in 2012 as compared to 2011.

Another important example is that of the US: the Policy on Health, Safety and Risk Management provides all employees with all the necessary principles to comply with for their safety at work. Safety Teams are specifically established at the store level, comprising members of management and the operating staff. Their task is to map, through specifically designed audits, the most frequent causes leading to the occurrence of accidents and subsequently suggest the adoption of equipment and individual protection items and also update the existing procedures.

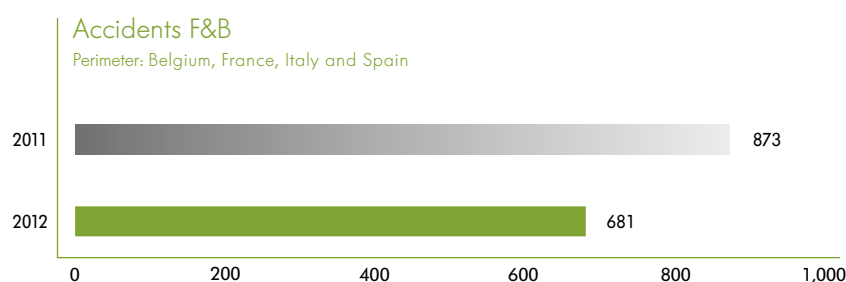
Moreover, the "Safety Scoop" newsletter, dedicated to risk management, is distributed every three months to provide advice, reiterate the policies adopted and share best practices.

Also in the United States, training on health and safety (recently revised and updated to improve efficiency) is provided to all newly hired employees and employees taking on managerial positions. Already in 2011, the HMSHost Risk Management division, in collaboration with the Food Safety Management division and the National Sanitation Foundation International, implemented a safety auditing system to establish a data baseline identifying risks and failures. In 2012 the program continued and the results will be used to identify specific locations that require additional training in the matter of health and safety or need to improve the relevant policies with the objective of reducing the number of accidents. Lastly, a new third party service provider was identified and selected to manage damage compensation claims, in order to provide better data reporting and a direct and free communication line available 24/7 to employees for the forwarding of compensation requests.

Frequently, Autogrill Group safety policies rely on significant collaborations: Autogrill France has collaborated with Caisse Nationale d'Assurance Maladie des Travailleurs Salariés (CNAM-TS) since 2006 for the Ergos project.

Ergos was developed to better identify accidents, analyze them and reduce their number. It is based on a listening approach of employees and is supported by a network of Ergos managers available in each store, organizing advisory sessions with employees. This is an innovative approach that includes the participation of each individual employee, being at the core of the professional risk valuation in the workplace and the involvement of operations and support services for the implementation of concrete preventive actions.

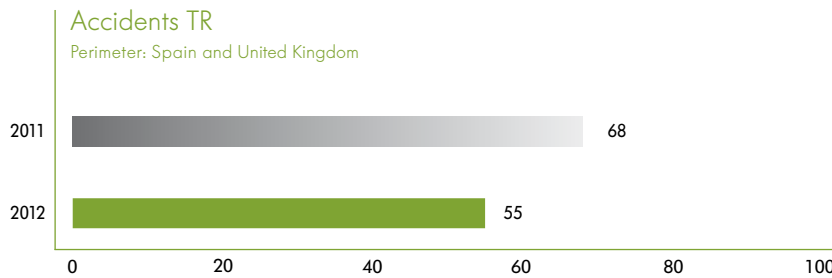
In Spain, Autogrill launched a specific training session in 2012 dedicated to the management of emergency cases and first aid: eight courses were organized with the participation of 90 people. In addition, an e-learning course on good health practices was made available to store managers and personnel of the central offices. Also, Autogrill Spain increased the number of Health and Safety Committees from two to six. Lastly, two projects were launched in collaboration with Mutua Universal (a mutual aid entity specializing in accidents in the workplace and professional illnesses). The first project refers to road safety and the second concentrates on muscular-skeletal disorders, which is expected to provide guidelines in the matter of ergonomics to the benefit of the entire company population.



#### What's going on in Travel Retail?

In addition to prevention of accidents at work, Autogrill Group is also committed to protecting the health of its employees through the organization of initiatives differentiated by geographical regions and business areas.

In order to ensure that health and safety in the workplace are managed efficiently and on an ongoing basis, World Duty Free Group implemented a three-year strategic plan revolving around four pillars: engagement, competency, leadership and streamlining. This program includes a revision of the the risk assessment process and the development of alternatives to daily controls in order to make the system leaner and improve the information collected through the controls. This will then allow the Group to precisely identify the so-called “failed accidents” (unplanned situations during which no accident or damage occurred, but which could potentially result in such an event) and proactively react to them. Following the path commenced in past years, in 2012 all the British locations belonging to the World Duty Free Group were certified OHSAS18001:2007, which officially represents the first standard recognized at the global level, rewarding the Company’s commitment to providing its employees with the highest standards in terms of health and safety at work and its ongoing efforts to improve.



## Communication tools to the service of all employees



Aconnect is the Group’s web-based intranet portal, the Group’s strategic project leading the conversion and integration of traditional services and systems to web-based solutions that can contribute to making Autogrill’s business evolve and radically change its internal communication style. Aconnect is a continuously evolving tool developed by an international team from the countries in which the Group operates. Aconnect was designed on an open source platform, which permitted access to applications designed by a large team of developers, while increasing specific skills within the company. This approach translated into the possibility of relying on an internally manageable, flexible tool suitable for meeting immediate and ongoing communication needs.

The immediate availability of policies and continuously updated organization charts, organizational communications and news about the business make it a particularly effective working tool. Furthermore, Aconnect plays an important role in the process of integration of the company’s sectors of activities in different countries and working environments. Its implementation has contributed to remarkably reducing the distance between colleagues operating in the two businesses, between functions, headquarters and the network, and enabling the sharing of best practices and the exchange of opinions and values. For the first time, in addition to the traditional organization charts, Aconnect included all the corporate teams with the relevant missions of the divisions and photos of the members.

To help people obtain information and increase the transparency of the relationship between the company and its employees, Aconnect offers a series of services that were not easily accessible in the past, like, for instance, online training, FAQ on human resources management, online badge and payroll (for the time being only available in Italy. This contributed to remarkable savings in terms of paper), job posting and a continuously updated welfare area, just to mention a few.

The portal also embraces new generations with modern working solutions, closer in terms of

ergonomics, interaction and processes to the web-based solutions with which we are now used to interacting in our daily lives. Following this line, in 2012 the entire Food & Beverage area in Europe adopted a new Google-branded email system that offers a series of innovative and useful collaboration and sharing services in addition to ensuring access from whatever device.

The dissemination of Aconnect progressively decreased the use of traditional house organs (including printed newsletters), thus reducing paper consumption and emissions associated with their distribution. Thanks to the launch of a weekly electronic newsletter, including a summary of the most important news and content uploaded to the portal, Aconnect provided for the possibility of updating all European employees at the same time. Each country drafts its own newsletter online based on a common format, including a mix of news from the Group and local information.

**7 countries** on-line: Italy, Spain, France, Switzerland, Belgium, the Netherlands for Food & Beverage, UK and Spain for Travel Retail

Over **15,824 employees** access Aconnect

Over **250,000 files** uploaded and shared in two years

**"Afuture"** Group section dedicated to sustainability

Expected **expansion** to the other countries of F&B in Europe in 2013

#### What's going on in Food & Beverage?

An important example of leaner and more effective corporate communication is that of Autogrill Spain, which developed the profile of Internal Communication Ambassador in the stores. Over eighty employees operate in stores scattered throughout Spain, with superior skills in communications and the use of new technology. They represent a precious contribution, ensuring that information and instructions circulated from the central offices are properly received. They stimulate the participation of all the employees, provide additional opportunities for professional development and, last but not least, ensure effective two-way communication, thus facilitating the dialogue between the stores and headquarters.

Also in Spain, in 2011, a new initiative was launched, which has so far involved only the employees at headquarters, but is expected to be extended to the entire sales network. The Imagination Desk was established to promote a stimulating working environment and improve performance and engagement. The Imagination Desk is composed of a team of volunteers from different departments - Marketing, Finance and ITC - in collaboration with Human Resources. The team submits proposals to the executive committee regarding initiatives that, when approved, are implemented by the same.

The issues on which the team concentrates are:

- voluntary collaboration of employees with Non-Governmental Organizations (collection of food, purchase of products for children with AIDS, etc.);
- new look for employee break areas;
- group birthday parties in break areas for people born in a given month;
- search for discounts for employees and their families.

In the United States, HMSHost has a 24/7 telephone line that employees can access to discuss any issue or concern they have or also provide comments or report problems in addition to the intranet portal. HMSHost intranet also feature a dedicated, always accessible page where employees can post ads or news about the Company. Moreover, many central departments (including Benefit, Internal Audit, Information Technology, Legal Affairs, etc.) developed newsletters regarding their activities. These newsletters are emailed to all employees and are also posted on the Company's website.

**What's going on in  
Travel Retail?**

In 2012, the new World Duty Free Group brand was launched, marking a milestone in the Group's history. This new umbrella brand groups together all Travel Retail activities under one single name and logo, providing a renewed and greater spirit of cohesion and collaboration. The new identity of the World Duty Free Group was advertised also through the distribution of ad hoc material (corporate image, document templates and various gadgets, including mugs, pens and notebooks, USB keys, etc.). The initiative was kicked off from headquarters and then spread throughout the company so as to ensure that the message was received by all levels, thus laying the foundations for a new corporate culture and identity.

In 2012, the World Duty Free Group Communication Division began publishing "Link", the first magazine dedicated to employees, published both in printed version and online.

The title of the magazine is self-explanatory and, in fact, in addition to providing general information to employees, its purpose is to build a bridge and stimulate concrete and direct integration between the English and Spanish cultures, currently co-existing within World Duty Free Group.

The magazine is drafted in both languages and this already meets an important requirement of communication: bringing the company to a better understanding of the common business objectives and disseminating a shared corporate culture.

"Link" includes an extensive range of information relating to business and employees, from outlining the profile of managers and the roles in their divisions to articles about what's happening in the various areas of activity the world over. Contributions are provided from any level of the company, from the Board members to the employees in the sales network.

Every issue contains a section dedicated to sustainability, featuring activities in support of the community, the projects in place and donations, as well as the environmental programs and the prizes won.

## A common platform to manage employee personal data

In order to identify the key areas for improvement and the most suitable actions to undertake in relation to people, it is necessary to rely on personal and organizational details that can be easily accessed and analyzed. Autogrill Group started the **Global HR Platform** project (GHRP), a global cross-sectional platform for the management of employee personal data, in 2009. In 2010 the data of the employees of Autogrill S.p.A., the subsidiaries Nuova Sidap and WDF were entered in the system, while in 2011 the system was updated also with the data of the people of Aldeasa Spain and Autogrill Spain. In 2012 the countries included in the system were: Italy, Spain,

France, Switzerland, Belgium, and the Netherlands for Food & Beverage, UK and Spain for Travel Retail.

Thanks to the definition of shared semantics, the Global HR Platform enables HR functions to promptly obtain homogenous and comparable information about the Group's people (i.e. gender, age, type of contract, level, seniority level, education, etc.) with different levels of information accessibility.

The GHRP system allows us to:

- rely on a common master database, to be used to develop systems that support processes such as online training, internal job posting, people development, personal profile, etc.;
- enable access control and profiling on the Aconnect portal, communication management aimed at specific targets, text messaging services and knowledge management/exchange in addition to integration process services like, for instance, People & Location Directory;
- recover and register qualitative information regarding people (i.e. skills unregistered by traditional systems), also in a self-service format;
- reduce manual processing activities and facilitate prompt generation and updating of documents regarding the organization.

## Dialogue with the trade unions

The relationship between employees and the organization is a critical issue, because it relates to the balance of needs, including workers' rights, negotiation systems, communication methods and engagement. Over the years, the Group has established a productive dialogue with the trade unions in every country in which it operates, in order to promote the identification of solutions that will balance the needs of individual workers with those of the organization. The Group guarantees each employee a transparent labor contract as well as the protection of employee rights, regardless of the specific labor contract for each business sector and/or country of reference.

Such transparency in the relation results in the availability of several types of contracts: national and/or sector-specific labor contracts, collective and/or corporate labor contracts and individually negotiated labor contracts (in case of unavailability of collective labor contracts). Moreover, all collective bargaining agreements, including local ones, are periodically subject to review and updating. The most recent revision dates back to March 2010, which related to the renewal of the Autogrill S.p.A. platform of the national contract for the tourist industry until April 2013.

In Food & Beverage the availability of policies and regulations provides support for a clear and transparent labor contract in the different countries of operation. Some significant examples include Canada, with the Provincial Employment Standards Act, defined by the Canadian Government; Great Britain, where the Works Council protects the rights of those employees not covered by a collective labor contract, and the United States, through the establishment of the Arbitration Committee. In some Asian countries, the lack of laws or trade unions responsible for the protection of workers' rights means that local management must fill the void, by managing their personnel according to policies and guidelines designed and implemented by the parent company.

Throughout Europe, Autogrill Group has developed clear working criteria through the European Corporate Committee (ECC), an information and consultation tool used by the Company and employee representatives to evaluate the Company's performance and perspectives. Information and consultation represent the ECC pillars and they have been progressively supplemented and enriched. The Autogrill approach to human capital is increasingly oriented towards a model based on periodic training meetings, which ensure recurring contact, facilitated through the implementation of web collaboration tools, dissemination and sharing of the Group's Organizational Model, key projects currently in progress and an increasing propensity towards direct contact with people.

A new portal was launched in 2010: A-EWC, Autogrill European Works Council, which is the result of one of the first collaboration areas activated in Autogrill Intranet, where Autogrill representatives and European employee delegates share operating documentation, project work-in-progress reports and meeting schedules. This tool makes available a steady and reliable flow of information about Group events, with prompt updating, while concurrently providing a forum for contributions outside the officially scheduled meetings. In 2012 the first European Work Council meeting was held with the participation of both Food & Beverage and Travel Retail representatives. The meeting, held on October 22 and 23, also included a training session dedicated to information and consulting, which is expected to be completed in April 2013, within the "Empowering the new EWC Autogrill" project, which also obtained financing from the European Union in the context of social dialogue projects.

Moreover, it should be noted that based on the agreements reached at the Group level, should any significant organizational change occur that necessitates employee transfer, employees will be informed at least four weeks in advance.

Activities in progress were continued with the objective of sharing local best practices in Europe in relation to the issues that the ECC designated as priorities - health and safety, worklife balance, intra and intercompany mobility, quality and ergonomics in the workplace. Representatives of all Autogrill employees in Europe participate in this body as a result of an agreement that specifically establishes that "Corporate Social Responsibility programs" represent an institutional pillar for information and consulting.

With regard to the management of labor relations, a limited number of employee legal suits have been filed in the main countries in which the Group operates: in 2012 Autogrill Italia (11,640 employees) was involved in 108 litigations. These lawsuits were mostly in reference to dismissals for just cause or the denial of extensions for fixed terms contracts whose term had expired.

## Focus story



### People Engagement Survey

For a company providing products and services to people, human resources represent a fundamental and strategic asset to ensure business success. Their engagement is a key lever and a priority for the company.

In addition, in the current European economic scenario, where the management of human resources has become a very delicate issue due to the organizational challenges that businesses have to face, Autogrill Group believed it even more important to know and deeply understand employees' opinions.

**"Do you Feel good?"** is the first **People Engagement Survey** addressing all employees of the Food & Beverage area in Europe, designed to measure employee engagement level. The survey involved more than 22,000 people in 13 countries and approximately 800 stores and was translated in 10 languages.

Launched in November 2012, the survey reached a 67% redemption level with 15,084 questionnaires filled out, scoring a 59% employee engagement index.

Based on the fundamental pillars of employee engagement (*Satisfaction*: the level of satisfaction with one's job; *Advocacy*: the level of recommendation of one's company outside; *Pride*: the level of pride with which one performs a job within an organization; *Commitment*: the level of commitment that an employee brings to his/her job), different areas of interest were measured, with the purpose of laying the foundations to start a structured and measurable process of improvement at all levels within the organization.

Each country and each store will access data and be involved in the development of the resulting action plan. The project represents a starting point for an ongoing process of improvement, whose effectiveness will be benchmarked on a yearly basis through the repetition of the survey.

Following the analysis of the outcomes derived from the survey, the established action includes:

- Priority identification and planning;
- Action implementation;
- Work in progress monitoring.





The collaboration with an external supplier ensured the anonymous management of questionnaires and the possibility of relying on a market benchmark based on the results obtained.

“Do you Feel good?” also provided the opportunity to assist needy children. In partnership with Unicef, a nutrition project was selected: for each questionnaire filled out, Autogrill donated to Unicef three Plumpynut packs, the next generation therapeutic food specifically designed for undernourished infants, corresponding to a day of nutritional treatment for a severely undernourished child.

The “Do you Feel good?” survey was developed along with the best practices shared within the Group. This is the result of an adaptation to Food & Beverage of a best practice implemented by World Duty Free Group, which has been annually measuring employee engagement since 2009.



In fact, in addition to “Do you Feel good?”, the World Duty Free Group also carried out the **“LINKed”** survey, likewise dedicated to employee engagement, for the fourth consecutive year. This survey was extended for the first time to all Travel Retail countries.

Three kick off dates between October 2012 and March 2013 were selected to allow for planning and questionnaire completion.

The following three areas of interest were analyzed in the questionnaire:

- *Say*: the propensity to speak about the company in positive terms;
- *Stay*: the engagement and desire to continue working in the organization;
- *Strive*: the dedication and commitment instilled in one's job.

To date, only the results relative to the United Kingdom and the two central offices of London and Madrid are available, which achieved an 84% redemption level on approximately 3,800 people involved. Employee engagement was equal to 84%.

Also for World Duty Free Group the purpose of the survey is to define an action plan to involve all the countries, the stores, the central offices and distribution centers in order to maintain and increase employee engagement and thus contribute to the success of the organization.

## CONSUMERS



Autogrill's business is based on travelers in a continuously evolving world that, in turn, constantly invites individuals to change and transform their needs, wishes and expectations.

Knowing our stakeholders, consumers, landlords and brand partners is a key factor in facing the challenges of the two businesses with a broad and customizable offering based on different travelers' needs.

For this reason, Autogrill is committed to listening to the opinions of its customers, to outline a targeted and precise framework of their needs and expectations and, consequently, work out new solutions aimed at increasing customer satisfaction and creating value added.

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- . Finding the correct route
  - “Feel good?”
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## Getting to know travelers

In recent years, changes have picked up speed worldwide. And this process is expected to continue. The new geographic scenarios and recent developments in the global economy have had an impact on traffic and destination flows. Only by getting to know these new travelers and the reasons why they travel will the Group be in a position to design ad hoc offers for Food & Beverage and Travel Retail.

The typical travel channels — airports, highways, railway stations — in which the Group operates through its business sectors are actually privileged observatories; they reveal who today's travelers are and their experiences as consumers, in the same complex yet dynamic scenario as the Group. In this context, Autogrill Group is in the best position to understand travelers' needs, interpreting the speed and complexity of the changes that occur every day and translating them into innovative products and services.

Airports in particular represent the place where Autogrill Group experiments and develops top notch solutions and services.

### What's going on in Food & Beverage?

As for Food & Beverage, a concrete change in consumer behavior is easily detectable in people's diet. An increasing number of people follow specific diets as a result of intolerances or allergies to specific food products (coeliacs) or prefer not to eat meat (vegetarians and vegans) or, also, have dietary habits based on one's own cultural and religious-based orientation.

The price-quality ratio has increasingly become important, as well as the increased demand for healthier food, the interest in local products (with controlled and/or certified origin), sustainable, not excessively processed products and the curiosity for ethnic recipes with foreign influences, including Latin-American food in Europe and European specialties in the Americas, testifying to the cultural contamination also affecting local cuisine, a result of increased travel flows towards new destinations.

### What's going on in Travel Retail?

As for Travel Retail, the new, exclusive Tax and Duty-Free products and luxury products represent an important element for business development in Travel Retail. Duty-Free shops are a perfect observatory for tracking trends of best-selling products in the different geographical and cultural areas throughout the world, but also places where to test new shopping experiences.

The beauty and cosmetics category, in particular fragrances, is one of the best sellers in the UK and in Spain, but also in Latin America and the Middle East, together with tobacco products and liquor. The confectionary & fine food category registered increased appreciation among consumers. In recent years, consumers were increasingly attracted by typical local products, also in smaller packs, often purchased as a gift.

In tourist airports the souvenirs category is registering great success, while in airports mainly operating for business traffic exclusive and personalized products are mostly sold, especially if they are not available in other countries. Conversely, in Kuwait and Sri Lanka, some common products, like powdered milk, considered a staple, and soft drinks are purchased in duty-free shops to save money.

Last but not least, in Travel Retail, sales assistance is particularly important, especially for luxury products, but also beauty products, cosmetics and fragrances.

## Finding the correct route

Providing travelers with increasingly innovative services means completing periodic analyses to better understand those who are part of the process, starting from landlords up to consumers and franchisors (or brand partners). It also means knowing and understanding the characteristics of the markets in which the Group operates. For this reason, dedicated divisions at the corporate and country level collaborate in collecting and analyzing information about consumers, landlords and competitors, as well as on the efficacy and consistency of marketing programs developed by the Group, defining the guidelines for the implementation of targeted marketing actions.

Autogrill relies on a large research platform that combines data derived from internal sources (data retrieved from accounting and non-accounting systems) with data collected from external sources, specifically from landlords and brand partners, and market surveys and analyses (tests on concepts, products and services, key for understanding and anticipating consumer needs). These survey tools are also supported by direct opinions expressed by consumers through customer satisfaction surveys, toll free numbers, e-mail contracts and green cards.

Product and concept design is always triggered by travelers' expectations. Who are the consumers? What do they want? The outcomes of the analyses carried out reveal a profile of a traveler who is aware of his/her role, wants to be a leading actor, is demanding and makes purchases knowingly.

### What's going on in Food & Beverage?

In the United States, trends in terms of emerging and consolidated styles, as well as purchasing trends, are constantly monitored through the Culinary Institute of America and other trend research institutes to identify emerging and consolidated tastes in Food & Beverage and purchasing trends. In addition, surveys are carried out within HMSHost stores to understand travelers' desires and opinions in relation to new concepts, products offered and other innovations. In 2012, studies were conducted to define consumer profiles and to understand purchase barriers. Other targeted surveys were also carried out to understand what concept is mostly appreciated in an airport or, in collaboration with the traditional partner Starbucks, to analyze the reasons for purchase or non-purchase also on arrival. The outcomes from these surveys are then used to develop strategies to attract and retain consumers.

Also in Europe and in particular in Italy, market research plays an important role in getting to know travelers and their different profiles according to, but not limited to, the various travel channels. The outcomes from the surveys and analyses carried out are key to the development of an offering that is in line with the needs and expectations of target consumers. In particular, in 2012 use behaviors and consumer habits in the highway channel were investigated along with landlords' level of satisfaction.

### What's going on in Travel Retail?

Every year since 2009, in the UK landlords have participated in a survey to understand what airport partners think of the activities performed by the World Duty Free Group, how the Group interacts with them and how consumers are treated. The information collected is then used to consolidate the relationship and increase productivity by aligning objectives between the World Duty Free Group and the various airport operators.

As for consumers, in addition to relying on all the tools to communicate with store managers (emails and telephone numbers on the website and price slips), surveys are carried out throughout the year to obtain consumers' opinions on the quality-price ratio in the World Duty Free Group stores, the destination targeting (a project to adapt the offering based on the incoming/departing flights in any specific time slot), communication and the use of space in the stores. Last but not least, analyses are also frequently carried out in collaboration with the key partners, for instance Kraft Foods, Estée Lauder, Diageo and JTI.

### Feel good? A targeted focus on the satisfaction of our consumers

The fourth edition of "Feel good?" involved over 63,600 consumers on issues regarding the offering, the service, cleaning and the atmosphere in the over 500 Food & Beverage, Travel Retail and Duty-Free points of sale the world over.



In the previous sections we concentrated on the importance of getting to know our employees' opinions, but it is equally important to probe consumers on the performance of the organization, in order to test the success of the offering proposed through a specifically designed customer satisfaction survey.











"Feel good?" is the Autogrill Group customer satisfaction project, designed in 2009 with the purpose of measuring the quality perceived by consumers in order to be in a position to develop targeted actions to improve the service, the products and the brand image.

The fourth edition of the "Feel good?" project in 2012 marked a cornerstone in Autogrill Group's history, becoming the global customer satisfaction program, involving both business sectors in 10 countries: Italy, United States, France, Spain, Switzerland, Belgium and the Netherlands (Amsterdam Schiphol airport) for Food & Beverage and United Kingdom and Spain and Peru for Travel Retail.

In 523 different locations (115 more than in the previous year) consumers were asked to fill in an online questionnaire. A total of 63,655 people (52,638 for Food & Beverage, 11,017 for Travel Retail & Duty-Free) did so.

The "Feel good?" results enabled the organization to outline an even more precise and accurate picture of Autogrill customers' needs and expectations. These results were used to provide a foundation for developing new solutions to increase customer satisfaction in the two business sectors, in every country and channel and for every type of traveler, ranging from the development of new products to the provision of employee training courses.

## Overview on the countries involved

	FOOD & BEVERAGE							TRAVEL RETAIL			TOTAL
											
<b>2012</b>											
No. locations involved	71	30	15	18	229	1	135	18	5	1	523
No. interviews	6,496	5,483	1,213	2,135	29,389	1,786	6,136	1,940	8,014	1,063	63,655
<b>2011</b>											
No. locations involved	81	30	14	20	223	1	117	17	5	-	508
No. interviews	2,793	946	1,078	2,568	12,644	560	4,671	2,452	8,746	-	36,458
<b>2010</b>											
No. locations involved	85	29	16	41	211	1	8*	-	-	-	383
No. interviews	4,957	523	1,572	3,612	18,997	769	1,671*	-	-	-	30,430

\* qualitative data

## II Mystery Client

The need to monitor the quality of the service and therefore improve the offering led Autogrill Group to the introduction of the "Mystery Client", an employee who visits the stores pretending to be a normal customer.

### What's going on in Food & Beverage?

In 1999 Autogrill introduced, Europe-wide, the "Mystery Client". The Mystery Client has become an effective element over the years, adopted in many countries and business sectors in which the Group operates. The operational controls permit effective monitoring of both service quality and customer orientation.

On a monthly, bi-monthly or quarterly basis, in the Group stores – franchises included – Mystery Clients monitor four major areas:

- the store: cleanliness, order, functionality;
- operators' behavior: courtesy, efficiency;
- food quality: freshness, quantity, temperature;
- commercial aspects: correct change, queuing at the cash counter.

After the visit the Mystery Client fills out a form, in which s/he evaluates the store visited in detail. The questionnaires upon which the Mystery Client's evaluations are based are updated on a yearly basis and aligned to the outcomes resulting from other internal control tools (see next section) to ensure ongoing focus on consumer-pertinent issues. The results are then promptly communicated to the main offices and store managers for the purpose of designing improvement actions. The Mystery Client's findings are also entered in the MBO (Management By Objectives) system of network and headquarters directors and managers.

Also in the United States there is a "mystery shop" program checking consumer service standards. Each store is visited every two months and receives a score broken down in "Service components" (including the evaluation of all the tools that can be managed directly by employees) and "Visit components" (comprising the aspects that are outside employees' control).

The scores are then entered in the performance appraisal and have an impact on the compensation bonus.

**What's going on in  
Travel Retail?**

In Travel Retail, the Mystery Customer in the UK has the objective of monitoring employee courtesy, kindness and competence at the moment of sale. The team of Mystery Customers is composed of approximately forty employees who rate the operators' performance in the major UK airports over the year. Unlike F&B, where the overall store performance is rated, in Travel Retail every individual operator is monitored. The overall final score may be: Platinum, Gold, Silver, Bronze and Red. In the case in which an operator receives a Gold or a Platinum evaluation, s/he receives a voucher in products for a total of approximately £ 50-100, as an additional incentive to improve customer service. Following the Mystery Customer visits, action plans are developed, such as, for instance, the "Fundamentals of Service" training extended to the entire staff in the UK in the summer of 2012.

## Regulatory certification in the social field

### In Food & Beverage

In Food & Beverage certifications focus on the management of products belonging to the food category, in addition to employees' health and safety:

- in Italy, in 2012 the ISO9001 certifications on Quality Management Systems and the UNI 10854 certifications were renewed. The ISO22000 on Food Safety (for the Milan offices, the Giovi Ovest store and the Orio al Serio airport) and the Social Accountability 8000 Ethical Certification for Autogrill S.p.A. are still valid;
- the offices of Telefonica in Madrid also renewed the ISO 22000 certification on the Food Safety Management System in 2011.

### In Travel Retail

In Travel Retail safety in the stores and warehouses represents a priority:

- the OHSAS18001 certification obtained in 2012 for all the World Duty Free Group stores in the UK promotes a healthy and safe working environment based on an infrastructure that allows the organization to identify and systematically control health and safety risks, reduce potential accidents, favor regulatory compliance and improve overall performance.

## THE LOCAL COMMUNITY



The Autogrill Group creates a dialogue with the local communities in which it operates by stimulating engagement through the development of projects of common interest.

Being aware of the strength and importance of the engagement of its employees and customers, the Group carries out several successful projects thanks to their contribution.

The objective is to contribute to improving quality of life and protecting natural resources.



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. **Creating value: from people to people**

Donations from Food &amp; Beverage

Donations from Travel Retail

## Creating value: from people to people

Autogrill's vision and mission clearly express, in the terminology used, the value of sustainability, intended as a responsible stance towards society, the environment and economic growth.

Despite the unfavorable macro-economic scenario, Autogrill Group continued its support to non-profit associations operating at the local, national and international level through donations in money by Group companies (direct contribution), funds raised thanks to consumer, employee and partner awareness campaigns (indirect contribution) and donations of food products and/or material goods used in the normal management of stores, thus providing concrete and immediate assistance to numerous associations (contribution in kind and services). In this way, a value-creating cycle and relation is established between the company itself and its employees, partners and consumers.

In 2012 the Autogrill Group donated euro 2.7m, a 25% increase against the amount collected in the previous year, a record high mainly driven by an improved monitoring system of in kind donations in the Food & Beverage sector and increased donations deriving from food in excess, thanks to the extension and consolidation of the partnership with the organization Food Donation Connection in the United States.

**€ 2,777,000** were donated in 2012 by the Group and through the support of its **employees and consumers.**

### Donations

#### Food & Beverage

Every year Autogrill makes a contribution to numerous support and assistance projects organized by associations and foundations scattered throughout the local, national and international territory. In 2012, also as a result of the current global economic scenario, and in particular in Europe, the Group concentrated on the donation of food and meals to associations that are directly in contact with needy people or to organizations that act as mediators between restaurants and food service companies and non-profit organizations operating in the social sector.

In 2012, in kind donations involved various local and national food banks, particularly in Italy and the United States. Autogrill Italia renewed its commitment in favor of the needy through the donation of food products for a total of more than euro 280,000, mainly donated to associations like Fondazione Banco Alimentare and other less prominent groups, though also very active and present at the

national level. Moreover, at the Roma Termini railway station, a collaboration has been set up with an association that collects excess food from the Autogrill stores at the end of the day and distributes it to the homeless living around the railway station. Also in Spain, a similar activity was started with the local food bank. In the latter case, employees are invited to collect and ship to the central offices in Spain bottles of olive oil — an essential ingredient in the Mediterranean diet — or other perishable food. The project, now in its fifth edition, was launched during Christmas under the “Christmas for all” banner. In the United States, HMSHost collaborates with Food Donation Connection, developing programs for the donation of food products for the stores located at the airports and on the highway. Food Donation Connection is a private US company that acts as a bridge between restaurants and food service companies willing to donate excess food and local associations operating in the social field, which distribute the food to the needy. Over 45 airports and numerous stores located on the highway participate in the program.

Many direct and indirect donations refer to long term partnerships with associations and foundations dealing with medical assistance and research, like the American Cancer Society, charities like the United Way, but also assistance to children like the Children's Miracle Network and the Children's Hospital of Los Angeles. In addition, Autogrill Group selects other forms of assistance to associations from year to year. The close collaboration between employees and consumers make it possible to raise significant amounts to support important long term projects.

In Italy, after the earthquake of last May 2012 in the Emlia region, a “solidarity chain” was established to support colleagues and the population hit, which suffered significant damage.

#### **Travel Retail & Duty-Free**

As for Travel Retail, the international nature of the business makes it possible to collect and distribute donations globally, in Europe, Africa, Latin America and Asia.

World Duty Free Group focused its commitment on young people and education, combining direct donations and fund raising activities carried out by employees. For World Duty Free Group, each country should be in a position to support a local project with the involvement of all employees.

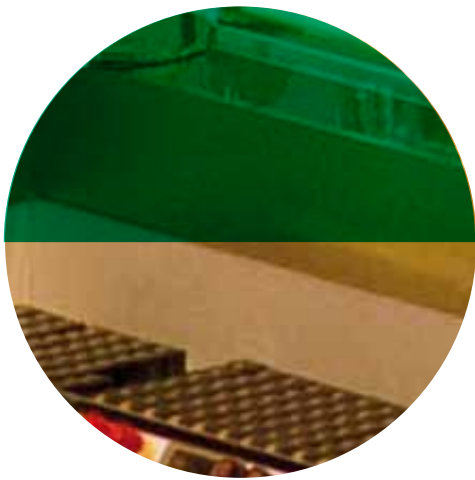
Among the several initiatives worthy of mention is the partnership between World Duty Free Group and The One Foundation, established in 2006, revolving around the sale of the “One Water” bottles and jute bags, the revenues of which go to financing the installation of top-notch water pumping systems in Africa: the PlayPumps. The PlayPumps are water pumping systems that rely on children's carousels to extract fresh and clean water from the soil and store it in tanks, to be distributed later to entire communities. In 2012, World Duty Free Group raised and donated euro 182,237 in favor of The One Foundation. A number of employees operating in the stores which scored the best results in the sale of the “One Water” bottles participated in a journey to Malawi to see the concrete fruits of this activity in action.

Still within the partnership with The One Foundation, in 2012 a challenge was launched in the UK to understand the problems faced by those living in extreme poverty. Thirteen people of the London offices and a group of employees from Edimburgh committed to living on not more than five pounds for five days. During the performance of the project, they collected more than euro 18,000, which The One Foundation will use to build kitchens in two schools in Malawi.

Long term partnerships continue between WDFG and, for instance, Fundación Xaley, Fundación Padre Arrupe and, in particular, the ten-year-long collaboration with the non-profit private foundation Fundación Iberoamericana Down21, responsible for the first project ever dedicated to people suffering from Down's Syndrome, which led to the development of a network: canal down21. This is an ambitious idea revolving around the synergistic collaboration of foundations, associations, schools, universities, hospitals and other national and international institutions directly or indirectly involved in disseminating

knowledge about Down's Syndrome or supporting research. In 2012 World Duty Free Group donated euro 45,000 and also thanks to this contribution the network was able to grow beyond the boundaries of Spain, thus becoming a permanent point of reference for all Spanish-speaking countries.

In Spain WDFG also focused its attention on the environment, specifically concentrating on marine areas at risk, in collaboration with WWF. In this respect, also in 2012 the revenues from the sale of each biodegradable bag were donated to WWF Spain, continuing a collaboration that dates back to 2009 and which is promoting the creation of a network of Protected Marine Areas by 2020. This network is expected to extend to at least 10% of the Spanish marine areas and include 64 areas offshore and around the Balearic Islands.



A-Product

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- // Focus Story

## The second strategic area for the Group's sustainability

Customers' requests and wishes are constantly changing, evolving and increasingly demanding. This market characteristic is magnified by the expansion of international contacts, with cultures, habits and needs criss-crossing. The Autogrill Group responds to this complex situation by continuously renewing its offering, changing its way of thinking and cooperating closely with landlords and partner brands.

The Autogrill Group offering, which serves an extremely numerous clientele across five continents, in two rather different business sectors, is distinguished by a great strength: the continuous innovation of the products and services offered along with the cross fertilization within the Group.

“We want to think in an **innovative** way and offer products that ensure **safety and quality** criteria, so that customers will enjoy and remember their **experience** in our points of sale”

The Group savily combines Food&Beverage with retail and Duty-Free to adapt to the emerging needs of different countries, in an ever-changing society, inventing and renewing its concepts and offering. Specific aspects, size of the business and international scope are but a few of the elements that further complicate the situation.

Consequently, a crucial role is assigned to the assortment of brands managed (either directly or through a license), as they enable the Group to be present in 38 countries worldwide, with different and innovative solutions meeting customers' needs.

Today, customers want to be more actively involved in creating the offering and devising services. Surveys conducted by the Autogrill Group highlighted that travelers want to actively express their wishes, regenerate their energy and ease the psycho-physical stress of traveling. In other words, they want constant innovation in products and services. Physical spaces are also important, and demand differs depending on the type of traveler. Habitual customers, including lorry drivers, families, children, the differently able, pets, bikers and business people, are only a portion of the population that comes into contact with Autogrill every day. They want more comfortable, more functional and basically more attractive and relaxing interiors, so that stopping becomes a pleasant experience, with modern furniture, better lighting, attention to materials used and more comfortable chairs, tables and stools, all necessary amenities for travelers.

Customers want to be more and more emotionally engaged in the consumption experience, they want novelty and comfort, they are less willing to make do with standardization, they would like an offer that can be tailored to their taste, to include typical local products, to their type of journey.

These are the challenges the Group faces every day.

Vyaggio and B4 YOU BOARD™ Starbucks and Burger King  
 two app **our solid and long term**  
**for customers** partnership

## Route to innovation

Route to Innovation is the new direction taken by the Autogrill Group. It is a route of change, which will lead the Group to innovate and renew itself in many aspects of its business approach. First and foremost, being competitive means satisfying the needs of those who use the services offered by the Group. Therefore, the focus on current and potential customers is key. The goals of this evolution are to share experience on innovation within the Group, find inspiration and turn innovation into a competitive edge.

*"We want to turn innovation into a key competency to extend our leadership. We want to create a more agile company, able to use innovation to gain a real competitive advantage in the eyes of landlords and consumers.*

*This is why I decided to launch*

***Route to Innovation.** I trust that this experience will prove highly satisfactory for all of us."*

Ezio Balarini. Group Chief Marketing Officer



The Group's path towards innovation started in 2011, with the first event within the framework of **"Route To Innovation"**, dedicated to **Innovation & Technology** and focused on how technology can accelerate innovation. This first event engendered the development of a social platform meant to work as a store locator, conveying useful travel information (like promotional offers at the points of sale along the way), and as a way to share opinions through an assessment and review system. This "think tank at work" led to the multidevice application **"Vyaggio"**, launched early in 2012.

Downloadable on smartphone and accessible via web, Vyaggio enables fast access to and identification of the Group's points of sale, special services and customized coupons. The basic concept is very simple: ask the customer what he wants, what he is looking for, so as to offer him the solutions most in tune with his needs, based on his mood (Sleep, Healthy, Shopping, Coffee, Pizza, Sandwiches, Food, Drinks). When accessed through a GPS device, Vyaggio detects the user's position on the map and highlights the closest stores. And that's not all. It also offers a detailed list of all the services that are made available to customers inside each point of sale (free Wi-Fi, electrical sockets, showers, baby rooms, etc.) and helps plan the trip, illustrating all the opportunities along the way to stop in an Autogrill point of sale. Vyaggio is currently available in 6 languages (English, Italian, French, Spanish, German and Dutch) and includes information on over 950 points of sale managed by Autogrill, HMSHost and World Duty Free Group worldwide.

Beside Vyaggio, **B4 YOU BOARD** is another free app developed by HMSHost for smartphones. Launched in May 2011 at the New York JFK International Airport, the app allows departing travelers to order their menu in advance, directly via phone, and subsequently collect it at the point of sale or directly at the boarding gate. Between 2011 and 2012, the service was extended to the following airports: Minneapolis - St. Paul International Airport, Chicago O'Hare International Airport, Salt Lake City International Airport, Sacramento International Airport and Phoenix Sky Harbor International Airport. The service includes no surcharge on the ordered menu and it is an excellent way to save time without skipping lunch or dinner during journeys.

The second step of the Route to Innovation was dedicated to **Innovation & Sustainability**, in November 2011. About 50 managers from different Group companies participated in the event, which could also be followed via streaming at the three main Autogrill offices (Milan, Bethesda, Madrid). Three round tables were organized, one for each strategic area identified (People, Product and Planet) to present sustainability initiatives and excellence projects implemented by Group companies. Moreover, important experience was contributed by external businesses (like Electrolux and Starbucks) within a debate with Group representatives, moderated by Lucy Howckings, a BBC World News journalist. The event ended with the presentation of **Afuture Roadmap** and sustainability targets. The presentations, together with a video recapping the events of the entire day, were made available to all employees on the Group's Intranet.

Route to Innovation continued with the **Innovation & Business results** event, held in June 2012 in Washington. The meeting focused on business model innovation, with a view to developing an offer that lives up to customers' needs and landlords' expectations: an offer that satisfies emerging trends and anticipates demand, maximizing customer experience and totally innovating concept, services and communication.

Several initiatives were launched at the end of this third event, such as the **Cross In – Innovation Lab** project, which brought international, cross-functional teams together, supported by two international service design companies, to generate innovative ideas on concepts and products. The team members worked on a collaborative platform based on Google apps, alternating virtual meetings and real get-togethers. Cross In – Innovation Lab generated 52 ideas, which were then tested among consumers and landlords, and will shortly be replicated on a larger scale.

To back up this initiative, a specific section was created on Aconnect where all the employees are informed on the progress of the projects and are stimulated with articles and insights on consumer trends and examples. Lastly, brief interviews are posted every two weeks in which management expresses its view of innovation.

## Solid partnerships

To be an innovative, efficient and effective company, with a commercial offering that is always in line with market requirements, Autogrill has always been cooperating with partner brands, landlords and suppliers, building proactive and responsible relationships.

Over the years, the Group has built up genuine and enduring relations, which have helped not only to offer consumers high-quality products but also to extend knowledge and anticipate consumption trends. Thanks to this constant synergy, the Group continues to improve its offering, guarantee only high-quality products and stay ahead of the curve (respond proactively anticipating trends).





## Partnerships with brands

The cooperation agreement between Autogrill Group and Starbucks Coffee Company – started in the US in 1991, for business in North American airports and highways – was renewed in 2011. Thanks to this important agreement, Autogrill has secured exclusive distribution rights to the Starbucks brand in these two travel channels for another 10 years. Moreover, at the beginning of 2012, the agreement led an extension of the partnership to the international level and the development of new activities in Europe. For the first time, Autogrill introduced the Starbucks brand in its main points of sale in France, initially in railway stations and subsequently at the Marseilles airport. New outlets were opened in the Netherlands, too.

With this operation, Autogrill intends to offer its European customers all the experience and quality of products and services provided by the global leader in coffee roasting and distribution. Starbucks confirms the company's intention to keep on expanding internationally in the travel retail channel – a segment that is constantly growing all over the world – with the support of a consolidated partner like Autogrill.

In November 2012, after working together for 30 years, the Autogrill Group and Burger King Worldwide signed a new agreement that extends the partnership to France, Switzerland and Poland and launched new initiatives in Italy, the Czech Republic, Germany and the Netherlands. In France, the first opening was at the Marseilles airport. The point of sale quickly became so popular it was necessary to hire new employees to deal with the growing number of customers.

## Partnerships with landlords

Another important achievement, consolidating a 10-year cooperation, was the early renewal for another 5 years of the Food & Beverage concession for the 75 points of sale managed by HMSHost at the Amsterdam Schiphol airport. This renewal is estimated to generate revenues of around Euro 2 billion for the period 2013-2027.

In 2012, HMSHost received the FAB Award as Best Food & Beverage Concession Programme for the catering development program at the Schiphol airport.

In December, World Duty Free Group was awarded all the concessions for Duty-Free and Duty-Paid activities in Spain, thus becoming the only industry player in the second European airport market. The Group won the three lots of the tender called by Aena Aeropuertos for the 26 airports in the country (80 points of sale), outperforming major global competitors. The concessions last 7 years and may be extended for another 3 years in agreement with Aena. Five new destinations were added to the 21 where the Group was already operating, thus consolidating an already very strong partnership. Overall revenues are expected to exceed Euro 7 billion for the period 2013-2020.

## Partnerships with suppliers

Establishing good relations with suppliers is essential to obtaining products and services that consistently meet expectations. This is why the partner selection process is totally transparent and based on the Company's Code of Ethics, General Purchase Conditions and specific corporate procedures developed by individual countries.

As in any business sector or corporate process, supplier selection is deeply rooted in the search for quality, flexibility and maximum professionalism. While on one hand it is clear that raw material (food and non-food) procurement and selection is key for the continuity of Autogrill's business, on the other, the same holds true for the selection of partnerships: relations with the Group's suppliers reflect directly on the quality of the products and services offered to consumers.

The strong focus on establishing sound relationships with its suppliers of goods and services (maintenance, cleaning, safety, etc.) is also expressed on an ethical level. In this respect, the US "Procurement Policy & Procedures" policy was developed in order to guarantee equal opportunities and also allow small local businesses to be included in the Autogrill supplier list without discrimination (based on size, gender, nationality, religion, race, etc.). In Italy, the Group puts great ethical emphasis on supplier selection. In Italy, the General Purchase Conditions stipulate that suppliers comply with the Autogrill Code of Ethics and the indications set out in the Organizational Model pursuant to Italian Legislative Decree No. 231/2001. Again in Italy, in 2011 the Group renewed the SA8000 (Social Accountability 8000) certification — originally obtained in 2009 — marking a fundamental step for Autogrill in its commitment to the protection of human rights and workers' rights, the fight against child labor and the guarantee of health and safety in the workplace along the entire supply chain. This certification enabled the Company to increasingly involve and raise the awareness of its supply chain in relation to the protection of workers' rights and also in relation to environmental issues, following the attainment of ISO 14001 certification. In fact, along the same lines, the Vendor platform was launched at the end of 2012 to manage supplier qualification and pre-qualification. In this start-up phase, suppliers were asked to complete a questionnaire including 28 specific questions on SA8000.

In 2012, the partnership with Kimbo — started in Italy early in the same year with the new coffee blend developed and included in the Autogrill "Storie di Caffè" offering — was launched in Europe. Besides Italy, the product is now also available in Spain, France, Switzerland, Belgium, the Netherlands, Austria, Germany, Greece, the Czech Republic and Poland.

Partnerships are also important in the Travel Retail business. One example is the partnership between World Duty Free Group and Luxottica. In 2012, World Duty Free Group won the prize "Best Dedicated Sunglasses Sales Team" within the "Sunglasses Awards" organized by Luxottica, after already winning the "Supply Chain Team of the Year" prize in 2012, an acknowledgement of overall excellence in supply chain process standards.

## Ongoing audits to always ensure quality

Collaboration between the Group and its partners is mutually enhancing when regulated by precise policies and procedures, and it is therefore in Autogrill's interest to identify assessment tools that verify supplier conformity, which is necessary to continue working together. Assessment and verification are indispensable to ensure high quality standards for all products and services. For this reason periodic audits have been designed, employing screening activities implemented in different ways, through questionnaires, (direct or indirect) information collection, sampling and audits.

Product quality and safety in the Food & Beverage restaurants is ensured thanks to the efforts of all the players involved in the process: production, shipping, selling and distribution. A very accurate cycle, that

begins with animal wellbeing and continues with processing hygiene and safe transportation. This is a successful system because it starts from supplier selection and is based on the comprehensive sharing of values and objectives between the Group and its commercial partners. In the Food & Beverage sector, both in the United States and in Italy, all suppliers undergo preventive audits to ascertain the level of compliance with quality standards defined by the company according to H.A.C.C.P. (Hazard Analysis and Critical Control Point) procedures, which envisage accurate microbiological analyses along the entire supply chain and are conducted periodically, according to a risk assessment logic. Additional audits by in-house and independent specialists are also performed to verify compliance with the applicable hygiene-health standards and assess the correct implementation of the self-control plan of the management system adopted in the various countries in which the Group operates Food & Beverage activities.

Moreover, as a manager of licensed brands, the Autogrill Group is also the object of audits by partner brands. This aspect of partnerships with more or less prominent brands also helps maintain the highest quality standards over time.

In Travel Retail & Duty-Free, the Group selects the best suppliers that offer quality, genuine products, based on the requests and requirements identified through periodic market research activities. Even though global partners are typically selected, in some cases local suppliers are found that can offer products particularly suitable for a given geographical area. In these cases as well, products are selected in compliance with the applicable national regulations, particularly with reference to food products or luxury goods.

## Product traceability

### HMSHost

To manage supply relations, HMSHost relies on a historic partner, Avendra, a founding partner of Foodservice GSI US Standard Initiative (a voluntary initiative bringing together all market players with a view to eliminating waste from the food supply chain, improving product information and consolidating the foundation of food safety through improved traceability).

In the case of agreements with local suppliers, a pre-qualification and annual re-qualification process is implemented to guarantee quality management and product recall. With long term suppliers, like Starbucks, Burger King, CPK and Johnny Rockets, HMSHost utilizes the same recall and traceability methods adopted by the brand in question.

### Autogrill Italy

In Italy too, product safety and traceability are crucial. An electronic platform carries out supplier goods entry and pallet handling activities and identifies the time span for order delivery from the two warehouses in Anagni and Pieve Emanuele to the stores.

Batch labeling is carried out in cooperation with the suppliers, who apply a bar code.

## Response to new trends

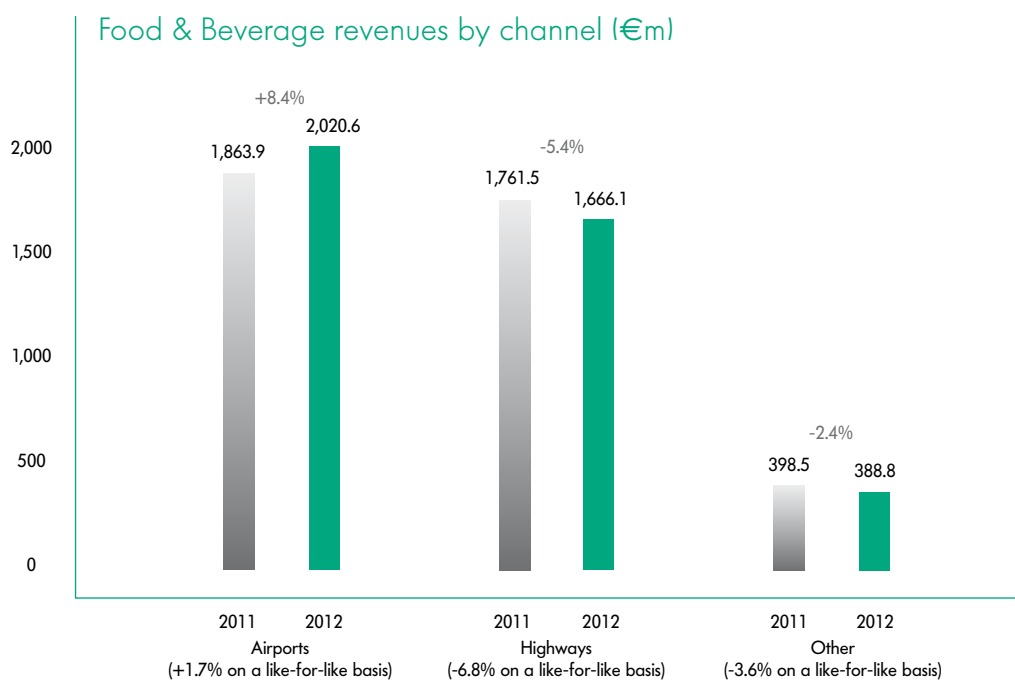
Autogrill Group business sectors are part of a very complex trend scenario, where innovation combines with tradition, the famous brand with the unknown, product safety and popularity with the desire for new experiences.

The vast array of services that the Group offers is designed to meet the needs of all the different types of consumers who visit the stores, including children, families, the differently able, business people, lorry drivers, bikers and travelers with pets. For both business sectors, different solutions have been developed to meet consumer demand in an innovative way.

## Food & Beverage and innovation

Autogrill provides catering services in the key travel infrastructures (airports, highways and railway stations), serving local, national and international customers. These activities are carried out in Italy by Autogrill Italia, in other European countries by Autogrill foreign divisions and in North America (United States and Canada) by HMSHost, a division also in charge of activities at Amsterdam's Schiphol airport and in other airports in Asia and Oceania.

The offering is generally characterized by a strong local imprint and relies on both proprietary and licensed brands. To a varying degree, depending on the different countries and channels, the Food & Beverage units also include, in an integrated way or separately from the catering offer, the sale of products for daily use (newspapers, magazines, tobacco products, lottery tickets) and other products, food and non-food, as well as re-fuelling services.



**I'D LIKE TO FIND SOLUTIONS THAT MEET EVERYBODY'S NEEDS**

The Autogrill Group aims at making the traveler's day better. For this reason, it offers solutions for every type of traveler.

In Italy, for people traveling with children, Autogrill set up baby rooms in some stores, and play areas called **Kids Berry Gang**, recreational spaces tailor-made for children, with pint-sized tables and chairs, games, children's trays, placemats to color, gift crayons, videogames and large-screen TVs showing cartoons.

Specifically for families, in summer 2012 HMSHost launched a program to increase families' purchasing power, giving children a chance to choose among three product alternatives (food and drinks) at an especially advantageous price.

In Italy, the **Trucker Club** was implemented for lorry drivers, including a completely free-of-charge service package (shower, video surveillance parking, entertainment areas with pay TV), tailored to the needs of this specific category.

In partnership with Ducati and Dainese, the **Bikers Club** was launched to offer specially designed services to motorcyclists, including futuristic parking areas and sometimes relaxation areas, where it is possible to comfortably perform stretching exercises.

Attention to differently able people is always very high, in order to provide them with the best service possible. To this end, Autogrill Italia tries to exceed legal prescriptions. In the design of new stores, special attention is devoted to the needs of this customer category. The Mensa di Ravenna and Villoresi Est stores have been certified by the "**Design for All**" association for their special care to making every service accessible.

For travelers with pets there are 17 **Fidoparks** in stations along Italy's most heavily trafficked highway routes: these spaces are equipped with thermally insulated cots, developed in collaboration with Amicopets and A.N.M.V.I. (the Italian veterinary association). In summer, a veterinary advisory service is set up in the Fido Parks, providing assistance and useful information.

**AN OASIS THAT HELPS YOU ENJOY A HEALTHY LIFESTYLE AND BALANCED DIET**

In recent years, Autogrill Group has increasingly promoted a healthy lifestyle and a balanced diet.

Today, attention to food quality is a core value. Every year, in Italy alone, Autogrill sells 40 million brioches and over 40 million sandwiches. These products have always been at the core of the ritual stop, and the Group, in collaboration with its partners, works incessantly to improve their quality. In fact, the brioche assortment was expanded to include naturally leavened products, which are more in line with traditional tastes as well as easier to digest and metabolize.

HMSHost constantly monitors new food trends with the help of several organizations, and develops new menus based on the findings. With reference to the tendency to look for particularly healthy food, in 2012 HMSHost extended its selection of menus combined with salads, added vegetarian and low-fat options and introduced the use of light mayonnaise in some of its concepts, along with wholegrain bread. The focus is on expanding the offering in general, because "healthy" can mean different things to different people, and consumers can choose the best option for themselves when offered several alternatives. Moreover, in compliance with the federal regulations issued by the United States Department of Agriculture and the US Food and Drug Administration, the nutritional value and calorie content of the food products are specified on the menus.

Attention to a correct nutrition is high across Europe and there are multiple solutions available. In most countries, including Italy, France and Spain, a wide choice of fruit and vegetables is available within many concepts, and varieties of wholegrain bread are available in the concepts offering baked

## I WANT LOCAL QUALITY PRODUCTS

products and sandwiches. In the Netherlands, the salt content in products has been reduced. In Switzerland, the “Greens” concept, implemented in cooperation with the Swiss BioSuisse association, offers organic food to people who follow a low-fat and low-salt dietary regimen. Moreover, in France all advertisements directed to consumers contain a message suggesting a healthy and balanced lifestyle (for instance, recommending the intake of 5 portions of fruit/vegetables a day or the practice of regular physical exercise).

The Group also pays great attention to children’s dietary needs. Autogrill designed special kids’ menus, available in all Ciao, Spizzico and Burger King restaurants, tailored to their specific nutritional needs (for instance, suggesting yogurt and fruit compote as an alternative to ice cream in the menus).

In some European countries, especially in Italy, Belgium, the Netherlands and Spain, specific menus have been developed to meet the specific needs of coeliac (gluten-intolerant) individuals. Attention paid was scrupulous and led to the creation of dedicated cooking areas in the stores to prevent cross-contamination of gluten-free foods during processing. HMSHost also organizes training courses on how to cook and prepare gluten-free foods.

In addition, the Group does not neglect the needs of those who, mostly for ethical reasons, do not eat meat and food products of animal origin. Autogrill Italia regularly updates a list of recipes for vegetarians and vegans, approved and certified by the Italian Association of Vegetarians. These menus are available in all Ciao restaurants and can be identified by the association’s logo.

Moreover, constant attention is paid to religious differences, especially when they influence dietary choices. In many countries, Autogrill has developed a menu offering that meets the needs of consumers of different religions, for example Moslems (halal food).

Consumption trends show that consumers want to learn about the cultural identity of the geographical area they are visiting through the enjoyment of the typical products of a country or a city. In recent years, Autogrill Italia acknowledged the starring role of certified products and typical local products introducing sandwiches with the different certification brands, i.e. DOC (controlled designation of origin), PDO (Protected Designation of Origin), PGI (Protected Geographical Indication), DOCG (controlled and guaranteed designation of origin), as well as regional specialities. The latter are selected with the help of employees, who live nearby and know the territory. The Market area in the stores, dedicated to the distribution of food products and other items, and specifically the “La Bottegaccia” corner, is a real showcase, intended to bring travelers in contact with local products.

In France as well, Autogrill encourages travelers to discover and rediscover the products of the territory and traditional cuisine, both through prepared dishes to enjoy in restaurants and through take-away products (in this respect, the most famous boutiques are “La boutique du nougat de Montélimar” and “La Maison de la Bourgogne”).

In the United States, many airports introduced local concepts with a regional offer. For example, in Phoenix, the “Blue Burrito” offers food and beverages that are very popular in the South-West; the Anchorage airport, in Alaska, receives fresh fish supplies directly from a local fishing co-operative.

### Project "Territorio Piacenza"

From May 2012 to 2015, six Autogrill points of sale have been chosen as "outposts" in the area around Piacenza, along the two main highway routes crossing the area.

Under the "Territorio Piacenza" brand, especially created by Autogrill Italia, the Snack Bar, the Ciao restaurant, the Spizzico pizza corner and the Market area (i.e. the area within the store that is dedicated to selling food and other products) offer about one hundred recipes and typical local products to the over 4.5 million Italian and international customers who visit these stores each year. Autogrill has also developed a menu including typical traditional recipes, as well as an array of innovative recipes based on typical local ingredients. Since most of the ingredients are then also available in the Market area, customers may not only sample the excellent cuisine of the Piacenza region but also buy these delicatessen items and take them home or bring them along on their journey. To compose this menu, in cooperation with the Consorzio Piacenza Alimentare (a consortium including 75 companies offering guaranteed typical products and a short supply chain), Autogrill selected over 20 local suppliers of high-quality deli products with high production standards. Approximately 1,000 hours of targeted training were held to teach the store staff how to prepare the different recipes. Moreover, live lessons on local traditions have been held by the Famiglia Piasinteina association, organized with the aim of promoting the area around Piacenza through various initiatives. This is the best example of a "glocal" approach, implemented by a company that promotes local identity within an international context.

The project is continuing to grow and in 2013, the main agricultural-food events of the area around Piacenza will be anticipated in the points of sale within the framework of the project called "Territorio Piacenza", both as recipes for immediate consumption at the store and as products that can be bought in the Market area, where it will also be possible to taste them and talk with a "territorial ambassador". With this approach, implemented in tight cooperation by Autogrill, the Consorzio Piacenza Alimentare and the institution of the Piacenza Province, Autogrill confirms its commitment to turning highway service stations into genuine outposts of the territory's excellence.

### South Tyrol traditions

The Brennero point of sale was opened in 2012, on the border with Austria, in a place structured like a museum. Inside the store, the national offering is integrated by a number of propositions linked to the territory and to the typical local cuisine.

At the restaurant, where customers can enjoy a comfortable and relaxed stop with table service, the choice includes typical recipes from Trentino South Tyrol, such as Knödel, Spätzle, certified local cheeses and cold cuts, as well as different types of bread (rye bread, sunflower seed bread), all matched with apple cider. Even at the snack bar, travelers who wish to optimize stopping time can enjoy local products, such as sandwiches made with PGI speck or Stelvio (PDO cheese), Strudel and Linzer Torte.

To give the opportunity to buy the products tasted in the store and enjoy them again at home, the Market offers Knödel, Spätzle, speck and other local cold cuts.

## SUSTAINABLE PRODUCTS AND CONCEPTS

VILLORESIEST  
future<sup>+</sup>

In recent years, the Group is paying more and more attention to the development of sustainable products and concepts. The opening of the Villoresi Est service station, in January 2013, was a milestone in the path towards sustainability within Autogrill. Villoresi exemplifies international best practice within the Group in terms of sustainable innovation. It implements a set of virtuous solutions in the store, which can be individually replicated in other stores of the Group's global network in the future.

From an environmental point of view, it implements renewable energy solutions enabling considerable saving in energy consumption compared to a standard point of sale. As regards the product offering, Villoresi Est offers the opportunity to experience the location at two different speeds: a quick experience, dedicated to those who want to keep the stop short and optimize their time, and a slower and more laid back experience,

dedicated to travelers who want to enjoy a medium-long break and fully savour the recipes prepared by the Ciao restaurant in its “Territori d'Italia” dress-up, featuring typical Italian specialities.

Amsterdam's Schiphol airport, with over 300 destinations and more than 45 million passengers every year, is 4<sup>th</sup> in the ranking of most trafficked European hubs. Today, the hub is considered an “airtropolis”, offering a dynamic ambiance with services available round the clock. Through over 70 stores inside the airport, the Autogrill Group also offers passengers products from fair trade circuits, thanks to the new grab and go concept “**Fair Taste Cafè**”. The range of sustainable products is very wide, including sandwiches prepared with organic ingredients and Fairtrade coffee blends with the Max Havelaar guarantee trademark. The majority of the products available have at least one of these characteristics: fair trade, organic, local, recyclable or certified with the Rainforest Alliance trademark. Moreover, even the materials and furniture of the Fair Taste Cafè are made with recycled materials from nearby: walls, counter tops and tiles with recycled wood, pallets and excavated material, chairs with plastic bottles.

With a view to enhancing local production, the “**Harvest market**” concept was launched at the Dublin and Copenhagen airports. It reproduces a typical urban street market, with fresh seasonal products provided directly from local suppliers.

Even in the United States, attention to quality deli products is growing. “**Ciao Gourmet Market**” offers organic products, certified by Trans Fair USA (a non-profit organization certifying fair trade products in the US) or meeting the specific needs of individuals who eat vegan, coeliac or fat-free foods. This concept encourages greater engagement and responsibility among customers on social-environmental issues: by buying Ciao products, the consumer supports the “Endangered Species Give Back Program” project to help endangered animal species.

In 2012, Ciao Gourmet Market was adapted to the European context, though still keeping an international flavour, and experimentally introduced in Italy with a view to implementing it in other stores.

Other examples of sustainable concepts are: The Tortas Fronteras Restaurant at the Chicago O'Hare airport, offering fresh foods and antibiotic-free meat, and the French Meadow Bakery & Cafè, whose menus include many recipes with organic ingredients.

## I WANT QUALITY COFFEE

With 120 million cups sold every year on the Italian network, coffee is undoubtedly the most important product in the Autogrill offering. Moreover, enjoying a cup of coffee in an Autogrill store has become a ritual, a symbol of the journey, when leaving or returning, the epitome of a safe place where to take a break and an energy boost.

Based on the findings emerging from focus groups conducted in 2011, Autogrill launched a project to renew the offering, taste and aroma of its coffee, in collaboration with the Institute of Coffee Tasters, with the ultimate aim of involving consumers directly in the final choice.



The result of this multi-focus path centered on quality and innovation led to the launch of “**Storie di Caffè**” in the first months of 2012, the new coffee blend developed in cooperation with Kimbo for the over 600 cafés in Italy.

“Storie di Caffè” is not just a complete product range — including the daily espresso, the espresso prepared with limited edition blend and the gourmet espresso — but a comprehensive coffee experience combining the sense of taste, smell and sight, i.e. all the sensorial components linked to the quality of a cup of coffee, with the professionalism and competence of the baristas.



**COFFEE AT AUTOGRILL – A few numbers:**

over 1,800 interviews and 2,500 tastings carried out in Italy, both blind (without disclosing the product brand) and branded (specifying the product brand);

six blends from the major Italian companies in the industry, specifically created for Autogrill;

three key evaluation parameters: taste, sight and smell.

In 2012, the adoption of this new blend was extended to numerous other countries of the Group, reaching over 2,000 points of sale in Spain, France, Switzerland, Belgium, the Netherlands, Austria, Germany, Greece, the Czech Republic and Poland. Moreover, the first Italian anniversary of “Storie di Caffè” was celebrated with a Coffee Day, a day in which all the customers were offered a free espresso and a chocolate.

“Storie di Caffè” intends to be more than just a cafeteria range offered by Autogrill: it wants to tell a series of little stories about the relationship between people and coffee. This led to an initiative which has given everyone a chance to write and post his/her own story. The most voted stories were printed on Autogrill sugar sachets and in 2013 the same contest will be organized with drawings, again dedicated to coffee stories, i.e. “Storie di caffè”.

**WHERE ARE THE SANDWICHES OR THE MEALS PREPARED AT AUTOGRILL?**

At Autogrill Group, commitment to food experimentation and research has always been a priority. The Group’s experimental kitchens — in America, Italy, Spain and Switzerland — are places where our chefs can develop new recipes with a wide selection of quality products in full compliance with the principles of diet and health.



In 2011, “**Spazio Fucina**” was inaugurated in Italy. It is a true research laboratory where chefs of the organization, renowned Italian cooks, test new recipes and products to include in the commercial offering of Autogrill stores. The experimental kitchen is also a place in which new technology is tested for product preparation and distribution processes, creating new ways to maintain products’ organoleptic characteristics while also trying to save energy. A place that exemplifies the innovative approach characterizing Autogrill.

HMSHost can rely on some of the best chefs in the industry. Collaborations with external, nationally famous chefs or local culinary experts enable the development of dedicated concepts. The recent opening of “Lorena Garcia Tapas Bar” and “Satchel Bros. Deli & Pickle Bar”, in Atlanta, are an example, just like the partnership with Rick Bayless, renowned Mexican cuisine chef, who helped inaugurate two “Tortas Frontera” restaurants at the Chicago airport.

## A TOUCH OF DESIGN EVEN WHILE EATING

Over the years, Autogrill created concepts linking the Group to the world of design: another way to respond to the current trends, which show that consumers are looking for engaging experiences with plenty of sensory stimulation. This confirms the Group's inclination to bring innovation to the places where customers can live an experience embracing both food and design.

### Terrazza Aperol

The Terrazza Aperol was inaugurated at the beginning of last summer, in Milan, inside the Autogrill Duomo Store, and has become a new reference point for aperitifs in Milan.

It is an exclusive location, a trendy place, a prestigious showcase overlooking Piazza Duomo, designed in cooperation with the Campari group. Terrazza Aperol offers a wide range of aperitifs and cocktails, while for lunch customers can enjoy a glocal menu with international and local recipes, looking out onto one of the most beautiful squares in Italy.

To create the place, designer Antonio Piciulo focused on one specific idea: boost the potential inherent in a drink – Aperol Spritz. This concept was translated into a layout and décor elements recalling the product, starting from the bar counter, “a stop-action frame of a fluid suspended in mid-air”.

### ICE Dishes and Drinks

HMSHost inaugurated the first “ICE Dishes and Drink” inside the Chicago airport. The modern design and the shiny, “iced” décor overturns the stereotype of an airport bar. The cold nuances and lounge design reflect the name. The bar's distinctive element still remains its selection of 26 types of vodka, including organic vodka and vodka made with wheat, rye and grapes. Different types of ice are used to enhance the taste of the drinks (crushed ice, ice cubes etc). Moreover, customers can choose from a selection of wines – served in a glass or bottle – sparkling wines, liquors and beer. As regards food, the offer is modern and light, including tapas, canapés and salads.

### Rossoltenso

Inaugurated at the beginning of 2013 inside the Roma Fiumicino airport, Rossoltenso is a wine&food bar stemming from the Beaudevin experience, a concept dedicated to wine lovers, already present in international locations such as the Brussels airport, the Carrousel du Louvre in Paris, Chicago O'Hare, Miami and Charlotte Douglas airports in the United States.

A consumption experience meant for airport customers who would like to take a break and relax in a pleasant environment. Rossoltenso is an elliptic space, open along its whole perimeter, which creates an informal but elegant and genial ambience. The offering is composed of deli specialities (cold cuts, fish carpaccio, cheeses), all in sight, so that the customer is free to combine a “tasting mosaic” according to his/her wishes. All the products come from selected suppliers, who guarantee freshness, accurate processing, respect for the environment and high quality. Lastly, the wine list offers a choice of over 35 wines, all from the vineyards of the Zonin family, winemakers since 1821. The whole team working at Rossoltenso has been trained at the Montemassi (Grosseto) estate, where they are instructed about winemaking and the territory.

## I'D LIKE TO BE IN A SAFE PLACE

In Italy the stores are constantly monitored, thanks to the implementation of an operative center that conducts remote video surveillance on all the stores to guarantee support, security and safety, especially during night hours, both to employees and customers. The system, which is currently operating in 200 locations, will gradually be extended to the entire network, in particular on the highway, where the stores are open round the clock.

Autogrill Italia is actively involved in the Italian National Observatory of Sports Events at the Italian Ministry of the Interior and it participates in the weekly meetings where, together with the several

attending authorities, it plans shifts and stops along the highway network during the days in which the football matches of the Italian Serie A “take place.

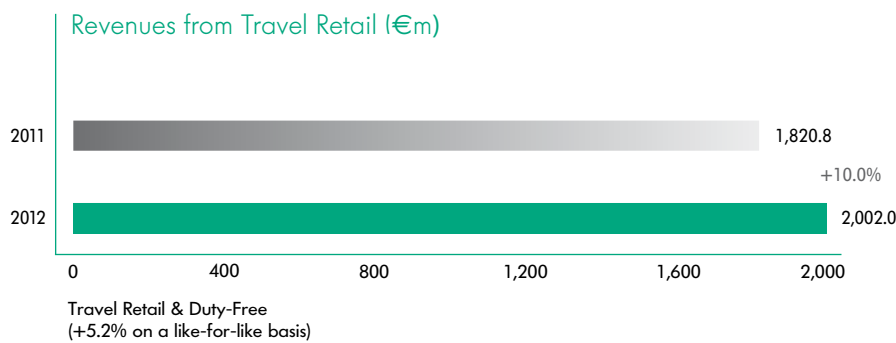
Moreover, Autogrill Italia participates in the “Viabilità Italia” initiative, a national center that deals with road traffic congestion situations, set up by the Italian Ministry of the Interior and guided by the head of the Highway Police. The initiative is geared to planning the most effective action strategies during the summer exodus period, preparing the snow management plan and organizing security and safety measures during special events. In fact, in periods of peak traffic and according to high traffic flows, a steward and customer assistance service has been set up in the mostly heavily trafficked parking areas, with the presence of dedicated personnel or paramedical control units with ambulances.

## Travel retail & duty-free and innovation

Autogrill Travel Retail & Duty-Free activities are primarily carried out in airports and, to a lesser extent, at cultural sites, like historic buildings and museums.

Europe is the key market, with a strong concentration in the United Kingdom and Spain. The Group is also present in the Middle East, North America, Latin America and Asia.

Following the acquisition of World Duty Free and Aldeasa, a consolidation process was started to merge the same under the World Duty Free Group brand, which comprises Autogrill Group Travel Retail activities.



### GLOBETROTTING FROM GERMANY TO SOUTH AMERICA

In 2012, World Duty Free Group entered the German market for the first time. It was awarded the 10-year management of duty-free trade at the Düsseldorf international airport, the third German airport by number of passengers. This confirms how competitive the World Duty Free Group business model is. More specifically, it has been granted the exclusive license to sell some product categories such as fragrances, beauty products, liquors and tobacco. The trade offering was designed based on the specific insights on German customer demand resulting from previous experience in Spain (a traditional German tourist destination).

In August 2012, World Duty Free Group also stepped into Brazil for the first time. Here, it was awarded the 10-year management of duty-free trade at the Belém international airport, thus expanding its presence in emerging markets. The two stores the Group will manage inside the airport extend over 300 square meters and are located in the departures zone and the arrivals area. The offer will include a wide assortment of fragrances and beauty products, liquors, tobacco, sportswear and accessories.

Also in 2012, World Duty Free Group started doing business in Jamaica. It was awarded the management of duty-free trade at the Sangster international airport, the first passenger airport on the Caribbean island. The first two stores opened, both in the departures zone, cover a combined area of more than 600 square meters.

World Duty Free Group will be strengthening its presence in the South American market even more, with five new stores scheduled to open inside the Santiago de Chile airport in September, and winning the tender to expand within the Mexican Los Cabos airport.

### I'D LIKE A NEW LOOK EVERY TIME

Thanks to the close collaboration with the Manchester airport operator, the Biza flagship store underwent a complete restyling. In 2012, the store increased sales by 7% and the average receipt was up by 10%, despite the reduction in extra-European traffic due to the reorganization of flights at the Manchester airport. A space extending over approximately 2,000 square meters was completely refurbished to make it more accessible and easy to navigate, thus improving customer experience. New custom services were introduced to respond to brand partners' needs and favor interaction with consumers through testing and tasting corners. Some activities were specifically targeted at Chinese passengers, and these generated a significant increase in the sales of tobacco and cognac.

### A SPECIAL EDITION TO HELP AFRICA

In 2012, Belvédère Vodka launched a special edition bottle in partnership with World Duty Free Group, which was granted the exclusive license to sell it inside UK and Spanish airports. The Belvédère (RED) special edition bottle was designed to raise funds for the Global Fund, the leading global organization in the fight against HIV. For the second year in a row, Belvédère Vodka and World Duty Free Group cooperated to launch a special edition of a vodka bottle to collect funds for charity. As a matter of fact, 50% of "Belvédère (RED) special edition" revenues will be financing projects to fight HIV in Africa.

### WORLD DUTY FREE GROUP TURNS PINK

World Duty Free Group, Estée Lauder and the London Heathrow airport offered their joint support for the 20<sup>th</sup> anniversary of the breast cancer awareness campaign sponsored by Estée Lauder Companies.

For one week starting on 9<sup>th</sup> October 2012, World Duty Free Group, Estée Lauder and the Heathrow airport illuminated Terminal 3 with pink lights to draw the public's attention to the importance of breast health and to disseminate awareness that early detection can save women's lives.

World Duty Free Group collaborated with Terminal 3 staff of Heathrow airport and Estée Lauder Companies to light the external Terminal, the elevated ramp from the parking area, the entrance from the Heathrow Express station and the interior of its stores, additionally coordinating the other traders in order to create an impact stretching over the whole airport in support of the "pink" issue.

This event matched many other initiatives around the world, in which monuments and buildings were lit in bright pink.

## Focus story



### Contentainment

The airport is no longer just a necessary step between departure and destination. Today, the airport is experienced as a place of interest, where it is not only a pleasure to spend some time, but which could indeed become desirable. **“Contentainment”**, the digital marketing tool developed by World Duty Free Group, was created with this mission.

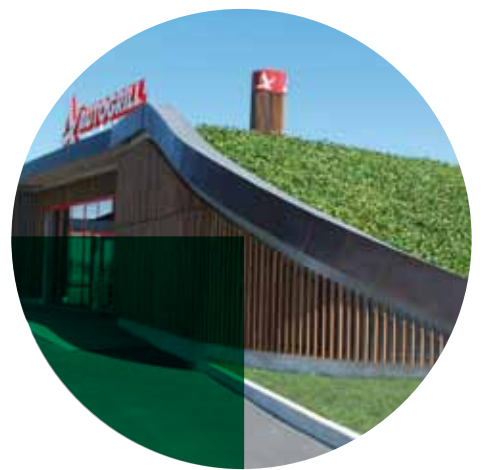
Contentainment means promoting the right product at the right moment, in the right place and manner, engaging and entertaining the customer in an emotionally high-impact experience. This is all based on knowing the consumer, which enables a detailed profiling of the different travelers: “destination targeting” is a business model that makes the customer unique. Cross-checking and studying airport traffic information and Group store data helps understand consumers and speak to them with the right communication, the most suitable space layout, the best trained staff and above all with a targeted offering.

Contentainment makes the most of technology to attract, engage and inspire customers thanks to screens and projections, giving them the opportunity to watch — even in an unusual setting, such as an airport — important events on TV and video screens, creating a link with outside reality. Even the organization of ad hoc live events is part of the multi-channel communication of Contentainment, because these create entertainment and participation and also involve a very high number of passengers in an unexpected show, such as music, dance and games.

Once customers' attention has been captured, it is key to present the offering in the best way possible, organizing and managing spaces with stands and corners specially designed to highlight the product being launched or promoted (or already known and successful), so that customers have the chance of directly interacting with it. A professional, multilingual staff, able to reflect the brand they are presenting while at the same time relating to the people they are speaking with, is a simple and direct way to talk to the customers.

Today, the Contentainment in-store marketing and merchandising program has been implemented in UK airports and has just started in North America, in Vancouver precisely. The aim is to invest in the project and then extend it to all World Duty Free Group activities.

# A-Planet



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## The Group's third strategic area for sustainability

Environmental issues involve all the people and the industries in the world and call for the implementation of measures targeted to protecting natural resources, ensuring their availability for future generations.

These are the key reasons underlying business models that enable the recovery and reconstruction of natural resources already heavily impacted in their ability to reproduce themselves.

Acting with a view to protecting the environment means foreseeing the adaptation of complex processes and the monitoring of different aspects: the need for energy from renewable sources, the limited availability of natural resources, the correct disposal of waste and climate change. For the purpose, a series of actions and changes in one's habits and lifestyle are deemed necessary, and to be effective, the collaboration of the people, the organizations and the institutions of the entire world is of the utmost importance. An economic development compatible with eco-sustainability and the preservation of natural resources can only be successful if it is based on an effectively sustainable development policy that ensures that future generations can benefit from our same privileges.

Eco-sustainability is the pre-eminent challenge for people all over the world.

Autogrill's commitment to environmental protection translates into ongoing research on cutting edge technologies and solutions to reduce energy and water consumption through the design of eco-sustainable stores and the use of energy from alternative sources.

“We want to protect the environment by involving our partners and suppliers with the contribution of our employees and customers”

To Autogrill, the commitment towards the environment translates into an ongoing research on cutting edge technologies and innovative solutions, including geothermal and photovoltaic generators that can substantially reduce the use of traditional energy sources, as well as the implementation of new low-impact equipment in the stores. However, this is still not enough: concept innovation targeting eco-sustainability is key, resulting in a re-design of store interiors with natural and eco-compatible furniture and service differentiation to include eco-friendly products, as well as the use of communication channels to convey messages of environmental responsibility.

In fact, protecting the environment also means disseminating a new culture and a new approach to products; fostering new attitudes, small daily gestures that ensure a better future life without impacting quality of life.

Autogrill Group, though not operating in an industry with a high environmental impact, strongly believes it necessary to reduce the consumption of energy, water and raw materials and favor the use of clean and renewable sources and recycled materials with a lower carbon footprint. This also means reacting promptly to increasingly emerging market needs.

Villoresi EST  
the Group's new  
sustainability **flagship**

HMSHost **won the**

Airports Going Green Chicago  
O'Hare **International Airport award**

WDFG **won the**

Green Apple prize  
**at the Birmingham airport**



## Designing eco-sustainable stores

To Autogrill innovating stores means targeting process improvement and energy efficiency in the buildings in which it operates, as well as pursuing ongoing research on new technologies that include the use of energy from renewable sources, like geothermal and photovoltaic energy, as well as the use of natural and eco-compatible materials (glass, stone, stainless steel), ensuring easier disposal or recyclability, which also play an important role.

In addition, since the company provides services to millions of people, it is also important to design stores that always allow easy access to everyone and provide transparent communication to customers also in relation to environmental issues.

Financial variables are certainly important, but so are eco-compatibility issues, because failed integration with the environment will definitely have strongly negative effects on the entire planet in the long run.

When it comes to building or restyling an existing store, there are several complex factors to consider: first, the level of integration in the ecosystem, defined through an analysis of the different stages in the life cycle of the building, the materials and the equipment. For this reason, it is necessary to plan continuous studies and analyses to define structures (light design, air conditioning, water systems, furniture, equipment, fittings) with the collaboration of authorities and organizations, suppliers, commercial partners and expert designers, also in relation to different contexts — airports, highways, railway stations or shopping malls — where the Group operates.

### Food & Beverage

In line with the Roadmap objectives, the Group is defining its construction specifications aimed at reducing the consumption of energy and water and targeting the attainment of environmental certifications.

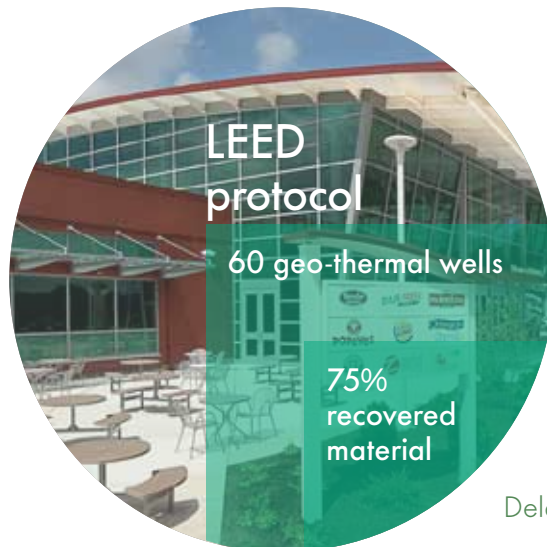
In Italy, the Villoresi Est store was inaugurated at the beginning of 2013. The store was developed in compliance with the energy efficiency and carbon footprint standards set out in the LEED (Leadership in Energy and Environmental Design) Protocol and the principles of Design For All and Dasa Rägister, focused on universal access to locations. For more details see “focus story” on page 106.

In Italy there are other examples of excellence built in the last years: the 100% green store in Mensa di Ravenna, certified as Energy Class A; the two stores of Viverone Est and Ovest (on the A5 highway connecting Ivrea to Santhià) both equipped with geothermal plants, a solution that cuts energy consumption by almost 30% compared to traditional stores; the Dorno and Brembo stores, where the installation of methane-fired trigeneration plants for the cogeneration of thermal and refrigeration energy resulted in reductions of 131.7 kg and 115.7 kg of CO<sub>2</sub> emissions in 2012; the Montefeltro ovest store, near Riccione, certified as Energy Class B, whose design optimized the investment by square meter, particularly in relation to the climate control system, which concentrates 75% of the total dispersion.

Last but not least, 150 stores in Italy already feature a centralized energy management system (connected to both equipment and systems), enabling corrective actions intended to improve and control energy consumption and efficiency.

In the United States, the Delaware Welcome Center celebrated two years in operation since its re-opening and it is still HMSHost Sustainability flagship. It extends over a surface of 4,000 sq m and was designed and built in accordance with the Leadership in Energy and Environmental Design (LEED) principles, recycling and re-using 75% of the material derived from the demolition of the pre-existing building. The store optimizes the use of natural sunlight, significantly cutting energy consumption. Moreover, in order to better insulate the building, the roof was constructed with highly

reflective material to avoid heat dispersion in winter. With regard to air ventilation, a geothermal plant was installed with 60 geothermal wells feeding 37 pumps distributed throughout the building. Another initiative worth mentioning is the project dedicated to truck drivers, designed in collaboration with CabAire (a company supplying electronic components for trucks). In the parking area of the infrastructure, there are now 50 stations supplying electricity for trucks to feed air conditioning and heating without keeping the motor on. The Delaware Welcome Center also features stations for recharging electric vehicles.



## The Group's sustainability flagship in the United States

Delaware Welcome Center

For the recently opened stores in France, various energy efficiency technologies (insulation, shading system, natural light and low consumption light bulbs) were implemented, and plants generating energy from renewable sources (photovoltaic panels for energy generation and solar panels for hot water) were installed. Also, when investments are made in restyling a location, Autogrill takes all the necessary actions to improve energy efficiency in the building. Examples include the roof and window insulation technology used for the store located in Reims, which was made possible thanks also to the financing envisaged by the Certificats d'Economies d'Energie government program, targeting an overall reduction of the energy consumed in the store.

In Spain as well, the restyling of three stores (Segafredo and Entretapas y Vinos at the Madrid Barajas airport and the cafeteria Roldan at the Seville railway station) included the installation of a more efficient lighting system and other top notch equipment, targeting a 5% reduction in energy consumption.

Eco-sustainability also means protecting the habitat hosting the locations. For example, the Casilina Est petrol station, along the Rome-Naples A1 highway (Italy), where an ancient necropolis was unearthed, yielding important archeological finds, including an extremely rare funeral bed from the Hellenistic period, which has been put on display in a museum showcase, a terraced garden and a series of walls in crystal glass that give travelers a clear view of the archeological site.

### Travel Retail & Duty-Free

As for Travel Retail, an innovative and flexible property management system was experimented while restyling stores, which enabled the Group not only to design more welcoming and greener stores, but also to enjoy considerable cost reductions and the possibility of effectively comparing consumption in different stores. The initial phase of the project envisaged the evaluation of different models applicable to the retail area of the Birmingham airport (pilot project). For this purpose, a calculation was made, combining data regarding the investment, the duration of the concession and the energy efficiency level of the solution adopted, leading to the identification of the very best design.

The selected model, adopted for the store located at the Birmingham airport and based on the efficiency of mechanical and electrical systems, yielded a 54% efficiency improvement, saving 220,300 kWh, corresponding to £27,000 on a yearly basis. Innovations also include the air recycling plant, which uses large quantities of cold air from the outside, and the installation of a new LED lighting system which, in addition to considerably reducing energy consumption, also minimizes heat generation from the light fixtures inside the store.

Considering the success of the project, the same model was later applied to two other locations: at Gatwick airport and inside the 'Chunnel'.

As a result of these initiatives, the World Duty Free Group was awarded 'Champion of Champions' and 'Champions Retail' by the Green Organization (a non-profit organization dedicated to recognizing, rewarding and promoting good environmental practices all over the world) within the context of the annual Green Apple Award for good environmental practices, in December 2012.

## Environmental certifications

### In Food & Beverage segment

In the Food & Beverage segment, some Group companies improved the relevant management systems to obtain important environmental certifications:

- in France, the Canaver store was certified EHQ (Environmental High Quality); the Ambrussum store, near Montpellier, obtained both the EHQ (Environmental High Quality) and the LEB (Low Energy Building) certifications;
- in Italy, in 2012 the ISO 14001:2004 certification was renewed for the headquarters, the Brianza Sud store and the stores within the Torino Caselle airport, as well as the EMAS certification for the headquarters and the Brianza Sud store;
- in Spain, the ISO 14001:2004 certification for the Telefonica headquarters in Madrid was confirmed for 2012;
- in the United States, the Bethesda headquarters is Energy Star;
- procedures to obtain the LEED (Leadership in Energy and Environmental Design) Certification are currently in progress for the "Delaware Welcome Center" in the US, 16 stores located along the Canadian highway network and the Italian Villorresi Est store.

### In Travel Retail segment

In the Travel Retail segments the following best practices are worthy of note:

- In 2012 the World Duty Free Group UK extended the ISO 14001:2004 certification, an internationally acknowledged standard, testifying to the adoption of an effective Environmental Management System, for all of its stores and distribution centers located in the UK;
- the World Duty Free Group operations regarding the management of the activities inside the Spanish airports, have adopted the "Environmental Policy of Spanish Airports" guidelines, defined by the AENA (Aeropuertos Españoles y Navegación Aérea) airport authority, whose objective is to reduce the impact of packaging used in airports, defining targeted actions on volumes and designing alternatives that allow for recycling and re-use;
- from the product certification perspective, the Spanish division of the World Duty Free Group uses highly energy efficient equipment, certified by Energy Star (a program financed by the US government to support enterprises and individuals protecting the environment through good practices and high energy efficiency products), to manage a system that controls air ventilation and lights switching off in its locations.

## Educating and disseminating: people make the difference

Operating under concession agreements in complex and differentiated situations like the travel channel means first and foremost knowing how to adjust the procedures developed for environmental protection to the requirements of the different types of landlords. It also means identifying common points of integration around shared principles like, for instance, the responsible use of water and energy, reducing polluting emissions, using eco-sustainable packaging and applying appropriate waste disposal procedures. The most important factor is the involvement of the people, getting both employees and consumers to pull in the same direction.

Protecting natural resources means using less energy. Every effort made by Autogrill starts from this simple yet fundamental principle. Consuming less energy is a key objective in the battle for environmental sustainability, along with scientific innovation, technological research and people's engagement and commitment.

Only a cultural transformation can lead people to reduce their energy and water consumption. This requires changing ingrained habits and a re-orientation of employees who use the equipment on a daily basis, suppliers who produce it and consumers who come to Autogrill stores and make use of the services.

In 2012, on World Earth Day, celebrated each April 22<sup>nd</sup> since 1970, various initiatives were launched in the countries in which the Group operates, including personalizing receipts with messages underscoring the Group's commitment to the environment. In France, a menu was developed in collaboration with the water brand Vittel, envisaging the delivery to customers of a certificate for the planting of a tree in Latin America in order to protect the Amazon Rainforest. In the United States, on the same occasion, reusable shopping bags were distributed in the offices of the headquarters to encourage employees to avoid using disposable plastic bags.

The Group Aconnect portal includes the "Afuture" section. This is another way to keep attention focused on sustainability, a virtual location containing all the information of the Roadmap, ranging from its history to the news and events from the world dedicated to the dissemination of the principles of sustainability. Last but not least, the monthly column "Go Green" was developed to disseminate best practices for the responsible use of paper, water and power. Simple concrete actions that every employee can apply every day, an additional effort to further disseminate the Group Afuture Roadmap.

Following the contribution made in support of the World Bank project "Connect4Climate", developed in 2011 — a global initiative coordinating efforts to combat global warming, with the objective of increasing awareness about the causes and consequences of climate change and including a communication campaign, a photography contest and an open web community featuring debates and user comments — the Autogrill Group had its brand displayed in Times Square, among the sponsors of the project.

### Food & Beverage

In order to disseminate a pro-environment culture, Autogrill designs ongoing projects to raise employee awareness and engagement in environmental protection and waste reduction. The message conveyed to employees focuses on the proper use of kitchen equipment (hot plates, ovens, deep-fryers, dishwashers, etc.), which in low traffic time slots may be switched off, thus generating significant savings. Other initiatives are targeted to consumers, like the sale of compostable shoppers or jute bags,

theme-focused communication campaigns focusing on sustainability issues and the proposal of waste differentiation. By modifying their everyday behavior, customers can contribute to the Group's pro-environment effort.

In the last three years, HMSHost has implemented a program called "startsomewhere", which groups all the initiatives revolving around eco-sustainability and, above all, delivers effective communication to employees about the importance of their contribution, in addition to engaging with the authorities granting the concessions through participation in initiatives organized, for example, by airports.

**startsomewhere**

In 2012 the survey on environmental issues was continued, involving all the stores in the United States, Canada, Australia, New Zealand, Malaysia and India. The questionnaire investigated various aspects. The first part was dedicated to the management of the main environmental aspects of store operation: power, water and differentiated waste – cooking oil, coffee grounds, milk packs, bottles in glass and plastic, cans, wooden pallets, etc.. The second part maps other initiatives, such as the use of LED lamps, the installation of individual presence detectors for switching on lights, training courses teaching the staff how to save water and the use of recycled paper in the offices, up to the environmental certification obtained. The results showed a particular attention to recycling cooking oil, cardboard and ink cartridges, as well as the use of energy-efficient bulbs. In order to reduce water consumption, presence detection systems were installed on the water basins in the toilets. This annual survey proved to be an important occasion to involve and increase employees' engagement in adopting sustainable behaviors, also because it includes a section in which the stores can enter suggestions, request information and even make requests regarding the sustainability program adopted by the Group. In the United States, HMSHost implemented a series of workshops managed through audio conferencing to share environmental best practices among store managers and disseminate knowledge about initiatives undertaken to promote sustainability, how they were carried out, what results they had generated and who applied them.

In recent years, Autogrill Spain launched the "Edison Project", whose objective is to reduce energy consumption efficiently in the stores. An important characteristic of this project is operator awareness, considered the key to a successful energy efficiency policy. The project envisages training courses for store managers, a practical manual for the correct use of equipment and information about energy consumption. Moreover, it includes communication campaigns and a contest among stores that rewards the company that most improved its energy efficiency over the past year (kW/h of power/€ sales). In addition, a calendar was developed for each store to efficiently manage air conditioning and heating.

**Travel Retail  
& Duty-Free**

In relation to retail activities as well, employees play a fundamental role in defining initiatives and regular communication actions in the stores to increase awareness about eco-sustainability issues. For instance, employees are encouraged to show their commitment through the proposition of ideas and initiatives on what could be accomplished in this area. These little things can contribute to reducing everyday costs, consumption and atmospheric emissions, and can also concretely change our future. The suggestions made by employees are then collected in the "Hear Me feedback" listening project, through local employee representatives.

## The environment and supplier relations

The Group pays a great deal of attention to ethical and environmental aspects in the supplier selection process. This means adding an additional layer of assessment in addition to material quality and process reliability.

Selecting the right suppliers with whom to support the Group's commitment towards eco-sustainability means facilitating dialogue with category associations and organizations operating in different fields, which can become important mediators and also facilitate the process of technological and cultural innovation that the sustainability challenge requires. As for Travel Retail, The World Duty Free Group UK is investing massively in improving its supply chain. To this end, in 2012 a competition was launched to identify a single carrier (responsible for consolidating pickups from supplier warehouses to the World Duty Free Group distribution center in the UK), thus targeting improved delivery flow and a lower carbon footprint as a result of a reduced number of vehicles on the road and, consequently, lower atmospheric emissions of CO<sub>2</sub>. Moreover, the World Duty Free Group UK is collaborating with suppliers to reduce and eliminate packaging that is non-recyclable or potentially harmful to the environment. On one hand, suppliers were requested to only use recyclable packaging and, on the other, a list of approved materials was drafted and made available regarding eco-sustainable packaging materials for the purpose of increasing supplier awareness about achieving improvement in the use of eco-sustainable packaging.

## Energy efficiency and waste control

Energy is a precious asset that Autogrill Group intends to use responsibly. The commercial structures open to the public imply a considerable consumption of energy for lighting and all the necessary technological equipment. Autogrill ensures that this considerable energy expenditure never translates into waste and to this end, next generation equipment and plants are the rule in the stores. The use of innovative equipment enables the Group to avoid waste, monitor energy efficiency and adopt corrective actions that generate additional savings. For the provision of catering services, the performance of periodic assessments and the possibility of applying specific changes to the structure and the equipment used in relation to the duration of the concession is of the essence.

Within specific infrastructures, where utilities are managed centrally by the landlord, like airports, it is difficult to collect detailed data about consumption and utility costs. This is important to note, because the costs are already included in the concession agreements stipulated with the landlords. In this case, in addition to using highly efficient equipment and plants, training employees to utilize them correctly is critical. In recent years, the situation is changing, showing an increased engagement also from airport landlords.

### Food & Beverage

In recent years, the Autogrill Group has ramped up its commitment to the development of commercial structures equipped with top-notch tools to monitor and manage waste. The approach was multifold and cross-sectional: from the changes applied to the free cooling set points to increase ventilation to failure prevention by exploiting technological alerts; from Network staff training during the performance of audits to the weekly analysis of consumption to monitor short-term actions; from the computation of consumption to verify management failures to the prompt reporting of failures that may have an impact on consumption.

This year in Italy, efforts to reduce energy consumption resulted in the development of two photovoltaic plants, exploiting the roofs of the warehouses in Pieve Emanuele (Milan) and Anagni (Frosinone) and installing approximately 18,000 sq m of panels. The generation of energy from the two plants is equal to about 2.4 GWh with self-consumption of between 70-90%. Moreover, to improve the quality of lighting and safety in the workplace, in addition to energy efficiency, a light design project was completed in the warehouse of Pieve Emanuele (Milan). More than 1,200 traditional bulbs were replaced by approximately 800 LEDs with the same illumination output. This project included a first stage for the photometric assessment of the illumination provided by the traditional devices and a second stage for the measurement of the real energy consumption, using a meter. A third step was added for the valuation of the technical feasibility, financial sustainability and impact. Thanks to the increasing use of LED technology for light design the Pieve Emanuele logistic center achieved savings of 58% of total energy consumption, corresponding to approximately 250 MWh per year.

These two projects are part of a broader framework regarding operations in Italy as a whole, which achieved an important target: a 3.65% (equal to 4.75 GWh) energy reduction in comparable stores<sup>1</sup> on a year on year basis.

Sharing best practices among the countries within the Group plays a fundamental role in terms of engineering aspects and technical purchases, similarly to the management of other business aspects (human resources, product offering and new service development). For instance, the use of LED technology in new stores is spreading in all the countries in which the Group operates. Moreover, in Spain, following the example of Italy, stores have implemented High-Speed Grill hot plates. Developed in collaboration with Electrolux, this solution combines three different technologies in a single piece of equipment: contact plate, infrared and microwave. 30 seconds are sufficient to warm up a sandwich, instead of the 2 minutes required using traditional plates, and they consume 0.5 KW/hour, half as much as the traditional ones. This technology also contributed to improving employee safety in the workplace.

Spain is also looking into the use of domotics to control light systems, heating, air conditioning and production equipment. A pilot system was successfully installed in a few stores and yielded good energy savings.

In addition, after an initial test, open refrigerators were replaced with refrigerators equipped with sliding doors in the stores in Europe. This small modification will also result in energy savings.

#### **Travel Retail & Duty-Free**

The greatest challenge in Travel Retail is the installation of store management systems controlling energy efficiency and monitoring in the stores. To this end, collaboration with airport landlords is of utmost importance in obtaining all the relevant permits for installation, as well as cooperation with the brand partners in order to ensure that the equipment installed is energy efficient. Specifically, new stores should be equipped with highly efficient air conditioning systems and LED technology lighting.

Moreover, World Duty Free Group UK is a founding member of the "Heathrow Sustainability Partnership" together with the same airport facility management company and other companies operating at the terminal. The objective of this partnership is perfectly in line with Afuture Roadmap, that is, collaborating to support the airport in its path towards eco-sustainability and implementing energy efficiency plans based on the investments made by the airport company to

<sup>1</sup>. "Comparable stores" refers to the perimeter of stores remained unchanged against the previous year (which may not coincide with the total number of Italian stores). The difference in consumption registered for comparable stores is taken as reference to collect truly comparable data.

improve automatic energy consumption measurements. Within the framework of this program, in 2012 a series of initiatives were launched in Travel Retail, specifically along the line of the areas of major interest and expertise: "Energy Metering & Monitoring", "Energy Reduction" and "Energy Communication".

## How to regulate water consumption

In the Italian stores, Autogrill's water is supplied by the municipal waterworks. Water is used for the operation of toilets, kitchen activities and the firefighting system. Locations far from municipal waterworks networks are supplied with water drawn from wells and/or surface water, while water drainage is compliant with the applicable Italian national and local regulations. The segment most involved in water management is Food & Beverage, because in the Travel Retail segment (mainly developed in airports), water consumption is extremely limited.

In the stores where Autogrill is responsible for the management of toilets, the largest quantity of water used is concentrated there. Unlike energy, water is a source that is only partially renewable and, consequently, savings can only be accomplished by reducing consumption. In this respect, Autogrill is deeply committed. In all major countries in which the Group operates, stores use rainwater for the toilets, while progressively a self-cleaning mechanical system is being installed in the stores to replace the traditional water-based system. In recent years, water regulation systems, two-way water taps, air/water mixer valves and presence detection systems have been installed to optimize water consumption.

As with power, actions targeting savings and reduced consumption are continuously combined with control and prevention systems in the main stores.

## Material management

As for waste, the different business sectors and the Group's wide offering of products and services make effective waste management complex: waste is produced when products are prepared, but also when the service is rendered. Waste is also produced when food supplies are delivered on site with packaging that must be disposed of. Waste is produced when the service is delivered with the production of food residue and, sometimes, the use of disposable products. In any case, the correct approach to each of these steps represents another fundamental engagement in favor of the environment. In all the stores and business sectors, Autogrill Group has introduced waste differentiation.

### Food & Beverage

HMSHost is committed to reducing waste (particularly in relation to the undifferentiated portion) by implementing waste collection and recycling systems in the back of the stores.

For instance, in the stores located at the Seattle-Tacoma international airport, thanks to a direct partnership with the airport facility management company, HMSHost developed a method to reduce the quantity of organic waste and paper brought to the landfill by using composting in the back of the store. All employees received training on how to manage waste. In addition to preventing compostable and recyclable waste from being brought to the landfill (including organic waste and paper), the store succeeded in registering a monthly saving on the costs for the collection of waste, won two prizes for sustainability launched by the Seattle airport and strengthened its collaboration



with the landlord by contributing to the same landlord's objective of eco-sustainability (recycling 50% of residential solid waste by 2015). A similar project was also developed for milk containers in Atlanta.

Again, with reference to collaborations with partners in Spain, the number of light bulbs that are returned to the supplier for correct recycling when spent is increasing.

At the European level (Belgium, Austria, France, Switzerland, Spain and Italy), a growing number of stores are committed to differentiating oil, plastics and paper and, where possible, also recycling plastic materials and glass bottles collected from consumers. Autogrill Italia collaborates with the main specialized waste management operators for the management of the service that collects waste from the stores located on the highways, which are not always covered by the municipal services. The agreement includes the collection of waste in a deferred way, meaning that waste is first collected from the store undifferentiated, except for paper and paperboard, and then brought to a selection-treatment plant, where it is separated. Compostable material is collected separately from other waste in only approximately twenty stores located on the highways.

In Italy, the "Destinazione Ambiente" project was continued, currently involving 13 stores on the highway network. The initiative was launched in 2009 thanks to a collaboration with Conai (Consorzio Nazionale Imballaggi; Italian Packaging Consortium), Waste Italia and the Hera Group (Italy's main waste management companies) and ID&A for the development of the equipment used. This project envisages the management of differentiated waste collection in the stores located on the highway.

In July 2011 a project called "Progetto Piazzale" was launched in thirty locations on the highway, defined in collaboration with Autostrade per l'Italia, according to which the entire space of the refilling station is directly managed and cleaned by Autogrill.

In 2010, the locations in France began involving customers proactively through the development – in partnership with Coca-Cola Company – of equipment to differentiate and collect PET bottles and cans in the store of Carrousel du Louvre. This equipment was then installed in 2011 and 2012 in another 20 locations. Moreover, the plastic material used for take-away packaging was eliminated.

#### **Travel Retail & Duty-Free**

In the Travel Retail segment waste is mainly derived from product packaging, so much so that Autogrill opened a round table with its commercial partners with the aim of reducing packaging, optimizing the consumption of paper/cardboard and the volume of packaging during transportation and in the warehouse.

The packaging used for the delivery of products to the stores in the UK is returned to the distribution center in order to allow for appropriate re-use and/or recycling. To date, the World Duty Free Group UK does not produce waste materials that are brought to the landfill thanks to its effective recovery, recycling and waste-to-energy programs.

## Bio shoppers

The Group decided to use shoppers made of recycled or bio-degradable material globally, in all the countries in which it operates and across both business sectors: in particular, World Duty Free Group for Travel Retail & Duty-Free and Autogrill Francia, Autogrill Austria, HMSHost and Autogrill Italia for Food & Beverage. In 2012, the Spanish division of WDFG, continued its support of the projects promoted by WWF in Spain for the preservation of sea life through the adoption and sale of bio shoppers.

## Headquarters commitment

At the Group's central offices – in Milan (Autogrill Italia), Bethesda (HMSHost) and London (WDFG UK) – waste collection is differentiated. According to the agreement established with the companies specialized in local waste collection and disposal, paper, plastic, glass, cans and printer cartridges are differentiated.

### Food & Beverage

At the Milan headquarters, differentiated waste collection began in 2011 in the offices and in the company canteen and in the same period free water coolers were also installed in the break areas. The water in the dispenser is microfiltered and periodically checked. This initiative contributed to a considerable reduction in the use of plastic.

Based on the data provided by a US company specializing in the field of data management and protection, HMSHost estimated savings deriving from the differentiated collection of paper used in the headquarters in Bethesda at approximately 114 tons. The commitment and engagement of all employees enabled the company to save 1,936 trees, 466,934 kWh of energy and more than 198,000 liters of oil with a lower carbon footprint and reduced waste brought to landfill. In 2012 the US HMSHost headquarters obtained the Energy Star certification. The special attention focused on waste management contributed to achieving the target. In fact, many initiatives were consequently launched, ranging from the elimination of paper glasses for beverages from almost all the recreational rooms (encouraging employees to bring their own mug from home), to the introduction of a program to recycle various materials, including the distribution of special containers in the work stations, up to the organization of meetings to share best practices for the collection and recycling of materials to be followed both in the office and at home.

### How does this translate in Travel Retail?

At the London headquarters, paper, plastic, cardboard and glass are differentiated for recycling. Waste bins are only present in the recreational areas and not below desks, to discourage people from throwing recyclable materials in the bins for undifferentiated waste. In order to reduce the consumption of paper, a printing management software asks for an entry code to print documents and at the end of the day it eliminates all uncollected documents sent to the printer.

## The management of ozone-harmful substances

In 2012, at the Group's headquarters in Milan, gases potentially hazardous to the ozone layer used in refrigeration plants were gradually eliminated. In collaboration with specialized engineers, ongoing plant maintenance/monitoring actions are being carried out. Gas recovery from the plants is performed in accordance with international standards and under safe conditions for human health and the environment. In all the stores located in Italy, all plants containing gases potentially hazardous to the ozone layer are registered and managed according to specific maintenance standards by companies responsible for maintenance in the stores. Any maintenance activity is registered in specific logbooks, with an indication of the plant specifications and activities performed. Based on the results of the relevant feasibility studies, the replacement of the gases hazardous to the ozone layer and contained in the refrigeration plants (refrigerators and air ventilation) is periodically assessed in correspondence with store restyling.

## Group logistics

Attention to eco-sustainability also involves distribution. Autogrill Group plays an active role in managing transport logistics, with the key objective of limiting its supply-side carbon footprint. The supply of products to the stores is managed by optimizing the number of weekly deliveries and the routes driven to deliver the goods, privileging delivery to locations not far from one another. At the European level, logistics delivery and distribution services to the stores are mainly accomplished through road transport. These services are outsourced to specialized companies whose number varies according to production peaks. The same companies are responsible for the maintenance of the car park.

Autogrill Group defined its own Car Policy with the objective of maintaining a car park managed according to sustainable principles and, as a result, reducing atmospheric emissions, yet with the same car comfort, safety and performance levels. This also means gradually replacing aging vehicles with new ones. In addition, a concrete step was the setting of a cap for CO<sub>2</sub> emissions at 160g/km per car (257g/mile). Moreover, in order to ensure high safety standards, all vehicles must be equipped with the main safety tools: electronic stability control (ESC), fog lamps, driver, passenger and lateral airbags and speakerphone kit. The collaboration between Autogrill Italia and the monthly magazine *Quattro Ruote* was established to support this orientation: the "10x10" campaign gathered Italy's largest companies together to join in the fight to reduce CO<sub>2</sub> emissions generated by corporate car parks. To accelerate this process, Autogrill decided to include four hybrid cars in its car park, which employees operating from the Milan offices use for business purposes.

## Focus story



**VILLORESIEST**  
 A future

### Sustainability goes through Villoresi Est

Villoresi Est is located on the Milan-Lakes highway along a route which, with approximately 30 million vehicles yearly in both directions, is one of the most trafficked in Italy.

The project started off with the identification of the target customer, followed by a quantitative and qualitative survey on traffic, 83% of which consists of passenger vehicles.

The development of this filling station represented a milestone in the path towards eco-sustainability for the Autogrill Group: Villoresi is the Group's international best practice flagship for sustainable innovation, featuring virtuous solutions that can be individually reproduced in other locations of the Group's network worldwide.

From the perspective of eco-sustainability, the Villoresii Est location was entirely designed and developed in compliance with the energy efficiency and carbon footprint standards of the LEED Protocol (Leadership in Energy and Environmental Design).

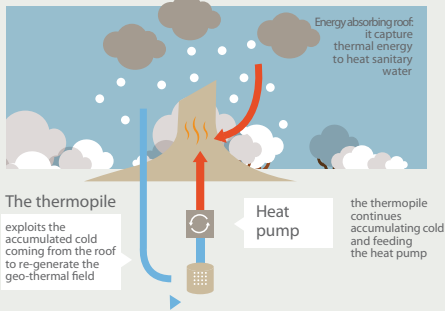
The building extends over a surface of approximately 2,500 sqm, with a skeleton entirely in PEFC certified lamellar wood derived from sustainably managed forests. As required by LEED standards, only eco-compatible and recyclable materials were used.

Its characteristic volcano shape (reaching a height of 27.5 m) facilitates the flow of excess heat towards the top and the ideal exploitation of external temperature conditions, thus reducing the energy used for heating or cooling air. Moreover, also thanks to the combined use of geothermal and photovoltaic energy, the Villoresi Est location is expected to save 166 Megawatt of energy on a yearly basis compared to a traditional Autogrill store, with a 45% reduction in energy consumption and 59% reduction of CO<sub>2</sub> emission (data refer to reduced consumption and emissions for the heating and air cooling plants).

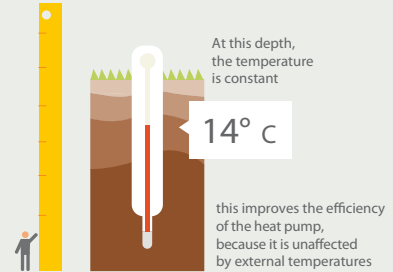
As to water, rainwater and groundwater are used for cooling air, irrigation of green areas, the management of toilets and the firefighting systems, reducing the uptake of water from the public waterworks for industrial purposes to zero. It is expected that approximately 25,000 cubic meters of water will be saved on a yearly basis.

## Geo-thermal energy

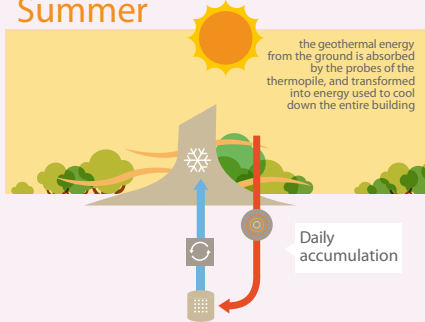
### Winter



The thick pipework extends from the roof to below ground, 25 m deep

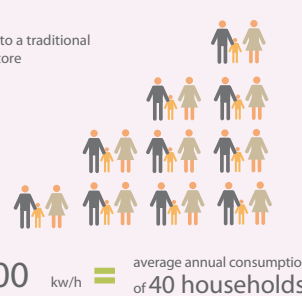


### Summer



45 %

ENERGY SAVING compared to a traditional Autogrill store



- 166,000 kw/h

- 59 % REDUCTION in total CO<sub>2</sub> emission

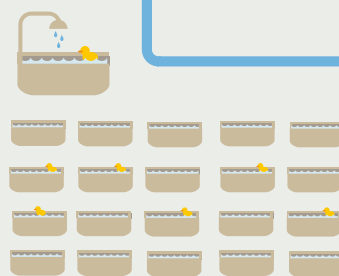


## Water recycling



The collection of rainwater results in a 30% saving, reducing the carbon footprint.

-30% carbon footprint



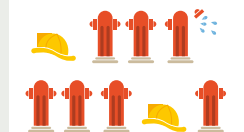
The equivalent of 700 bath tubs in a year

Collected water is recycled in the entire cycle of the structure.

#### Green irrigation



#### Fire-fighting system

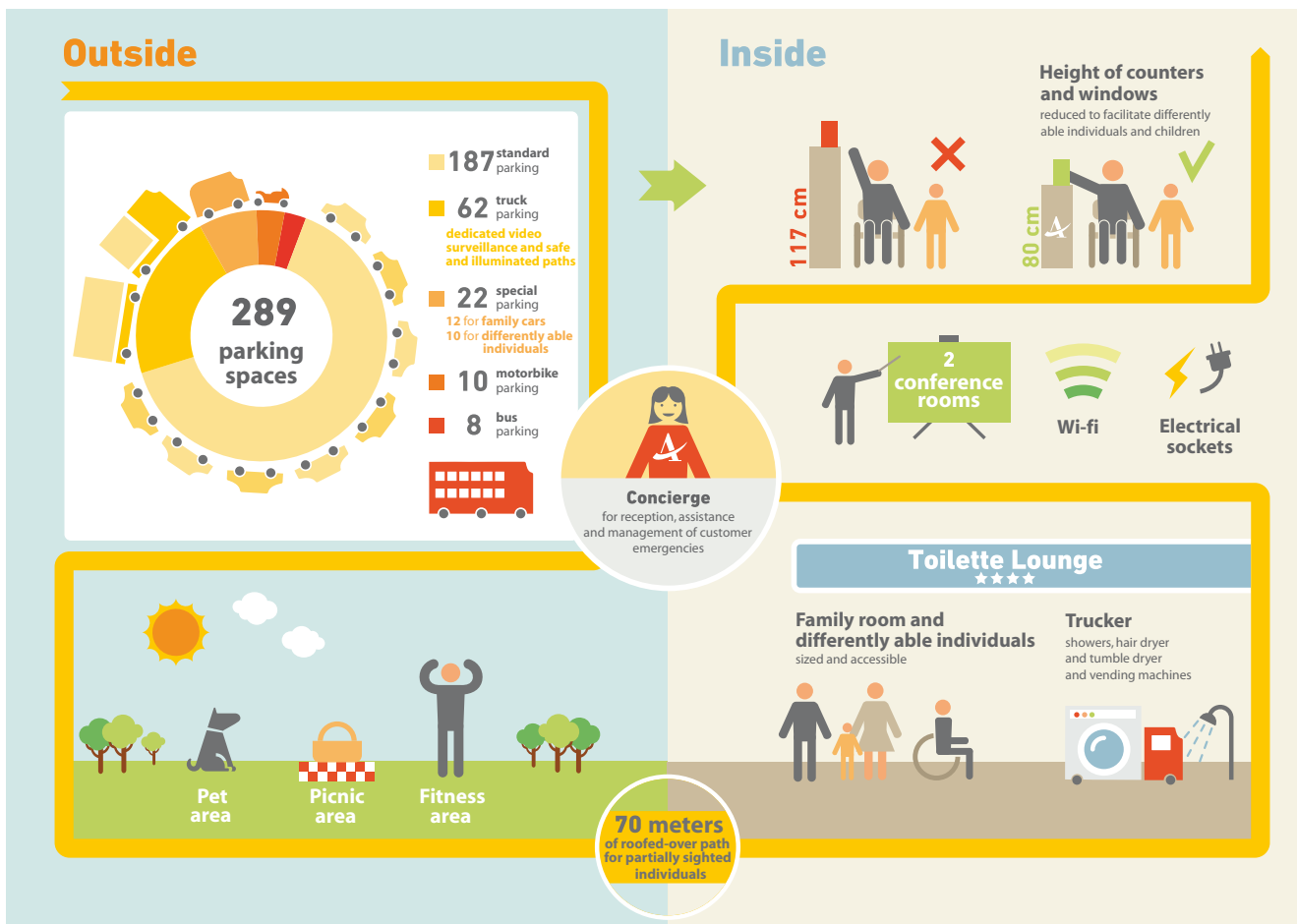


#### Sanitary water



In addition to the important innovations brought about by the afore described technologies for eco-sustainability, another key characteristic of Villorresi Est is its complete accessibility. In fact, the location was entirely designed and developed according to the Design For All and Dasa Rägister principles, involving an accurate design of the layout, furniture and equipment, as well as services, parking spaces and signs. Interior design was developed starting from the analysis of the multiple specific needs of travelers (businessmen, families, women, truckers, children, the elderly, the differently able, sight-impaired individuals, etc.). This special attention to accessibility throughout the entire location led to the elimination of the gradient between the parking area dedicated to differently able individuals and the store flooring, the creation of paths for sight-impaired people from the parking area to the store, the installation of automatic doors and a help desk located at the entrance in order to provide adequate reception, assistance and management of customer requests. More specifically, inside the store, the height of benches and windows was lowered to facilitate access to differently able individuals and children, a priority-based cash counter facilitates payments, toilets designed to meet the specific requirements of special customers (mothers with infants, differently able individuals, individuals with motor, perceptual and sensorial difficulties, etc.) and, last but not least, a new service model for the Ciao restaurant, with operators involved in the composition of the tray, serving the ultimate goal of facilitating customer mobility.

### Design For All and services



In fact, services were also structured in order to meet different customer needs and to provide them with a two-speed shopping experience at the location:

- **quick use** of the store, dedicated to those who want to stop just for a short time and optimize their time;
- **slow and relaxed experience**, targeted to those customers who intend to enjoy a medium-long break and take their time to explore the Villoresi offering.

An ideal separation was then accomplished in the location between the “fast” area with a new concept, **Spizzico Bar**, bringing about innovation in its layout and in the offering of the Autogrill’s historical brand, and the “slow” area, dedicated to catering services, retail and relaxation for all those who choose to take their time. Here, a re-interpretation of the **Bar Motta** was introduced, as a *trait d’union* with the city of Milan and a revisited version of the **Ciao** restaurant, intended to satisfy the new trends and styles in terms of food and diet. In addition to this, the innovation of “**Territori d’Italia**” was also introduced, a new concept dedicated to the typical regional specialties.

Other services focus on the different target customers of the point of sale, starting from families with children, for whom two play areas were designed (one inside and one outside the building), dedicated and balanced menus at the Ciao restaurant and a feeding bottle warmer. For business travelers, Villoresi Est offers an “office on the move” service featuring green wi-fi, sockets for recharging PCs and mobile phones and a business center with two conference rooms with projectors, microphones, printers and catering service. Truck drivers stopping at Villoresi Est have access to free parking with over 60 parking places, safe and illuminated paths, dedicated video surveillance that allows them to always keep an eye on their truck, toilets equipped with showers, hair dryers, washing machine and tumble dryer, as well as vending machines for cleaning products. In addition, there is a fitness area with stretching equipment, a picnic area with tables and benches, a Fido Park with green dog run, water, shade and litter area for pets traveling with their owners and, inside the parking area, thanks to the collaboration with Nissan, there is also the first recharging unit for electric-powered cars installed on Italian highways.

Lastly, for the purpose of ensuring continuity with the landscape and underscoring the environmental bond between Villoresi Est and the Groane Park, approximately 30% of the surface of the filling station (19,000 sq m) was developed as a green area, with local trees and bushes that provide continuity with the surrounding landscape.

To discover all details of the Villoresi Est store, read the QR code with your smartphone and surf the dedicated website!









# Autogrill figures



# 1. Autogrill Group

## Financial Highlights

### Highlights

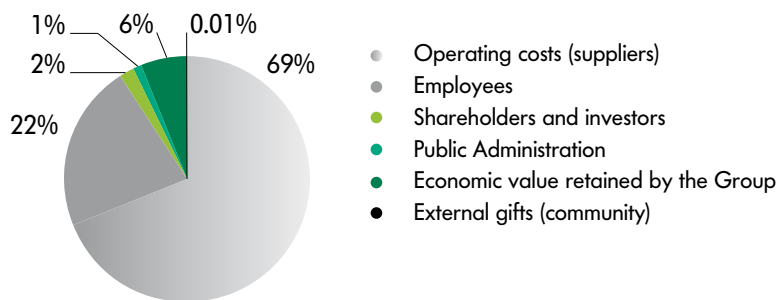
(€m)	2012	2011	Variation	
			2011	At constant exchange rates
Revenues	6,077.6	5,844.6	4.0%	(0.1%)
EBITDA	589.9	617.0	(4.4%)	(8.4%)
% on revenues	9.7%	10.6%		
EBIT	251.9	303.0	(16.9%)	(21.1%)
% on revenues	4.1%	5.2%		
Net income	96.8	126.3	(23.4%)	(29.1%)
% on revenues	1.6%	2.2%		
Net cash flow from operations	418.8	314.1		
Net capex	280.9	209.4	34.1%	35.1%
% on revenues	4.6%	3.6%		
Earnings per share (€ cents)				
- basic	38.2	49.8		
- diluted	38.2	49.5		

(€m)	31.12.2012	31.12.2011	Variation	
			31.12.2011	At constant exchange rates
Net invested capital	2,343.3	2,352.2	(8.8)	(11.1)
Net financial indebtedness	1,494.7	1,552.8	(58.1)	(59.7)

## Table for the determination of the economic value

(€k)	2012	2011	2010
<b>Economic value generated by the Group</b>	<b>6,793,718</b>	<b>6,540,237</b>	<b>6,124,400</b>
Revenues	6,816,810	6,554,285	6,138,735
Net profit from transferred assets	0	0	24,960
Financial revenues	2,648	2,199	7,582
Value adjustment of financial activities	(362)	(733)	(451)
Bad debt	(987)	(376)	(1,227)
Impairment loss of tangible and intangible assets	(24,391)	(15,138)	(45,199)
<b>Economic value distributed by the Group</b>	<b>6,373,765</b>	<b>6,185,678</b>	<b>5,766,444</b>
Operating costs	4,671,993	4,459,491	4,076,635
Compensation to employees	1,519,578	1,453,416	1,422,444
Compensation to investors and shareholders	105,750	168,772	155,456
Compensation to Public Administration	75,884	103,496	111,290
External liberalities	560	503	619
<b>Economic value retained by the Group</b>	<b>419,953</b>	<b>354,559</b>	<b>357,956</b>
Amortization and depreciation	313,632	298,839	305,017
Provisions	9,568	367	10,557
Reserves	96,753	55,353	42,382

## Distribution of the economic value



## Autogrill Group's cost of labor

(€k)	2012	2011	2010
Wage and salaries	1,209,414	1,157,313	1,128,869
Social and welfare charges	218,813	208,151	200,808
Benefits to employees	30,928	27,530	27,662
Other costs	78,559	79,622	84,756
<b>Total</b>	<b>1,537,714</b>	<b>1,472,616</b>	<b>1,442,095</b>

## Group's value acquired by type of goods

(€k)	Food & Beverage			Group
	North America & Pacific area	Europe	Travel Retail & Duty-Free	
<b>2012</b>				
Catering	458,970	313,458	839	773,267
Retail	103,925	477,465	814,165	1,395,555
Other	18,636	582,321	4,985	605,942
<b>Total</b>	<b>581,531</b>	<b>1,373,244</b>	<b>819,989</b>	<b>2,774,764</b>
<b>2011</b>				
Catering	414,184	317,076	879	732,139
Retail	95,005	538,190	796,221	1,429,416
Other	15,500	550,794	(31,950)	534,344
<b>Total</b>	<b>524,689</b>	<b>1,406,060</b>	<b>765,150</b>	<b>2,695,899</b>
<b>2010</b>				
Catering	397,166	312,091	877	710,134
Retail	99,351	533,409	750,486	1,383,246
Other	14,626	296,581	(17,583)	293,624
<b>Total</b>	<b>511,143</b>	<b>1,142,081</b>	<b>733,780</b>	<b>2,387,004</b>

## Group's fees and royalties

(€k)	Food & Beverage			Group
	North America & Pacific area	Europe	Travel Retail & Duty-Free	
<b>2012</b>				
Costs for rents and concessions	309,856	288,428	614,896	1,213,180
Royalties for the use of brands	72,350	8,913	574	81,837
<b>Total</b>	<b>382,206</b>	<b>297,341</b>	<b>615,470</b>	<b>1,295,017</b>
<b>2011</b>				
Costs for rents and concessions	281,243	291,175	550,683	1,123,101
Royalties for the use of brands	63,440	6,855	544	70,839
<b>Total</b>	<b>344,683</b>	<b>298,030</b>	<b>551,227</b>	<b>1,193,940</b>
<b>2010</b>				
Costs for rents and concessions	284,670	292,686	504,906	1,082,262
Royalties for the use of brands	60,475	7,278	780	68,533
<b>Total</b>	<b>345,145</b>	<b>299,964</b>	<b>505,686</b>	<b>1,150,795</b>

## Social data

Autogrill Group's personnel broken down by the two business sectors

	2012	2011	2010
Food & Beverage	56,218	56,038	56,153
Travel Retail & Duty-Free	7,084	6,784	6,339
<b>Total</b>	<b>63,302</b>	<b>62,822</b>	<b>62,492</b>

Presence of women in the Group

	2012		2011		2010	
	Women	Men	Women	Men	Women	Men
Food & Beverage	34,332	21,886	34,508	21,530	34,795	21,358
%	61%	39%	62%	38%	62%	38%
Travel Retail	4,516	2,568	4,301	2,483	4,048	2,291
%	64%	36%	63%	37%	64%	36%
<b>Group</b>	<b>38,848</b>	<b>24,454</b>	<b>38,809</b>	<b>24,013</b>	<b>38,843</b>	<b>23,649</b>

Type of contract broken down by business sectors

Full-time/Part-time

	Food & Beverage	Travel Retail	Group
<b>2012</b>			
Full-time	34,866	4,874	39,740
%	62%	69%	63%
Part-time	21,352	2,210	23,562
%	38%	31%	37%
<b>Total</b>	<b>56,218</b>	<b>7,084</b>	<b>63,302</b>
<b>2011</b>			
Full-time	35,051	4,935	39,986
%	63%	73%	64%
Part-time	20,987	1,849	22,836
%	37%	27%	36%
<b>Total</b>	<b>56,038</b>	<b>6,784</b>	<b>62,822</b>
<b>2010</b>			
Full-time	35,691	4,748	40,439
%	64%	75%	65%
Part-time	20,462	1,591	22,053
%	36%	25%	35%
<b>Total</b>	<b>56,153</b>	<b>6,339</b>	<b>62,492</b>

## Type of contract broken down by business sectors

### Temporary/permanent

	Food & Beverage	Travel Retail	Group
<b>2012</b>			
Temporary	2,001	749	2,750
%	9%	11%	10%
Permanent	19,747	6,335	26,082
%	91%	89%	90%
<b>Total</b>	<b>21,748</b>	<b>7,084</b>	<b>28,832</b>
<b>2011</b>			
Temporary	2,559	885	3,444
%	11%	13%	12%
Permanent	19,834	5,899	25,733
%	89%	87%	88%
<b>Total</b>	<b>22,393</b>	<b>6,784</b>	<b>29,177</b>
<b>2010</b>			
2010	2,784	774	3,558
Temporary	12%	12%	12%
%	20,827	5,565	26,392
Permanent	88%	88%	88%
%	<b>23,611</b>	<b>6,339</b>	<b>29,950</b>

Note: North America and the Pacific Region area are not included in the perimeter because employees in this area are classified pursuant to the currently applicable legislation ("At-will employment"), and therefore it was not possible to classify them based on the two types of contracts used at the European level. This legislation envisages that both parties may terminate the labor contract at any time without any liability.

## Group's donations

	2012		2011	
	€	%	€	%
Direct contributions	559,849	20%	502,499	23%
Indirect contributions	533,061	19%	1,041,857	47%
Contributions in kind and services	1,684,588	61%	676,647	30%
<b>Group</b>	<b>2,777,498</b>		<b>2,221,003</b>	

Note: 2012 perimeter includes: Austria, Belgium, Italy, North America, The Netherlands and Spain for Food & Beverage. United Kingdom and Spain for Travel Retail & Duty-Free

## Environmental data

### Costs for energy and water for the Group

(€k)	Food & Beverage			Group
	Nord America & Pacific Area	Europe	Travel Retail & Duty-Free	
<b>2012</b>	30,366	67,219	8,656	106,241
%	29%	63%	8%	
<b>2011</b>	30,391	64,449	9,093	103,933
%	29%	62%	9%	
<b>2010</b>	28,938	57,649	8,501	95,088
%	30%	61%	9%	

# 2. Food & Beverage

## Financial highlights

### Income statement - Food & Beverage and Corporate

(€m)			Variation			
	2012	% of incidence	2011	% of incidence	2011	At constant exchange rates
Revenue	4,075.6	100.0%	4,023.8	100.0%	1.3%	(2.4%)
Other operating income	112.2	2.8%	114.0	2.8%	(1.6%)	(1.9%)
<b>Total revenue and other operating income</b>	<b>4,187.8</b>	<b>102.8%</b>	<b>4,137.9</b>	<b>102.8%</b>	<b>1.2%</b>	<b>(2.4%)</b>
Raw materials, supplies and goods	(1,366.2)	33.5%	(1,374.5)	34.2%	(0.6%)	(3.8%)
Personnel expense	(1,313.4)	32.2%	(1,256.6)	31.2%	4.5%	0.2%
Leases, rentals, concessions and royalties	(678.7)	16.7%	(642.0)	16.0%	5.7%	1.1%
Other operating costs	(473.4)	11.6%	(450.9)	11.2%	5.0%	1.0%
<b>EBITDA before corporate costs</b>	<b>356.1</b>	<b>8.7%</b>	<b>413.9</b>	<b>10.3%</b>	<b>(14.0%)</b>	<b>(17.8%)</b>
Corporate costs	(28.5)	0.7%	(25.3)	0.6%	12.8%	12.8%
<b>EBITDA</b>	<b>327.6</b>	<b>8.0%</b>	<b>388.6</b>	<b>9.7%</b>	<b>(15.7%)</b>	<b>(19.7%)</b>
Depreciation and amortization	(208.7)	5.1%	(192.7)	4.8%	8.3%	4.1%
Impairment losses on plant, property and equipment and intangible assets	(16.7)	0.4%	0.0	0.0%	n.s.	n.s.
<b>EBIT</b>	<b>102.2</b>	<b>2.5%</b>	<b>196.0</b>	<b>4.9%</b>	<b>(47.8%)</b>	<b>(50.7%)</b>
Financial income (expense)	(50.3)	1.2%	(46.9)	1.2%	7.3%	3.8%
Adjustment to the value of financial assets	(2.2)	0.1%	(2.1)	0.1%	3.6%	(4.4%)
<b>Pre-tax profit</b>	<b>49.7</b>	<b>1.2%</b>	<b>147.0</b>	<b>3.7%</b>	<b>(66.2%)</b>	<b>(68.2%)</b>
Income tax	(27.2)	0.7%	(66.1)	1.6%	(58.8%)	(59.4%)
<b>Net profit attributable to:</b>	<b>22.5</b>	<b>0.6%</b>	<b>80.8</b>	<b>2.0%</b>	<b>(72.1%)</b>	<b>(74.8%)</b>
- owners of the Parent	11.3	0.3%	70.5	1.8%	(84.0%)	(85.6%)
- non-controlling interests	11.2	0.3%	10.4	0.3%	8.4%	1.0%



## Social data

### Presence of women - Food & Beverage

	2012		2011		2010	
	Women	Men	Women	Men	Women	Men
North America & Pacific Area	20,468	14,002	20,099	13,546	19,464	13,078
%	59%	41%	60%	40%	60%	40%
Europe	13,864	7,884	14,409	7,984	15,331	8,280
%	64%	36%	64%	36%	65%	35%
<b>Total</b>	<b>34,332</b>	<b>21,886</b>	<b>34,508</b>	<b>21,530</b>	<b>34,795</b>	<b>21,358</b>
%	61%	39%	62%	38%	62%	38%

### Type of contract - Food & Beverage

#### Full-time/Part-time

	North America & Pacific Area		Europe		Total Food & Beverage	
	Women	Men	Women	Men	Women	Men
<b>2012</b>						
Full-time	13,840	10,211	5,619	5,196	19,459	15,407
%	68%	73%	41%	66%	57%	70%
Part-time	6,628	3,791	8,245	2,688	14,873	6,479
%	32%	27%	59%	34%	43%	30%
Subtotal	20,468	14,002	13,864	7,884	34,332	21,886
<b>Total</b>	<b>34,470</b>		<b>21,748</b>		<b>56,218</b>	
<b>2011</b>						
Full-time	13,889	9,882	5,893	5,387	19,782	15,269
%	69%	73%	41%	67%	57%	71%
Part-time	6,210	3,664	8,516	2,597	14,726	6,261
%	31%	27%	59%	33%	43%	29%
Subtotal	20,099	13,546	14,409	7,984	34,508	21,530
<b>Total</b>	<b>33,645</b>		<b>22,393</b>		<b>56,038</b>	
<b>2010</b>						
Full-time	13,707	9,745	6,498	5,741	20,205	15,486
%	70%	75%	42%	69%	58%	73%
Part-time	5,757	3,333	8,833	2,539	14,590	5,872
%	30%	25%	58%	31%	42%	27%
Subtotal	19,464	13,078	15,331	8,280	34,795	21,358
<b>Total</b>	<b>32,542</b>		<b>23,611</b>		<b>56,153</b>	

## Type of contract - Food & Beverage - Europe

### Temporary/Permanent

	2012		2011		2010	
	Women	Men	Women	Men	Women	Men
Temporary	1,188	813	1,516	1,043	1,769	1,015
%	9%	10%	11%	13%	12%	12%
Permanent	12,676	7,071	12,893	6,941	13,562	7,265
%	91%	90%	89%	87%	88%	88%
<b>Subtotal</b>	<b>13,864</b>	<b>7,884</b>	<b>14,409</b>	<b>7,984</b>	<b>15,331</b>	<b>8,280</b>
<b>Total</b>	<b>21,748</b>		<b>22,393</b>		<b>23,611</b>	

Note: North America and the Pacific Region area are not included in the perimeter because employees in this area are classified pursuant to the currently applicable legislation ("At-will employment"), and therefore it was not possible to classify them based on the two types of contracts used at the European level. This legislation envisages that both parties may terminate the labor contract at any time without any liability.

## Organizational levels - Food & Beverage

2012	North America & Pacific Area		Europe		Total Food & Beverage			
	Women	Men	Women	Men	Women	%	Men	%
<b>Offices</b>								
Top Managers	57	95	15	92	72	28%	187	72%
Senior Managers	73	87	41	72	114	42%	159	58%
Managers	108	58	66	110	174	51%	168	49%
Employees	136	162	319	183	455	57%	345	43%
<b>Subtotal offices</b>	<b>374</b>	<b>402</b>	<b>441</b>	<b>457</b>	<b>815</b>	<b>49%</b>	<b>859</b>	<b>51%</b>
<b>Total offices</b>	<b>776</b>		<b>898</b>		<b>1,674</b>			
<b>Network</b>								
Area Managers	48	111	8	40	56	27%	151	73%
Store managers	613	745	141	293	754	42%	1,038	58%
Managers	188	231	346	502	534	42%	733	58%
Heads of service	771	455	1,683	1,035	2,454	62%	1,490	38%
Multi-service employees	18,474	12,058	11,249	5,553	29,723	63%	17,611	37%
<b>Subtotal network</b>	<b>20,094</b>	<b>13,600</b>	<b>13,427</b>	<b>7,423</b>	<b>33,521</b>	<b>61%</b>	<b>21,023</b>	<b>39%</b>
<b>Total network</b>	<b>33,694</b>		<b>20,850</b>		<b>54,544</b>			
<b>Total</b>	<b>34,470</b>		<b>21,748</b>		<b>56,218</b>			

## Accidents - Food & Beverage - Europe

(Perimeter: Belgium, France, Italy and Spain → 78% of the total F&B employees in Europe)

Type of accidents	2012	2011
Cutting	155	233
Fractures	11	7
Burns	49	74
Collisions and contusions	259	327
Distorsions and sprains	163	164
Other	44	68
<b>Total</b>	<b>681</b>	<b>873</b>
<i>Accidents in progress</i>	213	220
<b>Frequency index (n.accidents x 1,000,000/hours worked)</b>	29.19	33.64
<b>Severity index (n. days lost due to accident x 1,000/hours worked)</b>	0.70	0.61

## Breakdown by age - Food & Beverage

Year	North America & Pacific Area		Europe		Total Food & Beverage		%
	Women	Men	Women	Men	Women	Men	
<b>2012</b>							
16/17-20*	3,230	2,090	440	381	3,670	2,471	11%
21-30	6,633	4,473	3,409	2,231	10,042	6,704	30%
31-40	3,557	2,539	4,662	2,021	8,219	4,560	23%
41-50	3,338	2,244	3,559	1,961	6,897	4,205	20%
> 50	3,710	2,656	1,798	1,286	5,508	3,942	17%
<b>Subtotal</b>	<b>20,468</b>	<b>14,002</b>	<b>13,868</b>	<b>7,880</b>	<b>34,336</b>	<b>21,882</b>	
<b>Total</b>	<b>34,470</b>		<b>21,748</b>		<b>56,218</b>		
<b>2011</b>							
16/17-20*	3,352	2,161	464	403	3,816	2,564	11%
21-30	6,122	4,223	3,674	2,333	9,796	6,556	29%
31-40	3,470	2,433	4,980	2,024	8,450	4,457	23%
41-50	3,420	2,214	3,519	1,967	6,939	4,181	20%
> 50	3,735	2,515	1,772	1,257	5,507	3,772	17%
<b>Subtotal</b>	<b>20,099</b>	<b>13,546</b>	<b>14,409</b>	<b>7,984</b>	<b>34,508</b>	<b>21,530</b>	
<b>Total</b>	<b>33,645</b>		<b>22,393</b>		<b>56,038</b>		

\* For North America and the Pacific area the first age bracket is 16-20, for Europe 17- 20

## Breakdown by nationality - Food & Beverage - Europe

(Perimeter: Austria, Belgium, Denmark, France, Italy, Spain and Switzerland

→ 86% of the total F&B employees in Europe)

Year	Women	Men	%
<b>2012</b>			
EU countries	10,397	5,545	86%
Extra-EU countries	610	314	5%
Center, Latin America	214	103	2%
Africa	382	434	4%
Asia	191	164	2%
Other	188	83	1%
<b>Subtotal</b>	<b>11,982</b>	<b>6,643</b>	
<b>Total</b>	<b>18,625</b>		
<b>2011</b>			
EU countries	11,290	5,885	88%
Extra-EU countries	681	330	5%
Center, Latin America	252	106	2%
Africa	296	360	3%
Asia	161	163	2%
Other	46	27	0%
<b>Subtotal</b>	<b>12,726</b>	<b>6,871</b>	
<b>Total</b>	<b>19,597</b>		

## Breakdown by nationality - Food & Beverage North America

Year	Women	Men	%
<b>2012</b>			
American-European natives	5,679	4,036	36%
American-African natives	5,103	3,030	30%
American-Indian natives and Alaska natives	104	57	1%
Hispanic	3,003	2,253	20%
Asian	1,911	1,307	12%
Hawaiian natives and natives of the Pacific islands	175	75	1%
Not specified	18	15	0.1%
<b>Subtotal</b>	<b>15,993</b>	<b>10,773</b>	
<b>Total</b>	<b>26,766</b>		
<b>2011</b>			
American-European natives	5,601	3,812	36%
American-African natives	4,732	2,811	29%
American-Indian natives and Alaska natives	66	54	0.5%
Hispanic	3,091	2,288	21%
Asian	1,963	1,367	13%
Hawaiian natives and natives of the Pacific islands	155	69	1%
<b>Subtotal</b>	<b>15,608</b>	<b>10,401</b>	
<b>Total</b>	<b>26,009</b>		

## Trade union presence index - Food & Beverage

Year	Italy	North America
<b>2012</b>	45%	49%
2011	43%	46%
2010	43%	45%

## Training - Food & Beverage - Europe

(Perimeter: Belgium, Denmark, France, Italy, The Netherlands, Slovenia, Spain and Switzerland → 88% of the total F&B employees in Europe)

	2012		2011	
	Hours	Costs (€)	Hours	Costs (€)
In store training and education	81,244	1,873,062	221,151	4,211,576
Technical professional training	3,972	105,361	6,961	203,317
Managerial training	21,176	808,315	13,776	696,624
Hygiene, health and safety in the workplace	70,520	1,780,996	18,483	502,288
Language	3,504	143,112	3,132	146,149
Other	3,236	124,211	3,191	101,723
<b>Total</b>	<b>183,652</b>	<b>4,835,057</b>	<b>266,694</b>	<b>5,861,677</b>
% training costs covered by subsidies received from national and international bodies	13%*		13%	
Nr.of employees in the indicated perimeter	19,163		19,992	
Training days per capita	1.53		1.89	

\* 81% derive from the Fondo Paritetico Interprofessionale Nazionale per la Formazione Continua nel Terziario (Fondo For.Te.; National Interprofessional Joint Fund for Ongoing Training in the Service Sector), recognised by the Italian Ministry of Labor, financing company specific training plans

## Donations - Food & Beverage

(€)	Direct Contribution	Indirect Contribution	Contribution in kind & services	Total
<b>2012</b>				
North America & Pacific Area	244,504	495,659	1,400,787	2,140,951
Europe	20,750	18,696	283,800	323,247
<b>Total</b>	<b>265,254</b>	<b>514,355</b>	<b>1,684,588</b>	<b>2,464,197</b>
<b>2011</b>				
North America & Pacific Area	144,656	896,898	343,254	1,384,808
Europe	50,383	45,793	333,393	429,569
<b>Total</b>	<b>195,039</b>	<b>942,691</b>	<b>676,647</b>	<b>1,814,377</b>

Note: 2012 perimeter includes North America, Italy, Spain, Belgium, The Netherlands and Austria

## Environmental data

The difference in the number of stores in the years taken into account reflects the trend of the market of concessions and the awarding of contracts following to tenders.

### Indirect energy consumption - Food & Beverage - Europe \*

(Perimeter: Austria, Belgium, Spain and Italy)

	Units	2012	2011	2010
Number of stores	no.	629	620	675
Difference in the number of stores	%	1%	(8%)	19%
Indirect energy	MWh	229,994	238,039	232,968
Difference in yearly consumption	%	(3%)	2%	1%

\* This estimate includes energy consumption in the stores and headquarters of Austria, Belgium, Spain and Italy. Values referring to Italy do not include the energy consumption of the two distribution centers and the stores in franchising

### Direct energy consumption - Food & Beverage - Italy \*

	Units	2012	2011	2010
Number of stores	no.	500	488	507
Difference in the number of stores	%	2%	(4%)	20%
Methane or natural gas	m <sup>3</sup>	400,000	400,000	400,000
Difference in yearly consumption	%	0%	0%	0%
Diesel oil	liters	2,080,622	2,313,606	2,381,394
Difference in yearly consumption	%	(10%)	(3%)	5%
LPG and other	kg	73,480	53,404	41,554
Difference in yearly consumption	%	38%	29%	(20%)

\* Figures include consumption in the stores and headquarters in Italy. Consumption of the stores in franchising is not included

### Water consumption - Food & Beverage - Europe \*

(Perimeter: Austria, Belgium, Italy and Spain)

	Units	2012	2011	2010 **
Number of stores	no.	629	620	675
Difference in the number of stores	%	1%	(8%)	19%
Water	m <sup>3</sup>	2,844,741	2,996,908	3,114,017
Difference in yearly consumption of water	%	(5%)	(4%)	(4%)

\* This estimate includes energy consumption in the stores and headquarters of Austria, Belgium, Spain and Italy. Values referring to Italy do not include the energy consumption of the two distribution centers and the stores in franchising

\*\* Errata corrige: 2010 data were updated based on adjustments made after the publication of the 2010 Sustainability Report

## Waste - Food & Beverage - Italy \*

	Units	2012	2011	2010 **
Number of stores	no.	584	598	604
Difference in the number of stores	%	(2%)	(1%)	15%
Non toxic waste ***	t.	53,714	45,586	42,491
Difference in the quantity of non toxic waste	%	18%	7%	1%
Toxic waste	t.	138.14	220.41	5.77
Difference in the quantity of toxic waste ****	%	(37%)	3720%	483%

\* This estimate includes the stores directly managed by Autogrill Italia, the stores in franchising and the headquarters in Italy.

\*\* Errata corrige: 2010 data were updated based on adjustments made after the publication of the 2010 Sustainability Report.

\*\*\* In the framework of the "Progetto Piazzale" [Service Area Project], in collaboration with Autostrade per l'Italia, Autogrill is also in charge of disposing of the waste improperly abandoned in the parking areas of the service stations

\*\*\*\* Pick-up of toxic waste is carried out annually. The increase in toxic waste in 2010 and 2011 refers to Nuova Sidap stores (with the management of oil acquired in the middle of 2010)

## Materials: paper & cardboard - Food & Beverage - Italy \*

	Units	2012	2011	2010
Number of stores	no.	584	598	604
Difference in the number of stores	%	(2%)	(1%)	15%
Paper & paperboard	t.	4,648	5,242	5,540
Difference in yearly consumption of paper & paperboard	%	(11%)	(5%)	26%

\* This estimate includes the stores directly managed by Autogrill Italia, the stores in franchising and the headquarters in Italy.

## Car fleet - Food & Beverage - Europe

(Perimeter: Belgium, France, Italy, The Netherlands, Spain, Switzerland)

Number of vehicles	CO <sub>2</sub> emission level < 160 g/km		CO <sub>2</sub> emission level > 160 g/km		Total
		%		%	
<b>2012</b>	364	91%	34	9%	398
2011	322	88%	46	13%	368
2010	318	83%	67	17%	385

# 3. Travel Retail & Duty-Free

The tables below include World Duty Free Group data, except if otherwise indicated.

## Financial highlights

### Income statement - Travel Retail & Duty-Free

(€m)					Variation	
	2012	% of incidence	2011	% of incidence	2011	At constant exchange rates
Revenue	2,002.0	100.0%	1,820.8	100.0%	10.0%	5.2%
Other operating income	25.4	1.3%	24.1	1.3%	5.5%	5.5%
<b>Total revenue and other operating income</b>	<b>2,027.4</b>	<b>101.3%</b>	<b>1,844.9</b>	<b>101.3%</b>	<b>9.9%</b>	<b>5.2%</b>
Raw materials, supplies and goods	(820.0)	41.0%	(765.1)	42.0%	7.2%	3.9%
Personnel expense	(205.9)	10.3%	(192.4)	10.6%	7.0%	3.7%
Leases, rentals, concessions and royalties	(615.5)	30.7%	(551.2)	30.3%	11.7%	7.8%
Other operating costs	(123.7)	6.2%	(107.8)	5.9%	14.7%	11.6%
<b>EBITDA</b>	<b>262.3</b>	<b>13.1%</b>	<b>228.3</b>	<b>12.5%</b>	<b>14.9%</b>	<b>11.1%</b>
Depreciation and amortization	(112.7)	5.6%	(121.3)	6.7%	(7.1%)	(9.1%)
<b>EBIT</b>	<b>149.7</b>	<b>7.5%</b>	<b>107.0</b>	<b>5.9%</b>	<b>39.9%</b>	<b>33.5%</b>
Financial income (expense)	(18.5)	0.9%	(28.2)	1.5%	(34.4%)	(35.5%)
Adjustment to the value of financial assets	1.8	0.1%	1.4	0.1%	32.1%	32.1%
<b>Pre-tax profit</b>	<b>133.0</b>	<b>6.6%</b>	<b>80.2</b>	<b>4.4%</b>	<b>65.8%</b>	<b>56.7%</b>
Income tax	(30.2)	1.5%	(16.3)	0.9%	84.9%	75.1%
<b>Net profit attributable to:</b>	<b>102.8</b>	<b>5.1%</b>	<b>63.9</b>	<b>3.5%</b>	<b>60.9%</b>	<b>51.7%</b>
- owners of the Parent	100.5	5.0%	61.5	3.4%	63.6%	54.0%
- non-controlling interests	2.3	0.1%	2.5	0.1%	(7.4%)	(7.4%)



## Social data

### Presence of women - Travel Retail & Duty-Free

	2012		2011		2010	
	Women	Men	Women	Men	Women	Men
Travel Retail	4,516	2,568	4,301	2,483	4,048	2,291
%	64%	36%	63%	37%	64%	36%

### Type of contract - Travel Retail & Duty-Free

#### Full-time/Part-time

	2012		2011		2010	
	Women	Men	Women	Men	Women	Men
Full-time	2,766	2,108	2,810	2,125	2,727	2,021
%	61%	82%	65%	86%	67%	88%
Part-time	1,750	460	1,491	358	1,321	270
%	39%	18%	35%	14%	33%	12%
<b>Subtotal</b>	<b>4,516</b>	<b>2,568</b>	<b>4,301</b>	<b>2,483</b>	<b>4,048</b>	<b>2,291</b>
<b>Total</b>	<b>7,084</b>		<b>6,784</b>		<b>6,339</b>	

### Type of contract - Travel Retail & Duty-Free

#### Temporary/Permanent

	2012		2011		2010	
	Women	Men	Women	Men	Women	Men
Temporary	382	367	466	419	391	383
%	8%	14%	11%	17%	10%	17%
Permanent	4,134	2,201	3,835	2,064	3,657	1,908
%	92%	86%	89%	83%	90%	83%
<b>Subtotal</b>	<b>4,516</b>	<b>2,568</b>	<b>4,301</b>	<b>2,483</b>	<b>4,048</b>	<b>2,291</b>
<b>Total</b>	<b>7,084</b>		<b>6,784</b>		<b>6,339</b>	

## Organizational levels - Travel Retail & Duty-Free

2012	Women		Men	
	No.	%	No.	%
<b>Offices</b>				
Top Managers	9	29%	22	71%
Senior Managers	66	43%	87	57%
Managers	158	51%	151	49%
Employees	270	62%	167	38%
<b>Subtotal offices</b>	<b>503</b>	<b>54%</b>	<b>427</b>	<b>46%</b>
<b>Total offices</b>	<b>930</b>			
<b>Network</b>				
Area Managers	6	24%	19	76%
Store Managers	23	41%	33	59%
Managers	233	51%	226	49%
Heads of service	2,047	66%	1,053	34%
Multi-service employees	1,704	68%	810	32%
<b>Subtotal network</b>	<b>4,013</b>	<b>65%</b>	<b>2,141</b>	<b>35%</b>
<b>Total network</b>	<b>6,154</b>			
<b>Total</b>	<b>7,084</b>			

## Accidents - Travel Retail & Duty-Free

(Perimeter: Spain and UK → 79% of the total TR&DF employees)

Types of accidents	2012	2011 *
Cutting	7	5
Fractures	7	4
Burns	0	0
Collisions and contusions	13	19
Distorsions and sprains	20	39
Other	8	1
<b>Total</b>	<b>55</b>	<b>68</b>
<i>Accidents in progress</i>	16	25
<b>Frequency index (no. accidents x 1,000,000/hours worked)</b>	<b>7.07</b>	<b>10.63</b>

\* 2011 data were subject to adjustment to align them to F&B country reporting

## Breakdown by age - Travel Retail & Duty-Free

Year	Women	Men	%
<b>2012</b>			
17-20	175	68	4%
21-30	1,204	758	29%
31-40	1,343	848	32%
41-50	1,053	536	23%
< 50	741	358	16%
<b>Subtotal</b>	<b>4,516</b>	<b>2,568</b>	
<b>Total</b>	<b>7,084</b>		
<b>2011</b>			
17-20	140	82	3%
21-30	1,120	746	28%
31-40	1,368	804	32%
41-50	976	531	22%
< 50	697	320	15%
<b>Subtotal</b>	<b>4,301</b>	<b>2,483</b>	
<b>Total</b>	<b>6,784</b>		

## Breakdown by nationality - Travel Retail & Duty-Free

(Perimeter: Spain and UK → 79% of the total TR&DF employees)

Year	Women	Men	%
<b>2012</b>			
EU countries	3,397	1,689	91%
Extra-EU countries	30	3	1%
Central, Latin America	57	25	1%
Africa	32	27	1%
Asia	80	71	3%
Other	94	61	3%
<b>Subtotal</b>	<b>3,690</b>	<b>1,876</b>	
<b>Total</b>	<b>5,566</b>		
<b>2011</b>			
EU countries	3,158	1,587	91%
Extra-EU countries	42	8	1%
Central, Latin America	64	30	2%
Africa	26	32	1%
Asia	70	76	3%
Other	72	35	2%
<b>Subtotal</b>	<b>3,432</b>	<b>1,768</b>	
<b>Total</b>	<b>5,200</b>		

## Training - Travel Retail & Duty-Free

(Perimeter: Spain and UK → 79% of the total TR&DF employees)

	2012		2011	
	Hours	Costs (€)	Hours	Costs (€)
In store training and education	11,097	208,003	7,824	55,435
Technical professional training	1,879	84,533	6,238	119,139
Managerial training	9,594	194,332	4,575	239,167
Hygiene, health and safety in the workplace	10,661	239,859	18,918	573,795
Languages	10,749	125,846	9,969	596,438
Other	2,935	83,855	100	17,747
<b>Total</b>	<b>46,915</b>	<b>936,428</b>	<b>47,624</b>	<b>1,601,721</b>
No. of employees in the indicated perimeter	5,566		5,200	
Days of training per capita	1.11		1.25	

## Donations - Travel Retail & Duty-Free

(€)	2012	2011
Direct contribution	294,595	307,460
Indirect contribution	18,706	99,166
Contribution in kind and services	-	-
<b>Group</b>	<b>313,301</b>	<b>406,626</b>



# GRI-G3 indicators index

Autogrill Group 2012 Sustainability Report was compiled in compliance with the Global Reporting Initiative GRI-G3 guidelines. The following table shows the indicators of the GRI-G3 guidelines, the relevant page number of this Report, and the level of coverage, using the following symbols:

T total  
P partial  
NC not covered

Some indicators are only given the partial symbol, as Autogrill prefers to be thoroughly transparent in describing to the stakeholders its vision and ongoing commitment to improving the Group's economic, social and environmental performance. To provide a better understanding of the social-environmental phenomena, the Report includes the most significant information and issues regarding sustainability.

Legend:

RGSAP: Corporate Governance Report and Ownership Structure  
R&B: 2012 Annual Report  
CE: Code of Ethics

GRI indicator	Description	Level of coverage	Page
<b>PROFILE</b>			
<b>1. Strategy and analysis</b>			
1.1	Statement of the organization's vision and strategy regarding its contribution to sustainable development	T	14-15, 22-23
1.2	Description of key impacts, risks and opportunities	T	20-21, 22, R&B (50)
<b>2. Profile of the organization</b>			
2.1	Name of the organization	T	cover
2.2	Primary brands, products and/or services.	T	16-17, 30, 31-32, 82, 89
2.3	Operational structure of the organization	T	18
2.4	Headquarters	T	138
2.5	Countries where the organization operates	T	12, 16-17
2.6	Ownership structure and legal form	T	12, 138
2.7	Markets served	T	12, 16-17
2.8	Dimension of the companies belonging to the organization, including: number of employees, net sales, total capitalization broken down in terms of debt and equity and quantity of products or services provided	T	12-13
2.9	Significant changes in size and ownership structure	T	9, 16-17, 31-32
2.10	Awards/prizes received	T	35-36
<b>3. REPORT PARAMETERS</b>			
<b>Report profile</b>			
3.1	Reporting period for information provided	T	9
3.2	Date of most recent Annual Report	T	9
3.3	Reporting cycle	T	9
3.4	Contacts and addresses for questions regarding the Annual Report	T	138
<b>Objective and boundary of the Report</b>			
3.5	Process for defining Report content	T	9, 14-15, 22-23, 39-40, 75-76, 93-94
3.6	Boundary of the Report	T	9, 16-17
3.7	Limitations on the scope or boundary of the Report	T	9, 116, 120, 121-125, 128-130
3.8	Information on Group related companies	T	9, 116, 120, 121-125, 128-130
3.9	Data measurement techniques and the bases of calculations	T	9, 116, 120, 121-125, 128-130
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	T	9, 116, 120, 121-125, 128-130
3.11	Significant changes from previous reporting periods	T	9, 116, 120, 121-125, 128-130
<b>GRI content index</b>			
3.12	Table of reference	T	132-137
<b>Assurance</b>			
3.13	External assurance	T	Note

GRI indicator	Description	Level of coverage	Page
<b>4. GOVERNANCE, COMMITMENT, ENGAGEMENT</b>			
<b>Governance</b>			
4.1	Governance structure of the organization	T	18-19, RGSAP (13, 31)
4.2	Indicate whether the Chairman is also an executive officer	T	RGSAP (17, 28)
4.3	Independent Directors and/or non-executive Directors	T	RGSAP (17, 58)
4.4	Mechanisms for shareholders and employees to provide recommendation	T	RGSAP (17, 50)
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives and the performance of the organization	T	RGSAP (35-36), R&B (133)
4.6	Conflicts of interest	T	RGSAP (13, 15)
4.7	Qualifications and expertise of the Directors	T	RGSAP (15)
4.8	Mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance	T	14-15, 22-23, 24
4.9	Procedures of the BoD for identifying and managing economic, environmental, and social performance	T	22-28, 29, 53, 68, 80
4.10	Procedures for the valuation of the Directors' economic, environmental, and social performances	T	68, RGSAP (24, 35)
<b>Commitment to external initiatives</b>			
4.11	Explanation of how the precautionary approach or principle is applied	T	20, 22-23, 80-81
4.12	Subscription of economic, environmental, and social codes of conducts, principles e charters developed by external organizations	T	47, 69, 97
4.13	Memberships in national/international industry associations	T	47, 49, 83, 85, 86
<b>Stakeholder engagement</b>			
4.14	List of stakeholder groups engaged by the organization	T	23
4.15	Principles for identifying and select stakeholders	T	22, 23, CE
4.16	Approaches to stakeholder engagement	T	42, 60, 62, 66, 67, 78-80
4.17	Key topics and concerns that have been raised through stakeholder engagement and the organization's response	T	42, 60, 62, 66, 67, 78-80
<b>ECONOMIC PERFORMANCE INDICATORS</b>			
DMA	Information on management policies	T	12, 16-17, 29-32, 71, CE
<b>Economic performance</b>			
Core EC1	Direct economic value generated and distributed	T	113
Core EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	NC	
Core EC3	Coverage of the organization's defined benefit plan obligations	T	R&B (72, 99)
Core EC4	Significant financial assistance received from government	T	123
<b>Market presence</b>			
Core EC6	Policy, practices, and proportion of spending on locally-based suppliers	T	79-80, 83-86, 114
Core EC7	Procedures for local hiring	T	48
<b>Indirect economic impacts</b>			
Core EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	T	70-73, 95, 116, 123, 130



GRI indicator	Description	Level of coverage	Page
<b>ENVIRONMENTAL PERFORMANCE INDICATORS</b>			
DMA	Information on management policies	T	22, 93, 95, 100, 102
<b>Raw materials</b>			
Core EN1	Raw materials used by weight or volume	P	125
Core EN2	Percentage of materials used that are recycled input materials	P	102-103
<b>Energy</b>			
Core EN3	Direct energy consumption by primary energy source	P	100-101, 124
Core EN4	Indirect energy consumption by primary source	P	100-101, 124
Additional EN5	Energy saved due to conservation and efficiency improvements (kWh saved, etc.)	T	100-101, 106-108
Additional EN6	Energy-efficient or renewable energy based products and services	T	100-101, 106-108
<b>Water</b>			
Core EN8	Total water withdrawal by source	P	102, 106, 124
<b>Biodiversity</b>			
Core EN11	Location and size of land owned, leased, or managed in protected areas or areas of high	NC	
Core EN12	biodiversity value outside protected areas	NC	
<b>Emissions and waste</b>			
Core EN16	Total direct and indirect greenhouse gas emissions by weight	P	95, 106
Core EN17	Other relevant indirect greenhouse gas emissions by weight	NC	
Additional EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	P	95, 100, 106
Core EN19	Emissions of ozone-depleting substances by weight	P	104
Core EN20	Other emissions in atmosphere	NC	
Core EN21	Total water discharge by quality and destination	NC	
Core EN22	Total weight of waste by type and disposal method	P	102-104, 125
Core EN23	Total number and volume of significant spills	NC	
<b>Products and services</b>			
Core EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	T	95, 97, 100, 102, 105, 106
Core EN27	Percentage of products sold and their packaging materials that are reclaimed by category	P	102-104
<b>Compliance</b>			
Core EN28	Monetary value and total number of fines for non-compliance with environmental regulations	NC	
<b>Transport</b>			
Additional EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations and for transporting members of the workforce	P	105, 125
<b>SOCIAL PERFORMANCE INDICATORS</b>			
<b>Labor practices</b>			
DMA	Information on management policies	T	22, 23, 39, 41, 42, 48, 50, 52, 54, 60, CE
Core LA1	Total workforce by employment type, employment contract, and region	T	115-116, 119-120, 127
Core LA2	Total number of personnel and turnover rate, by age, sex, geographical area	NC	
Additional LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	T	52

GRI indicator	Description	Level of coverage	Page
<b>Labor management relations</b>			
Core LA4	Percentage of employees covered by collective bargaining agreements	P	123
Core LA5	Minimum notice period regarding significant operational changes	T	61
<b>Health and safety</b>			
Additional LA6	Percentage of total workforce represented in the formal joint management-worker health and safety Committee	P	54-57
Core LA7	Rates of injury, occupational diseases, lost days, absenteeism, and number of work-related fatalities by region	P	54-57, 121, 128
Core LA8	Education, training, prevention, and risk-control programs in place to assist workforce members	P	54-57, 123, 130
Additional LA9	Health and safety topics covered in formal agreements with trade unions	P	60-61
<b>Training and education</b>			
Core LA10	Average yearly hours of training per employee by employee category	P	52, 123, 130
Additional LA 11	Programs for skills and career development	T	50, 52
Additional LA 12	Percentage of employees receiving regular career development reviews	P	50
<b>Diversity and equal opportunity</b>			
Core LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	T	47, 115, 119-120, 121, 122, 127-128, 129, RGSAP (17-21) Note
Core LA14	Ratio of basic salary of men to women	NC	
<b>Human rights</b>			
DMA	Information on management policies	T	22, 23, 46-47, 60, 80-81, CE
<b>Investment practices, suppliers selection practices and personnel training</b>			
Core HR1	Significant investment agreements that include human rights clauses	P	79-80
Core HR2	Supplier screening on human rights and actions taken	P	79-80
<b>Non-discrimination</b>			
Core HR4	Total number of discriminatory events and actions taken	NC	
<b>Freedom of association</b>			
Core HR5	Operations identified in which freedom of association and collective bargaining may be at significant risk and actions taken to defend these rights	T	Note
<b>Child labor</b>			
Core HR6	Use of child labor	T	Note
<b>Forced and compulsory labor</b>			
Core HR7	Use of forced and compulsory labor	T	Note
<b>Society</b>			
DMA	Information on management policies	T	23, 71, CE
<b>Community</b>			
Core SO1	Management of the impact of operations on communities	P	71-73
<b>Corruption</b>			
Core SO2	Analysis and monitoring of corruption risks	T	Note
Core SO3	Employees trained in anti-corruption policies and procedures	NC	
Core SO4	Actions taken in response to incidents of corruption	NC	
<b>Political contributions</b>			
Core SO5	Public policy positions and participation in public policy development	NC	
Additional SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions	P	Note

GRI indicator	Description	Level of coverage	Page
<b>Compliance</b>			
Core SO8	Sanctions for non-compliance with laws and regulations	NC	
<b>Product responsibility</b>			
DMA	Information on management policies	T	23, 80-81, 83, CE
<b>Customer health and safety</b>			
Core PR1	Health and safety of products and services	T	69, 80-81, 83
<b>Products and services – labeling</b>			
Core PR3	Products and services information	P	80, 81, 83-85
Additional PR5	Practices related to customer satisfaction	T	67, 68
<b>Advertising</b>			
Core PR6	Laws, standards and voluntary codes related to marketing communications	NC	
<b>Compliance</b>			
Core PR9	Sanctions for non-compliance with laws and regulations concerning the provision and use of products and services	NC	

**Note 3.13**

An internal assurance process was carried out no external certification was requested for the 2012 Sustainability Report

**Note LA13**

The Board of Directors is composed as follows: 100% men, 100% Italians, 23% of whom are aged 30-50 years, 77% above 50 years

**Note HR5**

Freedom of association and collective bargaining are allowed and encouraged in all the countries in which the Group operates

**Note HR6-HR7**

Autogrill complies with the applicable laws in all countries in which it operates and in the developing countries considered at risk, the Group implements the parent company's policies to avoid risks regarding forced and child labor

**Note SO2**

In the main Group companies (Autogrill SpA, HMSHost and World Duty Free Group) risk analyses were carried out in relation to anti-corruption and anti-bribery. Specifically, compliance was checked with reference to Italian Legislative Decree 231/01, the US Foreign Corrupt Practices Act, the British Anti-Bribery Act and the Spanish Ley orgánica

**Nota SO6**

In the countries in which the law and/or applicable regulations envisage the possibility for the Group companies to make donations to political parties, the latter are preventively verified and approved by the Group's Legal Affairs division in order to ensure compliance with local regulations

# GRI-G3 application level verification



## Statement GRI Application Level Check

GRI hereby states that **Autogrill S.p.A.** has presented its report "Sustainability Report 2012" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 12 April 2013



Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 2 April 2013. GRI explicitly excludes the statement being applied to any later changes to such material.



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