FURNITURE ARRANGEMENT

We have created a store environment which will display products in an attractive way, engage with passengers and provide them with a bespoke service. We want the stores to exude the products being offered, whilst being unique to Seattle airport. This will be a multi-paced shopping experience, where we convert passengers into customers and maximize potential sales.

We always ensure the space is efficient and functional. Customer navigation is paramount, there are clear views across the space, ensuring clear visibility to sub-categories and brands. Aisle widths are designed to allow customers comfortable space to shop.
CATEGORY ADJACENCIES

Our category sizes and adjacencies have been carefully considered to maximize sales. The plan has been arranged to maximize penetration and dwell time within it.
SOUTH CONCOURSE
MATERIALS & FINISHES

LAQUERED TIMBER FINISHED IN TEAL

DARK GREY CONCRETE EFFECT PORCELAIN TILES

WARM GREY MARBLE EFFECT PORCELAIN TILES

REPURPOSED WHISKY BARRELS

AGED TIMBER PANELS

SQUARE EDGED TIMBER CLADDING
SOUTH CONCOURSE MATERIALS & FINISHES

BLACK SUSPENDED PLANTERS

DARK GREY MARBLE EFFECT PORCELAIN TILES

WHITE MARBLE EFFECT PORCELAIN TILES

GOLD DETAILING

FLUTED CLADDING

MARBLE FLOORING WITH INLAYED DESIGN
SOUTH CONCOURSE
MATERIALS & FINISHES

ROUGH CONCRETE FINISH

GRAPHICS ONTO OSB

OSB

BLACK HATCHED WIRE

POLISHED CONCRETE EFFECT PORCELAIN TILE

POLISHED CONCRETE EFFECT PORCELAIN TILE

PORT OF SEATTLE | SEATTLE-TACOMA INTERNATIONAL AIRPORT
SOUTH CONCOURSE
MATERIALS & FINISHES

EXPOSED SERVICES DECORATED IN DARK GREY

TIMBER & WIRE FRAMES

GRANITE EFFECT PORCELAIN TILES

DECORATIVE PATTERNED PERFORATED PANELS

DARK GREY CONCRETE EFFECT PORCELAIN TILES
SOUTH CONCOURSE
MATERIALS & FINISHES

- Exposed services decorated in dark grey
- Digital ceiling
- Full height illuminated graphic
- Polished concrete floor
- Timber flooring

10.3 UNIT DESIGN | SOUTH CONCOURSE - DESIGN | RAINIERS MARKET
Concept Overview

Our wonder trails continue in the North Concourse store. With its own bespoke paired back industrial look and feel, Our North store has the vibe of a trail through Seattle’s urban streets.
Introduction

Our category sizes and adjacencies have been carefully considered to maximize sales. We have created a store environment which will display products in an attractive way, engage with passengers and provide them with a bespoke service. We want the stores to exude the products being offered, whilst being unique to Seattle airport.

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>AREA</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONFECTIONERY</td>
<td>86 FT²</td>
<td>27</td>
</tr>
<tr>
<td>P&amp;G</td>
<td>136 FT²</td>
<td>42</td>
</tr>
<tr>
<td>LIQUOR</td>
<td>54 FT²</td>
<td>16</td>
</tr>
<tr>
<td>TOBACCO</td>
<td>42 FT²</td>
<td>15</td>
</tr>
<tr>
<td>TOTAL RETAIL AREA</td>
<td>319 FT²</td>
<td>100%</td>
</tr>
<tr>
<td>CASH</td>
<td>39 FT²</td>
<td></td>
</tr>
<tr>
<td>TOTAL AREA</td>
<td>358 FT²</td>
<td></td>
</tr>
</tbody>
</table>
NORTH CONCOURSE
MATERIALS & FINISHES

- Reclaimed Brick
- White Painted Reclaimed Brick
- Rough Concrete Slab
- Timber & Black Metal Framework
- Dark Grey Porcelain Floor Tiles
- Black Hatched Wire

PORT OF SEATTLE | SEATTLE-TACOMA INTERNATIONAL AIRPORT
Sustainable Store Strategy

Our Sustainable Store Strategy has been developed to support our capabilities in delivering store concepts that deeply respect the sustainability discipline and the environment by tackling this important challenge. Our Seattle stores will be a demonstration of our commitment to creating legacy for Seattle’s future.

A snapshot of our Sustainable Store Strategy is as follows. Composed of five components that address sustainability challenges, the strategy has delivered tangible value in Dufry projects executed around the world and simultaneously facilitating further enhancements in our capabilities.

- Designing and Planning Sustainably
- United Green Team
- Free of Pollution Shops
- Reduce, Recycle, Refurbish, Reuse, Retain
- Yes to Responsibly Sourced Materials
Our Sustainable Store Strategy process assesses store development at four stages:

1. Benchmarking across a number of sustainability parameters such as energy consumption, to provide a benchmark for improvements.

2. Design principles to develop practical systems through collaboration with airport authority partners that are appropriate to the airport environment. For example, we analyze natural airflow to establish if free cooling is an option in order to minimize the use of air conditioning systems. We subsequently install appropriate control systems.

3. Commissioning stage evaluation of sustainability measures to determine that they are meeting our criteria, with an expectation that they over-achieve on set energy targets.

4. Post occupancy monitoring through control systems that are operated remotely generating data to ensure all the systems are performing in accordance with the design.
Innovation:
Energy Efficiency & Environmental Responsibility

Our Sustainable Store Strategy adopts the most energy-efficient technologies, especially for lighting and appliances, and gives preference to the use of more sustainable construction materials and processes.

Focus areas include:

- Energy Consumption Metrics: Leveraging the construction of new stores and the introduction of energy-efficient equipment, we aim to lower the electricity consumption per square meter. This data-driven approach sets the benchmark for reducing energy usage.

- LED Lighting: Our stores feature low-consumption LED bulbs, spotlighting our commitment to energy-efficient illumination.

- Smart Resource Management: Devices not requiring round-the-clock operation—chiefly servers and food refrigerators—are switched off during inactive periods. We also dim lighting systems during off-peak hours.

- LEED-Certified Principles: Employing the world’s most recognized sustainable building criteria, LEED principles guide our construction processes.

- Responsible Resource Utilization: We opt for natural resources with credible certifications, like FSC-certified timber, ensuring a renewable lifecycle.

- Optimized Cooling: Our building management systems employ cutting-edge technology to minimize cooling energy, streamlining overall energy consumption.

- Design Flexibility: Stores are engineered for adaptability, reducing the need for unit replacement and landfill waste.

- Material Durability and Aesthetics: We select materials that score high on durability, visual appeal, and ease of maintenance.

- Health-Conscious Choices: Materials are vetted for their VOC content and emissions to ensure they meet acceptable health standards.

- PVC Avoidance: Whenever possible, our construction avoids the use of PVC materials to minimize environmental impact.

- Waste-Reducing Design: Our design stage seeks to minimize waste by maximizing off-site prefabrication.

LEED-Certified Principles: Employing the world’s most recognized sustainable building criteria, LEED principles guide our construction processes.
### FORM A.9 CAPITAL INVESTMENT FORM

**Location: Concourse A**  
**Square Feet: 12,000**

<table>
<thead>
<tr>
<th>Initial Capital Investment</th>
<th>Amount, USD</th>
<th>Percent of Initial Capital Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold Improvements (Non-Base Building)</td>
<td>5,274,900</td>
<td>65%</td>
</tr>
<tr>
<td>Furnishings, Fixtures, Equipment</td>
<td>2,444,400</td>
<td>30%</td>
</tr>
<tr>
<td>Design, Engineering, and Construction Management (Non-Base Building)</td>
<td>402,300</td>
<td>5%</td>
</tr>
</tbody>
</table>

**Location: South Concourse**  
**Square Feet: 13,000**

<table>
<thead>
<tr>
<th>Initial Capital Investment</th>
<th>Amount, USD</th>
<th>Percent of Initial Capital Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold Improvements (Non-Base Building)</td>
<td>5,504,400</td>
<td>60%</td>
</tr>
<tr>
<td>Furnishings, Fixtures, Equipment</td>
<td>3,251,700</td>
<td>35%</td>
</tr>
<tr>
<td>Design, Engineering, and Construction Management (Non-Base Building)</td>
<td>411,300</td>
<td>4%</td>
</tr>
</tbody>
</table>

Note 1: Since Form A.9 does not include a table for the North Concourse location, we have modified to include our proposed initial capital investment for this location, as follows.

**Location: North Concourse**  
**Square Feet: 358**

<table>
<thead>
<tr>
<th>Initial Capital Investment</th>
<th>Amount, USD</th>
<th>Percent of Initial Capital Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold Improvements (Non-Base Building)</td>
<td>233,100</td>
<td>52%</td>
</tr>
<tr>
<td>Furnishings, Fixtures, Equipment</td>
<td>136,800</td>
<td>30%</td>
</tr>
<tr>
<td>Design, Engineering, and Construction Management (Non-Base Building)</td>
<td>81,000</td>
<td>18%</td>
</tr>
</tbody>
</table>

**Working Capital**

- **Amount of Working Capital Available, $**: in excess of $20mil
- **Source of Working Capital (List below)**: Cash Flow from Existing Operations

Note 2: The projected initial capital investment is for the retail spaces only. The support (storage) spaces are excluded from the amounts shown above.

Note 3: Per Section 10.3.5 of the RFP, respondents are required to identify the minimum investment that will be invested for the midterm refurbishment of the unit(s), using the fillable pdf form in Form A.8. Since Form A.8 does not include midterm investment, we have modified this form to include our proposed midterm investment, as follows.

<table>
<thead>
<tr>
<th>Midterm Refurbishment</th>
<th>Amount, USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Refurbishment</td>
<td>1,750,000</td>
</tr>
<tr>
<td>Second Refurbishment</td>
<td>4,435,000</td>
</tr>
<tr>
<td>Third Refurbishment</td>
<td>1,750,000</td>
</tr>
</tbody>
</table>
Amended Form A.10 CONCOURSE A TRA DESIGN ESTIMATE

Proposers are required to submit their proposed TRA design estimate based on the renderings provided. Please note that this estimate is for base building work only and is to assist the Port. The Selected Respondent and Port will negotiate the final design and engineering cost through the TRA process.

Location: Concourse A

Square Feet: 12,000

<table>
<thead>
<tr>
<th>Initial Capital Investment</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design, Engineering, (Base Building)</td>
<td>$4,720,810</td>
</tr>
</tbody>
</table>

ESTIMATED WMBE GOAL ________________________ 15 %
Financial Offer & Financial Projections
**Amended Form A.11**  FINANCIAL OFFER

Proposer acknowledges that the financial offer listed is for the first ix (6) years of the L&C Agreement. The financial offer proposed may increase in accordance with Section 5.3 of the L&C Agreement.

**Total Gross Sales**

**Flat Rate Percentage Fee**

MINIMUM ACCEPTED BY THE PORT OF SEATTLE IS TWENTY PERCENT (20%)

<table>
<thead>
<tr>
<th>Proposed Percentage Fee in Number Format</th>
<th>Proposed Percentage Fee in Words</th>
</tr>
</thead>
<tbody>
<tr>
<td>____ %</td>
<td>--</td>
</tr>
</tbody>
</table>

**OR**

**Tiered Percentage Fee of:** (Add tiers as necessary on a separate sheet of paper using this format.)  
MINIMUM ACCEPTED BY THE PORT OF SEATTLE IS AN EFFECTIVE RATE OF TWENTY PERCENT (20%)

<table>
<thead>
<tr>
<th>Annual Gross Sales</th>
<th>Proposed Percentage Fee in Number Format</th>
<th>Proposed Percentage Fee in Words</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Gross Sales less than $25,000,000</td>
<td>21 %</td>
<td>Twenty one percent</td>
</tr>
<tr>
<td>Annual Gross Sales between and $25,000,000 and $50,000,000</td>
<td>22 %</td>
<td>Twenty two percent</td>
</tr>
<tr>
<td>Annual Gross Sales equal to or greater than $50,000,000</td>
<td>25 %</td>
<td>Twenty three percent</td>
</tr>
</tbody>
</table>

**FORM CONTINUES ON NEXT PAGE**
The signature of the Authorized Representative certifies that this Financial Offer is supportable throughout the term of the Agreement.

ATTEST: ________________________________

(SEA TAC Duty Free JV)

(Company Name)

BY: ________________________________

(Brian J. Quinn)

(Signature of Authorized Representative)

(Witness Signature)

(Printed Name of Authorized Representative)


FOR EXAMPLE, IF THE PROPOSER IS A JOINT VENTURE, PROPOSAL FORM(S) MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE JOINT VENTURE (NOT JUST ONE OF THE JV MEMBERS) AND THE INDIVIDUAL SIGNING SHOULD BE SIGNING IN HER/HIS CAPACITY AS IT RELATES TO THE JV (NOT A JV MEMBER).

*Hudson Group (HG) Retail, LLC is the majority interest in our proposing entity: SEA TAC Duty Free JV. Per Addendum 2, we have included the signature of the Authorized Signatory of Hudson Group (HG) Retail, LLC.
<table>
<thead>
<tr>
<th></th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2031</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSUMPTIONS USED</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enplanements</td>
<td>3,000,000</td>
<td>3,100,000</td>
<td>3,200,000</td>
<td>3,300,000</td>
<td>3,400,000</td>
<td>16,000,000</td>
</tr>
<tr>
<td>Sales per Enplanement</td>
<td>$15.97</td>
<td>$16.21</td>
<td>$16.46</td>
<td>$16.70</td>
<td>$16.95</td>
<td>$16.48</td>
</tr>
<tr>
<td><strong>PROJECTIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross Sales:</strong></td>
<td>$47,920,984</td>
<td>$50,261,125</td>
<td>$52,660,688</td>
<td>$55,120,930</td>
<td>$57,643,130</td>
<td>$263,606,857</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>$19,016,169</td>
<td>$19,905,126</td>
<td>$20,796,962</td>
<td>$21,737,913</td>
<td>$22,707,005</td>
<td>$104,163,174</td>
</tr>
<tr>
<td><strong>Gross Profit:</strong></td>
<td>$28,904,815</td>
<td>$30,355,999</td>
<td>$31,863,727</td>
<td>$33,383,017</td>
<td>$34,936,125</td>
<td>$159,443,683</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payroll</td>
<td>$7,875,762</td>
<td>$8,225,936</td>
<td>$8,584,969</td>
<td>$8,964,006</td>
<td>$9,335,055</td>
<td>$42,985,189</td>
</tr>
<tr>
<td>Benefits</td>
<td>$2,634,442</td>
<td>$2,751,395</td>
<td>$2,871,672</td>
<td>$2,998,460</td>
<td>$3,122,576</td>
<td>$14,378,546</td>
</tr>
<tr>
<td>Utilities</td>
<td>$239,605</td>
<td>$251,306</td>
<td>$263,303</td>
<td>$275,605</td>
<td>$288,216</td>
<td>$1,318,034</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$2,125,370</td>
<td>$2,229,054</td>
<td>$2,335,474</td>
<td>$2,444,584</td>
<td>$2,556,442</td>
<td>$11,690,825</td>
</tr>
<tr>
<td>Franchise/License Fees</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Rent to Port</td>
<td>$10,292,616</td>
<td>$10,815,281</td>
<td>$11,415,172</td>
<td>$12,030,233</td>
<td>$12,660,783</td>
<td>$57,214,085</td>
</tr>
<tr>
<td>General &amp; Administrative</td>
<td>$479,210</td>
<td>$502,861</td>
<td>$526,807</td>
<td>$551,209</td>
<td>$576,431</td>
<td>$2,838,069</td>
</tr>
<tr>
<td>Washington Lease Excise Tax</td>
<td>$430,714</td>
<td>$451,747</td>
<td>$473,514</td>
<td>$495,427</td>
<td>$518,096</td>
<td>$2,369,298</td>
</tr>
<tr>
<td>Insurance</td>
<td>$143,763</td>
<td>$150,783</td>
<td>$157,982</td>
<td>$165,363</td>
<td>$172,929</td>
<td>$790,821</td>
</tr>
<tr>
<td>Other Direct Expenses</td>
<td>$701,909</td>
<td>$736,186</td>
<td>$771,333</td>
<td>$807,369</td>
<td>$844,312</td>
<td>$3,861,109</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$24,923,292</td>
<td>$26,113,760</td>
<td>$27,399,827</td>
<td>$28,732,255</td>
<td>$30,074,841</td>
<td>$137,243,975</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>$3,981,523</td>
<td>$4,242,240</td>
<td>$4,463,900</td>
<td>$4,650,762</td>
<td>$4,861,284</td>
<td>$22,199,708</td>
</tr>
<tr>
<td>Interest, Depreciation, and Amortization</td>
<td>$3,547,980</td>
<td>$3,547,980</td>
<td>$3,547,980</td>
<td>$3,547,980</td>
<td>$3,547,980</td>
<td>$17,739,900</td>
</tr>
<tr>
<td>Net Profit Before Taxes</td>
<td>$435,543</td>
<td>$694,260</td>
<td>$915,920</td>
<td>$1,027,782</td>
<td>$1,313,304</td>
<td>$4,459,808</td>
</tr>
<tr>
<td><strong>Total Initial Investment</strong></td>
<td>$17,739,900</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

(1) The term length is 20 years

(2) The enplanements shown are projections only for the purpose of this RFP and are not guaranteed or meant to assure any future passenger level at the airport. While these enplanements will be used to determine a consistent measure for sales per enplanement among the respondents, each respondent is responsible for independently developing their own projections for this submittal.
10.5 Management/Staffing, Operations, Customer Service & Environmental Sustainability
Exceptional Partnership for Duty-Free Retail at Sea-Tac Four Pillars of Excellence

Refresh and reinvigorate your duty-free program with a partnership designed for optimum sales, heightened traveler satisfaction, and synergistic collaboration throughout the contract’s duration. Below are the four compelling reasons that distinguish us as your unparalleled choice for duty-free retail at Sea-Tac Airport.

Data-Driven Methodology
Our expansive global database is an invaluable resource, offering exclusive insights and benchmarking capabilities that position us as a leader in data-driven strategies.

“Glo-cal” Brand Strategy
Our “Glo-cal” approach melds global reach with local relevance. Boasting partnerships with over 1,000 global brands, we also emphasize the significance of local customization to enrich the customer experience.

Digital Engagement
We set the standard for digital engagement through our loyalty program, Red by Dufry, and our Reserve & Collect service, epitomizing a truly omni-channel retail strategy.

Locally Empowered, Centrally Supported
Our Sea-Tac duty-free initiative will be spearheaded by local leadership, fortified by comprehensive support from our North American and global teams.

We’re honored to be your duty-free partner today, though it’s essential to note that the existing duty-free designs were not our creation. However, with our refreshed layouts, internationally validated operational protocols, and forward-thinking experiential components, we’re eager to join forces with you. Our goal is to elevate Sea-Tac’s duty-free offerings to unparalleled heights, making it the undisputed leader in duty-free retail on the West Coast.
10.5 MANAGEMENT & STAFFING

STAFFING PLAN

Unparalleled Service and Comprehensive Coverage

In line with our dedication to excellence, we are committed to staffing our duty-free store to meet and exceed the expectations of our landlord and patrons. Recognizing the critical role our staff plays in enhancing customer experience, we implement rigorous selection criteria, comprehensive training programs, and ongoing performance evaluations.

**Staffing with Precision** - Our recruitment process is specifically designed to identify individuals with a proven track record in customer service and extensive knowledge of duty-free products. This ensures we provide authoritative product information and attentive service.

**Skill Augmentation** - We deploy a tailored training regimen focused on product knowledge, customer engagement techniques, and understanding the unique needs of airport passengers. Through this, our staff becomes not just sales personnel but customer service experts.

**Consistent Coverage** - Understanding the 24/7 nature of airport operations, we maintain a staffing schedule that ensures consistent and ample coverage. This guarantees that patrons always have immediate access to assistance, thereby aligning with the landlord’s operational requirements.

**Quality Assurance Review** - We regularly evaluate our staffing model against predefined KPIs. Adjustments are made as needed to ensure the highest level of service, making certain that we continually meet the landlord’s needs and quality standards.

<table>
<thead>
<tr>
<th>CONCOURSE A</th>
<th>SOUTH CONCOURSE</th>
<th>NORTH CONCOURSE</th>
<th>WAREHOUSE</th>
<th>OFFICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Associate</td>
<td>20</td>
<td>20</td>
<td>4</td>
<td></td>
<td>44</td>
</tr>
<tr>
<td>Specialty Sales Associate</td>
<td>6</td>
<td>6</td>
<td></td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>Beauty Advisor</td>
<td>12</td>
<td>12</td>
<td></td>
<td></td>
<td>24</td>
</tr>
<tr>
<td>Liquor Specialist</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Ops Supervisor</td>
<td>6</td>
<td>6</td>
<td></td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>Ops Manager</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td><strong>STORE TEAM MEMBERS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ops General Manager</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Ops Assistant GM</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Partner Manager</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Product Manager</td>
<td></td>
<td></td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Ops Office Administrator</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Warehouse Manager</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Warehouse Supervisor</td>
<td></td>
<td></td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Warehouse Associate</td>
<td></td>
<td></td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Customs Coordinator</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
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WE ARE DEDICATED TO BEING A PREFERRED EMPLOYER AT SEATTLE-TACOMA INTERNATIONAL AIRPORT BY PRIORITIZING THE WELL-BEING AND PROFESSIONAL GROWTH OF OUR EMPLOYEES. HERE'S WHAT SETS US APART AS AN EMPLOYER OF CHOICE:

EXCEPTIONAL TRAINING & DEVELOPMENT PROGRAMS
We invest in comprehensive training and development initiatives, ensuring our employees are equipped with the knowledge and skills needed to excel in their roles. Continuous learning opportunities empower our team members to stay ahead in the dynamic duty-free industry.

COMPETITIVE COMPENSATION & BENEFITS
We offer competitive salaries and a comprehensive benefits package, including health insurance, retirement plans, and employee assistance programs, demonstrating our commitment to the financial security and overall well-being of our employees.

CAREER ADVANCEMENT OPPORTUNITIES
We believe in promoting from within. Our company culture encourages internal talent development and career progression. We offer clear pathways for advancement, allowing our employees to grow alongside the company.

SAFE & INCLUSIVE WORK ENVIRONMENT
Ensuring a safe, inclusive, and respectful workplace is our top priority. We adhere to strict safety protocols and foster an inclusive environment where diversity is celebrated, and every voice is valued.

EMPLOYEE RECOGNITION & APPRECIATION
Our robust employee recognition programs acknowledge and appreciate our employees’ hard work and dedication. From performance bonuses to employee of the month awards, we make sure our team members feel valued and motivated.
We use a variety of recruiting methods to find qualified candidates. These methods are tailored to align with the unique attributes of each market we serve. Below we have summarized the various sources we use to find new team members and on the following page, we’ve shared our behavioral interview process – which underpins our recruiting efforts.

**RECRUITING TECHNIQUES**

Recruiting sources include:

- **Online ad posting sites** – we use a variety of digital recruiting platforms such as Indeed, Monster, Glassdoor, LinkedIn, and others, depending on the type of role and area

- **Employee referrals** – many of our best employees join us after being referred by a current Hudson team member

- **Local colleges** – we also work with local colleges and universities to provide opportunities for local-area students

- **Airport job boards/pools** – most of our airport clients have job boards or pools that we routinely search for qualified candidates
At SEA, we will leverage our established operational standards to deliver an innovative program that not only reimagines the duty-free shopping experience but also sets a benchmark for operational excellence. Our commitment is to create efficient, enjoyable, and sustainable retail environments that benefit not only international travelers but also our esteemed partners, including SEA. Below, we present a glimpse of the standards that will drive the creation of our innovative duty-free offering.

**EFFICIENT INVENTORY MANAGEMENT**
Our foundation rests on meticulous inventory management. We constantly monitor stock levels to eliminate shortages and surpluses, ensuring that travelers always find what they’re looking for.

**TRAINING & SERVICE**
Our commitment to employee training ensures that our staff is not only well-trained but also highly motivated. They possess in-depth knowledge about our products, sales techniques, and exceptional customer service.

**CUSTOMER-CENTRIC FOCUS**
Understanding the unique needs of SEA’s diverse customers is at the heart of our commitment. We promise a customer-centric shopping experience marked by high-quality products and exceptional customer service. Our dedicated staff not only assists travelers but also enhances their shopping experience, fostering loyalty and satisfaction.

**SUSTAINABILITY**
Embracing sustainable practices, from eco-friendly packaging to energy-efficient operations, underscores our commitment to environmental consciousness. Sustainability isn’t just a commitment; it permeates every facet of our operation, embodying our promise to the environment and our customers.

**INNOVATIVE TECHNOLOGY**
Recognizing the vital role of technology in modern retail, we integrate innovative solutions like QR codes, digital screens, digital catalogs and our loyalty app – Red by Dufry. These tools not only enhance convenience but also offer a glimpse into a future-oriented duty-free shopping environment, where technology enriches every interaction.

Our commitment goes beyond just offering a superior shopping experience; it’s about providing an evolving, customer-focused journey, making SEA the destination of choice for travelers worldwide. Join us on this transformative shopping adventure at SEA.
Cleanliness and efficiency significantly impact customer perceptions. Therefore, we adhere to the most stringent hygiene and operational guidelines to ensure an optimal store environment.

**SUPERVISORY OVERSIGHT**
A checklist for optimal store presentation is rigorously executed by the shift supervisor at the beginning of each work period.

**Quality Assurance**
Shop managers, alongside the general manager, conduct spontaneous assessments to confirm that the loftiest quality standards are consistently met.

**Performance Metrics**
Cleanliness is integral to our staff’s performance evaluation, which in turn feeds into our incentive programs, further motivating impeccable upkeep.

**Waste Management**
All refuse is securely stored in designated in-store areas, concealed from customer view, and removed through prescribed channels.

**Minimized Disruptions**
Stock deliveries and equipment maintenance are strategically scheduled during low-traffic intervals to mitigate any interference with the customer experience.

**Shift-End Procedures**
Staff assigned to close the store undertake cleaning and maintenance tasks, preparing the retail space for the succeeding shift. This involves organizing merchandise, possibly restocking, and ensuring an immaculate store presentation.
Our commitment to facilities maintenance takes a proactive stance, commencing from the initial design and construction phase and continuing with vigilant oversight by our onsite managers. Here, we outline key facets of our approach that underpin the upkeep and maintenance of our facilities:

### Premium Materials for Lasting Quality
Our Design & Construction Policy mandates the use of top-notch, aesthetically pleasing, and long-lasting materials in the construction of our stores.

### Sustainability at the Core
We prioritize energy efficiency by incorporating recycled and locally sourced materials wherever possible, reducing our environmental footprint.

### Adaptable Fixtures for Versatility
We select fixtures and displays known for their durability and adaptability, ensuring seamless adjustments to merchandise changes and evolving customer shopping patterns.

### Ongoing Vigilance: Daily & Weekly Inspections
Our onsite teams conduct comprehensive inspections, monitoring the physical condition of each store. Periodic visits by our regional operations teams further enhance our oversight.

### Forward-Thinking Mid-Term Refurbishment
Regular meetings between our operations and facilities teams identify areas for improvement during mid-term refurbishments, minimizing store closures and customer service disruptions.

### Facility Repair Requests: Swift Resolution
In the event of maintenance issues, our onsite management acts swiftly to schedule approved, qualified contractors with the necessary airport clearances to address the problem. For finishes, fixtures, or equipment in need of repair, our Regional Facilities VP is promptly notified to arrange appropriate service, ensuring seamless corrections.
At our duty-free locations, we thrive on the foundation of comprehensive Standard Operating Procedures (SOPs). These meticulously crafted SOPs form the backbone of our seamless operations, covering everything from inventory management to customer service and security protocols. They are the essential framework guiding our business standards.

To ensure we faithfully follow these SOPs, we use regular checklists and audits. Internal audits and quality assessments help us pinpoint areas for improvement, ensuring our operational standards remain consistent and elevated. Our focus isn’t just on creating SOPs but on their practical application in our day-to-day activities.

Teaching our staff is very important. We use training programs to help them understand SOPs. When they get certified after training, it shows they know how to do their job well. We keep careful records of their training and certificates to make sure we’re doing things right.

In our operation, we use specific software and technology for our duty-free locations. These tools make our work easier by handling tasks like tracking inventory, reporting sales, and collecting customer feedback. They make things faster and also keep a digital record of what we do, making it accurate and easy to find information when we need it.

The importance of documentation cannot be overstated. Detailed records, ranging from sales data to security incidents and customer feedback, are meticulously organized and securely stored. These records serve as vital resources for our decision-making and accountability processes.
Customer Service Plan

Elevating Customer Service at SEA: A Strategic Approach

Recognizing every customer as a distinct opportunity for engagement, our Six-Step Service Strategy is designed to provide an unparalleled experience. This well-defined framework zeroes in on key touchpoints, enabling us to proactively anticipate and tailor our responses to individual needs. Leveraging data analytics, this method enhances customer satisfaction while also maximizing average sale value.

Comprehensive Customer Service Action Plan
Our action plan is a cohesive blend of manpower planning, target destination tools, value-added services, and convenient self-checkouts. Each element plays a critical role, harmoniously contributing to a customer service experience that consistently delights and surprises airport passengers.

Unwavering Commitment to Excellence
The driving force behind our customer service model is an unrelenting pursuit of excellence. Through continuous tracking of service metrics, we remain agile—adapting and refining our strategies to exceed the ever-changing demands of global travelers.

Future-Focused Customer Insights
As the landscape of global travel enters an exhilarating new era, we remain committed to staying ahead of the curve. We continuously scrutinize the customer journey, making data-informed adjustments to align with the evolving preferences and expectations of SEA passengers.
CUSTOMER SERVICE PLAN

1. PEOPLE
creating a great place to shop and work, ensuring delivery of great customer service

2. PERSONNEL PLANNING
delivering the right people, in the right place, at the right time

3. DESTINATION TARGETING
allowing us to personalize our offer to the customer profile

4. VALUE-ADDING SERVICES
throughout the customer journey

5. ASSISTED SCOS
Maximizing customer service at our self-checkout areas, driving service excellence, choice and efficiency

Delivering excellent customer service never-ending process, because the more we listen to our customers, the more we learn, and the more we realize that we can do even more.
**Elevating Customer Service Through Training & Team Building**

Our structure aims for customer satisfaction, uniting all roles with this goal. Replenishment specialists maintain stocked stores to high standards, while sales assistants offer informed service. The key is a shared focus on excellent service.

**Talent Strategy**
Our top-notch customer service starts with recruiting skilled, value-driven talent. Team members already align with our values like meritocracy and communication.

**Onboarding & Training**
New hires receive thorough onboarding and skills training. Leadership tools foster career growth, enabling transitions to senior roles and enhancing our customer focus.

**Rewards and Recognition**
We offer competitive pay packages and performance bonuses. Employee achievements are celebrated through awards, and engagement surveys ensure everyone’s voice contributes to our success.

**Career Growth**
We promote from within to unlock staff potential, emphasizing career talks and succession planning for ongoing improvement.

**Effective Communication**
Our Beekeeper tool keeps teams updated. Brief ‘Huddle’ meetings before shifts maintain alignment on customer service goals, serving as inspiration points for staff.
10.5 CUSTOMER SERVICE
ENGAGEMENT & EXPERIENCE PRINCIPLES

PRINCIPLE #2
PERSONNEL PLANNING

Streamlined Service & Efficiency

Workforce Adaptability
Our planning considers holiday leaves and peak seasons, using a blend of full-time and part-time staff to cover any service gaps during high-demand times.

Optimized Till Staffing
We calculate cashier needs via transaction and queue data, streamlining manned and self-checkouts and Reserve & Collect. Peak hours factored for proactive planning.

Reserve & Collect Staff Planning
We analyze past data and forecasts to plan hourly staffing for Reserve & Collect. Our tool also determines desk needs during peaks, boosting overall efficiency.

POS-Driven Improvements
Our POS software provides key speed data, used for targeted training and staff reassignment. It incentivizes top performers, reducing queues and boosting efficiency.

Our team member allocation exemplifies our dedication to customer satisfaction. We strategically align our assets to meet customer requirements, ensuring an optimal in-store experience every day.
Destination Targeting: Tailoring Retail for Every Traveler

We carefully analyze airport consumer demographics, enabling us to customize product offerings and marketing messages for an enriched, location-specific shopping experience. The goal? Exceptional customer service where every detail counts.

**DYNAMIC RETAIL ENVIRONMENTS: Adapting to You**
Our stores adjust in real-time to diverse passenger profiles. Features like adaptable digital screens, in-store audio, and rotating product displays create a unique ambiance. Staff trained in cultural norms add a personalized touch.

**EXPERT SALES STAFF: Your Cultural Guides**
Our sales team does more than translate languages—they translate cultures. Knowledgeable about flights, destinations, and customer behavior, they foster a sense of familiarity and connection, making shopping more accessible.

**REVOLVING GONDOLAS: Diversity at a Spin**
Our unique revolving gondolas allow effortless tailoring of product displays. Staff can rotate the display to ensure that the most relevant products are front and center for incoming passengers.

**DIGITAL SCREENS: A Personal Touch**
Digital screens allow us to craft culturally-specific value propositions, making each offer resonate authentically with different customer profiles. Whether it’s a savings deal that appeals to a Chinese traveler or a ‘Buy 1, Get 1 Free’ for an American, we know how to connect.

In summary, we aim to offer more than just products; we offer tailored experiences that add value to the journey. With an acute understanding of cultural nuances, we ensure each passenger enjoys a memorable, personalized shopping experience.
Enhancing the Journey: Value-Added Services at SEA

We understand the dual excitement and stress of travel. Our tailored services at SEA aim to elevate your experience through multiple touch points.

EFFORTLESS SHOPPING: Reserve & Collect
Time is scarce for travelers. Reserve & Collect lets you pre-shop online and reserve in-store items. This convenience is heightened by special offers and guaranteed availability. If permitted, we’ll include a “pick-up at arrivals” feature for hassle-free collection.

PERSONAL CARE: Free Beauty Services
Our in-store beauty stations offer makeovers, hand massages, and expert skincare advice, deepening customer engagement and boosting average transaction value (ATV).

SPECIALIZED GUIDANCE: P&C Product Awareness
Many travelers are unaware of the scope of our perfume & cosmetics (P&C) offerings. Our trained staff help educate and guide, enriching the shopping experience.

TANGIBLE EXPERIENCE: Product Sampling
Sampling activates the senses, directly translating to higher conversion rates. Backed by our expert staff, it initiates lasting customer relationships with new brands and products.

IMMERSIVE RETAIL: Contentainment & Emotion+
These unique concepts create engaging brand interactions, aimed at increasing conversion and average sale value by offering special experiences to shoppers.

DATA-DRIVEN OFFERINGS: Destination Targeting Bars
Utilizing real-time passenger data, these bars adapt product offerings to the diverse traveler profiles, allowing quick, low-impact changes as different flights arrive and depart.

STREAMLINED SERVICE: SEA Concierge Desks
In both concourses, our Concierge Desks elevate the shopping with Reserve & Collect, personal shopping, and gift-wrapping, all tied into our Red by Dufry loyalty program.

PERSONALIZED PERKS: Red by Dufry
Our loyalty program uses smart CRM. It keeps travelers engaged with targeted alerts for exclusive benefits and product launches. Notably, member average sale value is 3.5 times higher than non-members.

Satisfaction Guaranteed: Price & Returns Promise
We provide peace of mind with our price and returns promise, backed by attentive after-sales support.
10.5 CUSTOMER SERVICE
ENGAGEMENT & EXPERIENCE PRINCIPLES

PRINCIPLE #5
SELF-CHECKOUT (SCO) AND MOBILE PAYMENT

Versatile Payment Options

The program at SEA will offer an array of payment solutions—standard registers, self-checkout (SCO), brand-specific registers, and mobile checkout—ensuring every customer finds their preferred payment method. Our system’s flexibility is designed to support future service enhancements and loyalty initiatives.

Innovative Self-Checkout

Our SCOs are a key part of an efficient, customer-centric store layout. They go beyond traditional registers, providing a streamlined experience with user-friendly design. SCOs contribute to a remarkable 1-minute average queue time and free up valuable floor space for product displays or additional services. This allows our staff to engage directly with customers, offering information and boosting both conversion rates and average sale value.

Cutting-Edge Mobile Checkout

As mobile payments gain traction, we’re heavily investing in mobile, hand-held checkout solutions. These portable devices can process credit, debit, and mobile payments from anywhere in the store, offering a VIP experience for customers engaged in one-on-one consultations or attending in-store events. Mobile tills also give us the ability to adapt to peak shopping times effectively.
EMPLOYEE DEVELOPMENT & TRAINING
A SEA-TAC CENTRIC APPROACH TO EXCEPTIONAL CUSTOMER SERVICE

Our investment in employee excellence starts from day one. Comprehensive onboarding lays the foundation, supplemented by targeted training in sales skills and product knowledge. In addition, each new hire is paired with seasoned mentors and buddies, instilling both technical acumen and the nuances of customer interaction. Leadership and coaching programs further enrich our talent, encouraging upward mobility within the company. This robust training regimen has successfully propelled staff from front-of-house roles to senior management positions, leveraging their customer-facing experience. Crucially, all training is tailored to the unique demands and opportunities of serving SEA passengers, ensuring our team is well-equipped to meet the specific needs of this dynamic airport environment.

- Robust Onboarding: A comprehensive introduction to the company and its operations.
- Mentorship: Buddies and mentors guide new hires through the initial stages of their roles.
- Targeted Training: Employees receive specific training in sales tactics and product knowledge.
- Leadership and Coaching: Ongoing support to inspire team members to excel and potentially transition into senior roles.
- SEA-focused Customization: All training is tailored to meet the unique needs and challenges of serving Sea-Tac airport passengers.
After-Sales Service Excellence

Our Customer Communication Hub operates around the clock to ensure seamless interaction before, during, and after sales via diverse platforms—ranging from in-store assistance to live chat, toll-free calls, social media, and email. Rooted in a commitment to customer satisfaction, we diligently investigate each complaint to not only address immediate concerns but also to extract invaluable insights that inform our ongoing improvements.

We’re proud of our efficiency metrics:

90%  
ALL INQUIRIES RESOLVED WITHIN 14 DAYS; BALANCE WITHIN 20 DAYS

90%  
EMAILS ANSWERED WITHIN ONE BUSINESS DAY

85%  
CALL RESPONSE TIME UNDER 40 SECONDS

90%  
REFUNDS PROCESSED WITHIN 30 DAYS, INCLUDING PRODUCT RETURNS; BALANCE WITHIN 35 DAYS

By leveraging this data-driven approach, we continually refine our methods to exceed customer expectations at SEA.
Monitoring for Unparalleled Customer Service Excellence at SEA

Service Metrics & Customer Insights
To continually elevate customer service, we deploy an array of advanced measurement tools to gauge customer satisfaction. This ongoing assessment enables us to identify opportunities for enhanced service and solutions, especially adapted to the unique challenges and demands of SEA’s travelers.

Real-Time Customer Feedback
Since 2016, Dufry has led the field in Duty Free customer research through our real-time Customer Feedback System. Conducted through face-to-face interviews as customers exit our stores, this approach ensures immediate, undistorted feedback. Managed by our in-house Global Insights Team, the interviews focus on key metrics including in-store behavior, promotions, and staff interactions. This robust strategy encompasses bi-annual interviews at our top 50 airports, amounting to over 20,000 interviews per year. This data provides invaluable benchmarks for SEA, allowing us to enhance service, identify growth avenues, and collaborate effectively with brand partners.

Targeted Customer Surveys
For a more nuanced understanding, we supplement our real-time feedback with detailed customer surveys. These surveys refine our comprehension of customer satisfaction’s impact on store performance at SEA. This nuanced data aids us in identifying specific opportunities for improvement and optimization in our operations at the airport.

By harnessing these analytics, we remain agile and focused on delivering an exceptional customer experience tailored to SEA’s passengers.
Beyond Business: Building Sustainable, Inclusive Communities

Environment: Our commitment to sustainability encompasses both ecological and community well-being. Initiatives range from reducing CO2 emissions and replacing plastic bags to energy-efficient store designs. As a signatory to the UN Sustainable Development Goals (UNSDG), we also advocate for these principles through in-store displays.

People: Central to our ethos is a robust focus on human capital. We prioritize recruitment, career development, and compensation, all within a culture that promotes diversity, equity, and inclusion. Our frequent D&I training and surveys serve to continually refine our organizational strategies.

Customers: Upholding the Dufry Code, we place customers at the pinnacle of our business priorities. This involves ensuring product safety, ethical marketing, and a multi-channel approach to gather valuable customer feedback.

Partners: Our extensive North American store network allows us to positively impact local economies. This includes providing employment and opportunities for career advancement, as well as engaging directly with communities. Our global Supplier Code of Conduct ensures alignment with our top vendors in upholding our ethical standards.

Our aim is to continue to turn the world of travel into a world of opportunity, we take responsibility in making a difference in the communities where we both live and work.
ICE MODEL
Fostering Connections & Creating Opportunities

Our team employs the ICE framework—Identify, Communicate, Empower—to deeply engage with local communities. This approach not only cultivates genuine relationships but also generates both opportunities and meaningful connections by actively involving community members.

IDENTIFY
We collaborate closely with industry organizations such as the Airport Minority Advisory Council (AMAC) and local development groups like the Queens Chamber to pinpoint ACDBE, M/WBE, and LBE candidates. These entities are adept at building robust networks of both well-established and up-and-coming local small businesses.

COMMUNICATE
One significant barrier for local businesses to tap into airport concession opportunities is awareness. To address this, we advocate for both virtual and on-site outreach events that introduce available opportunities and connect local enterprises with primary concessionaires.

EMPOWER
Incorporating participation criteria is essential to genuinely empower local communities and businesses. These can range from equity stipulations to sub-leasing and sourcing requirements.

Our dedication to community upliftment goes beyond conventional notions of sustainability, which often focus solely on environmental stewardship. In addition to preserving our planet, we are committed to fostering a level playing field that sustains and enriches the communities we serve. This philosophy has evolved into a focus on purpose-driven partnerships that not only benefit the environment but also provide enduring opportunities for local communities.
10.5 ENVIRONMENTAL SUSTAINABILITY
PHILOSOPHY & PRACTICES - DAY-TO-DAY OPERATIONS

INNOVATIVE ECO-POLICIES:
SETTING NEW STANDARDS
IN WASTE MANAGEMENT

Our waste management practices are finely tuned to the transactional volume of each store, with trash and recycling removal occurring as frequently as daily or even multiple times a day as needed. All waste materials are directed to airport-approved disposal sites. Beyond mere compliance, we champion sustainability by integrating eco-friendly policies across markets, fortifying our commitment to environmental responsibility.

EFFICIENT PACKAGING AND SUSTAINABLE TRANSPORT SOLUTIONS

Reuse Strategy:
We employ reusable plastic containers for seamless product movement between suppliers, distribution centers, and retail stores. Post-delivery, these containers are stored and returned on subsequent delivery runs, optimizing their utility and reducing reliance on single-use plastics and cardboard. When appropriate, cartons and wooden pallets are also reused until they are no longer serviceable, significantly reducing material waste.

Recycling Measures:
While our recycling endeavors rely on coordination with airport authorities and service providers, we actively engage in sustainable practices in two key areas:

- **Warehouses**: All supplemental packaging materials—be it cardboard, paper, plastic film, or wood—are segregated into distinct containers for specialized recycling. Additionally, electronic and plastic waste like neon lamps and PET are duly processed.

- **Shops**: Any additional packaging requirements beyond our reusable container system are managed through the airport’s authorized recycling program.

This two-pronged approach underscores our commitment to reducing environmental impact, while also contributing to a circular economy.
10.5 ENVIRONMENTAL SUSTAINABILITY
PHILOSOPHY & PRACTICES - DAY-TO-DAY OPERATIONS

REDUCING RESOURCE CONSUMPTION AND CO2 FOOTPRINT

We have conducted a thorough analysis across all business segments—supply chain, goods transportation, storage facilities, retail spaces, and offices. In 2021, we gathered data from 90% of our retail footprint, which allowed us to estimate key Scope 3 emissions. Using this comprehensive data, we set emission reduction targets aligned with the Science-Based Targets initiative (SBTi).

Retail Stores
- **Areas of Impact:** Lighting, refrigeration, and air-conditioning are the main sources of energy consumption and CO2 emissions across our portfolio.
- **Efficiency Focus:** Within our Sustainable Store Strategy, we’ve engineered our retail spaces to diminish lighting and climate control usage during off-peak hours where feasible.

Distribution Centers & Warehouses
- **Areas of Impact:** The transportation of goods stands as our second largest source of emissions.
- **Sustainable Logistics:** We prioritize sea freight for its low CO2 impact and work with ISO 14001 accredited logistics partners.
- **Supplier Engagement:** We actively collaborate with suppliers to explore footprint reduction strategies.

Office Environments
- **Areas of Impact:** Office lighting and heating are the primary concerns.
- **Emission Mitigation:** We employ automatic shut-off systems for lighting and heating, encourage virtual meetings over travel, and promote public transportation for commuting.

Through these multi-faceted strategies, we are not only focusing on environmental sustainability but are also committed to creating a sustainable impact in the communities we operate in.
Aligning with The Port of Seattle’s Environmental Goals

Our New Duty-Free Program

Our latest duty-free offering directly supports three out of the nine environmental goals outlined by The Port of Seattle. These critical areas of focus are energy conservation, adherence to sustainable design and operational standards, and the promotion of waste reduction and recycling initiatives.

- Energy Conservation
- Sustainable Design & Operations
- Waste Reduction & Recycling

COMMITMENT TO LEED PRINCIPLES

In the development and renovation of our shops, we rigorously adhere to globally recognized green-building frameworks, notably the Leadership in Energy and Environmental Design (LEED) standards. We take pride in our design and construction practices being LEED-compliant. It’s noteworthy that we can fully endorse LEED certification as long as the host building is also LEED-certified, which is a pre-requisite.

ONGOING COLLABORATIVE EFFORTS

Further, Dufry is devoted to contributing to any forthcoming environmental initiatives that The Port of Seattle may introduce. We look forward to sustained collaboration aimed at advancing shared environmental objectives.

In our program, the focus is primarily not on food and beverage options, except when they complement our duty-free offerings and do not compete with traditional, adjacent F&B units. We are pleased to procure products from Cedar Grove when such needs arise.

CEDAR GROVE
Focus on Sustainable Product Sourcing to Meet Traveler Expectations

We recognize that today’s travelers are increasingly conscientious about the impact of their consumer choices. According to M1ndset consultancy, 84% of travel retail consumers have a favorable view of brands that prioritize sustainability, and 74% suggest that such a focus positively influences their purchasing decisions. In response to this clear demand, we’ve taken active measures to empower both our customers and suppliers towards making environmentally responsible choices.

Our Sustainable Product Identification System, launched in 2021 and available in 171 shops across 128 airports, enables customers to easily identify and select from over 550 products that meet defined sustainability criteria. Beyond this, we drive awareness and action on global sustainability goals, specifically the UN’s 17 Sustainable Development Goals (SDGs), through our dynamic ‘#YouNeedToKnow’ campaign. This initiative engages airport passengers by highlighting the urgency and importance of achieving these goals within the next eight years.

By aligning our sourcing and customer engagement strategies with robust sustainability frameworks, we not only meet but aim to exceed the expectations of modern travelers, thereby making a meaningful impact in the realm of Environmental, Social, and Governance (ESG) principles.

Supplier Collaboration
Periodic Updates and Certifications of Ethical Guidelines

We source our products exclusively from third-party suppliers, making it imperative for them to adhere to legal requirements, specific contractual obligations, and international norms in both human rights and environmental sustainability. To maintain these standards, the Dufry Supplier Code of Conduct is periodically updated. Our main suppliers are required to formally acknowledge and certify their compliance with this document every three years. In our latest 2021 recertification, 117 suppliers, accounting for 56% of Dufry’s total procurement budget, committed to the code—up from 44% in the prior cycle. Our goal is to expand this percentage further in the 2024 recertification. This strategy allows Dufry to leverage its influence, ensuring suppliers align with our stringent environmental protocols.
Sustainable Store Strategy

Our Sustainable Store Strategy has been developed to support our capabilities in delivering store concepts that deeply respect the sustainability discipline and the environment by tackling this important challenge. Our Seattle stores will be a demonstration of our commitment to creating legacy for Seattle’s future.

A snapshot of our Sustainable Store Strategy is as follows. Composed of five components that address sustainability challenges, the strategy has delivered tangible value in Dufry projects executed around the world and simultaneously facilitating further enhancements in our capabilities.

- **D**esigning and Planning Sustainably
- **U**nited Green Team
- **F**ree of Pollution Shops
- **R**educe, Recycle, Refurbish, Reuse, Retain
- **Y**es to Responsibly Sourced Materials
Our Sustainable Store Strategy process assesses store development at four stages:

1. Benchmarking across a number of sustainability parameters such as energy consumption, to provide a benchmark for improvements.

2. Design principles to develop practical systems through collaboration with airport authority partners that are appropriate to the airport environment. For example, we analyze natural airflow to establish if free cooling is an option in order to minimize the use of air conditioning systems. We subsequently install appropriate control systems.

3. Commissioning stage evaluation of sustainability measures to determine that they are meeting our criteria, with an expectation that they over-achieve on set energy targets.

4. Post occupancy monitoring through control systems that are operated remotely generating data to ensure all the systems are performing in accordance with the design.
Innovation: Energy Efficiency & Environmental Responsibility

Our Sustainable Store Strategy adopts the most energy-efficient technologies, especially for lighting and appliances, and gives preference to the use of more sustainable construction materials and processes.

Focus areas include:

• **Energy Consumption Metrics:** Leveraging the construction of new stores and the introduction of energy-efficient equipment, we aim to lower the electricity consumption per square meter. This data-driven approach sets the benchmark for reducing energy usage.

• **LED Lighting:** Our stores feature low-consumption LED bulbs, spotlighting our commitment to energy-efficient illumination.

• **Smart Resource Management:** Devices not requiring round-the-clock operation—chiefly servers and food refrigerators—are switched off during inactive periods. We also dim lighting systems during off-peak hours.

• **LEED-Certified Principles:** Employing the world’s most recognized sustainable building criteria, LEED principles guide our construction processes.

• **Responsible Resource Utilization:** We opt for natural resources with credible certifications, like FSC-certified timber, ensuring a renewable lifecycle.

• **Optimized Cooling:** Our building management systems employ cutting-edge technology to minimize cooling energy, streamlining overall energy consumption.

• **Design Flexibility:** Stores are engineered for adaptability, reducing the need for unit replacement and landfill waste.

• **Material Durability and Aesthetics:** We select materials that score high on durability, visual appeal, and ease of maintenance.

• **Health-Conscious Choices:** Materials are vetted for their VOC content and emissions to ensure they meet acceptable health standards.

• **PVC Avoidance:** Whenever possible, our construction avoids the use of PVC materials to minimize environmental impact.

• **Waste-Reducing Design:** Our design stage seeks to minimize waste by maximizing off-site prefabrication.