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.

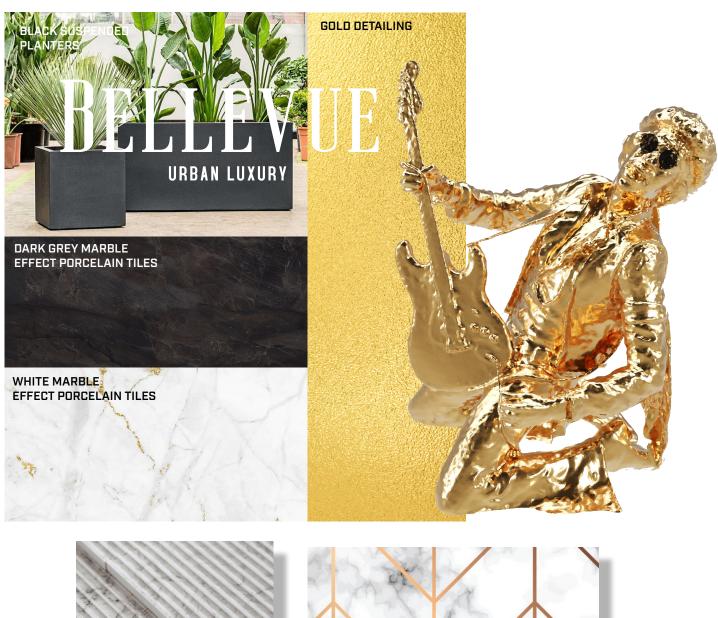
| | | AREA | PERCENTAGE |
|--------------------|---------------|-----------------------|------------|
| CONFECTIONERY | | 670 FT ² | 5 |
| P&C | | 3144 FT ² | 24 |
| MIXED CATEGORY | | 1711 FT ² | 14 |
| TOBACCO | | 301FT ² | 2 |
| FASHION & WJA | | 3056 FT ² | 23 |
| SUNGLASSES | | 444 FT ² | 3 |
| LUXURY SPEAKEASY | | 1711 FT ² | 13 |
| LOCAL - FOOD | | 756 FT ² | 6 |
| CASH | | 800 FT ² | 6 |
| PROMO, HPP & EVENT | | 207 FT ² | 2 |
| POP UP | | 200 FT ² | 2 |
| TOTA | L RETAIL AREA | 13000FT ² | 100% |
| BACK OF HOUSE | | 3800 FT2 | |
| | TOTAL AREA | 16800 FT ² | |





AGED TIMBER PANELS

SQUARE EDGED TIMBER CLADDING



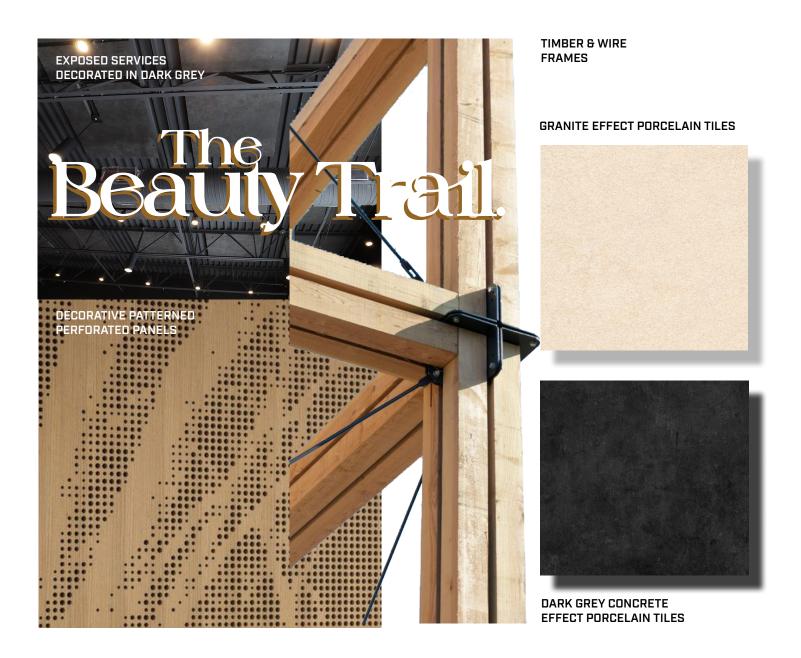






MARBLE FLOORING WITH INLAYED DESIGN







NORTH CONCOURSE DESIGN VIEW 01



Concept Overview

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



NORTH CONCOURSE

FLOOR PLAN

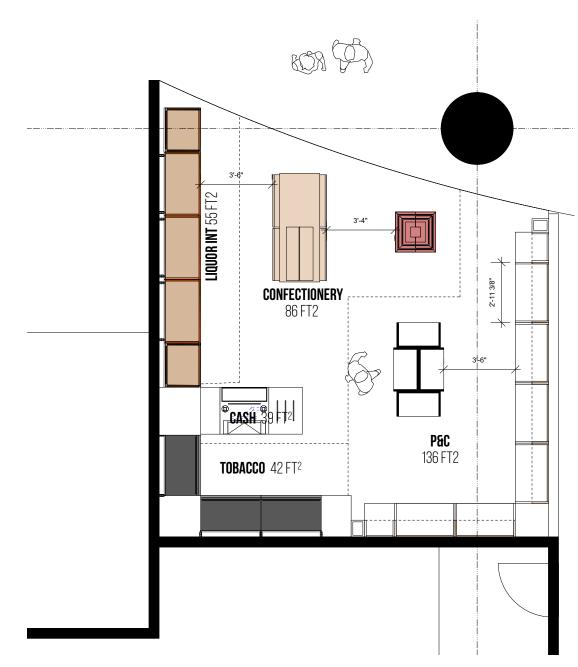
Introduction

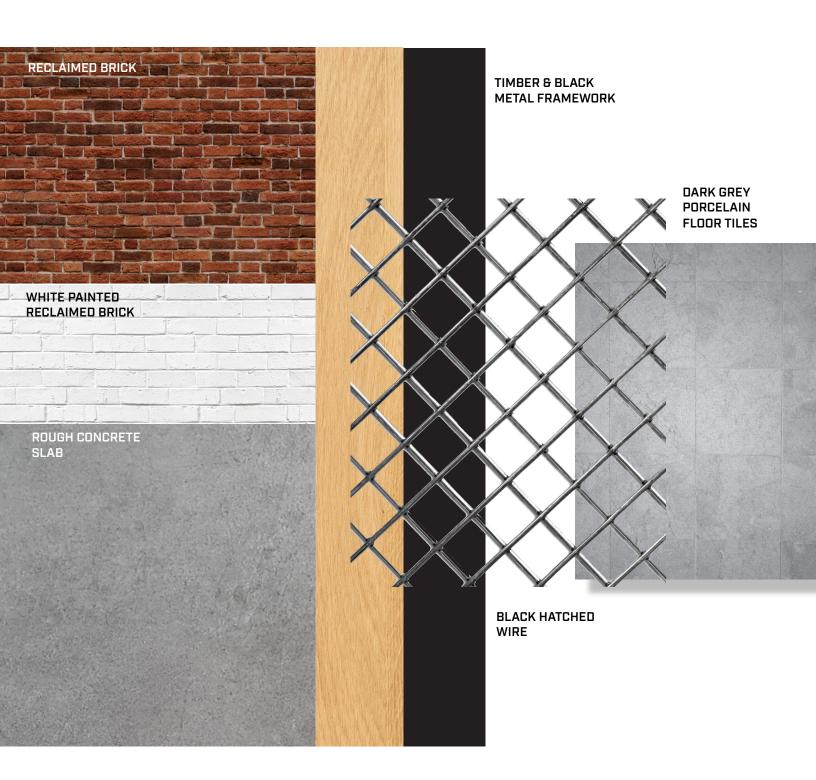
ur category sizes and adjacencies have been carefully considered to maximize sales. We have created a store environment which will display products in an attractive way, engage with passengers and provide them with a bespoke service. We want the stores to exude the products being offered, whilst being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



| INT. CONFECTIONERY | | 86 FT ² | 27 |
|--------------------|------------|---------------------|------|
| P&C | | 136 FT ² | 42 |
| LIQUOR | | 55 FT ² | 18 |
| TOBACCO | | 42FT ² | 13 |
| TOTAL RETAIL AREA | | 319 FT ² | 100% |
| CASH | | 39 FT ² | |
| | TOTAL AREA | 358 FT ² | |







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.



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.



 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.



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 datadriven approach sets the benchmark for reducing energy usage.
- LED Lighting: Our stores feature lowconsumption 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.



to ensure they meet acceptable health

standards.

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

FORM A.9 CAPITAL INVESTMENT FORM

Location: Concourse A Square Feet:12,000

| Initial Capital Investment | Amount, USD | Percent of Initial Capital Investment |
|--|-------------|---------------------------------------|
| Leasehold Improvements (Non-Base Building) | 5,274,900 | 65% |
| Furnishings, Fixtures, Equipment | 2,444,400 | 30% |
| Design, Engineering, and Construction Management (Non-Base Building) | 402,300 | 5% |

Location: South Concourse Square Feet: 13,000

| Initial Capital Investment | Amount, USD | Percent of Initial Capital Investment |
|---|-------------|---------------------------------------|
| Leasehold Improvements (Non-Base Building) | 5,504,400 | 60% |
| Furnishings, Fixtures, Equipment | 3,251,700 | 35% |
| Design, Engineering, and Construction Management (Non-Base Building) | 411,300 | 4% |

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

| Initial Capital Investment | Amount, USD | Percent of Initial Capital Investment |
|--|-------------|---------------------------------------|
| Leasehold Improvements (Non-Base Building) | 233,100 | 52% |
| Furnishings, Fixtures, Equipment | 136,800 | 30% |
| Design, Engineering, and Construction Management (Non-Base Building) | 81,000 | 18% |

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.

| Midterm Refurbishment | Amount, USD |
|-----------------------|-------------|
| First Refurbishment | 1,750,000 |
| Second Refurbishment | 4,435,000 |
| Third Refurbishment | 1,750,000 |

Amended Form A.10 CONCOURSE A TRA DESIGN ESTIMATE

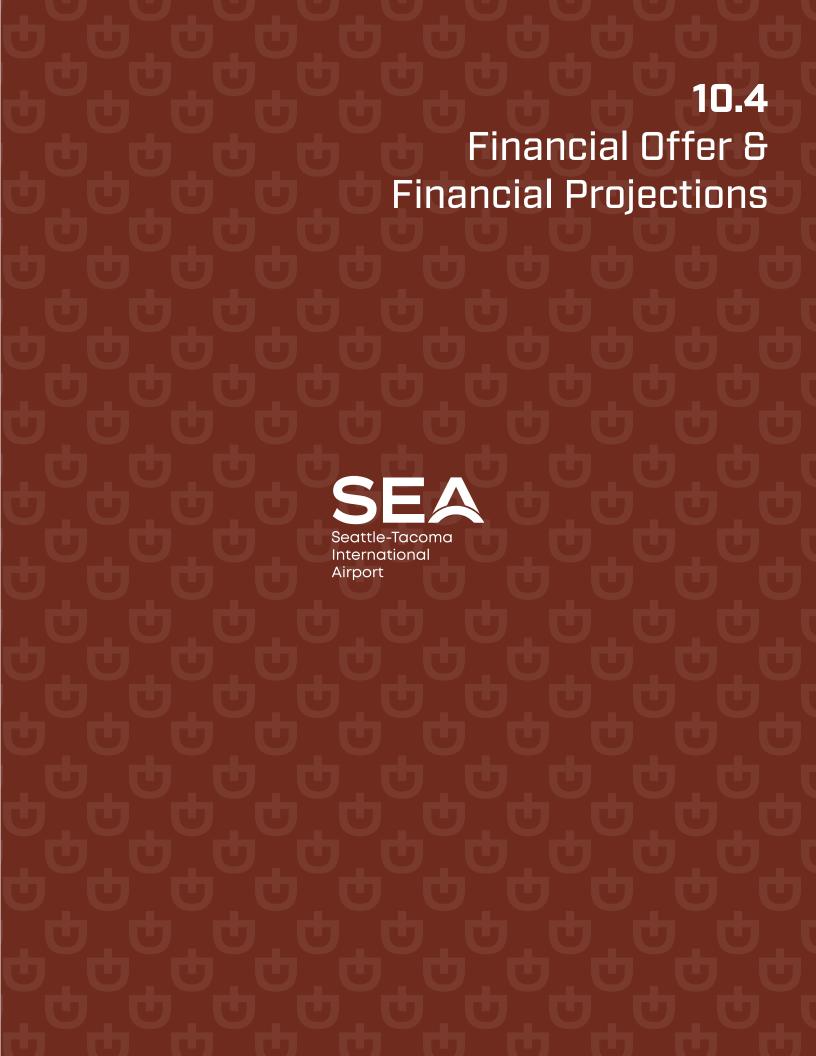
Proposers are required to submit their proposed TRA design estimate based on the renderings provided. Please note that this estimate is for base building work only and is to assist the Port. The Selected Respondent and Port will negotiate the final design and engineering cost through the TRA process.

Location: **Concourse A**

Square Feet: 12,000

ESTIMATED DESIGN AND ENGINEERING SERVICES COSTS

| Initial Capital Investment | Amount | \$4,720,810 |
|--------------------------------------|--------|-------------|
| Design, Engineering, (Base Building) | | |
| | | |
| | | |
| ESTIMATED WMBE GOAL | | 15 % |



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

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

| Proposed Percentage Fee in Number Format | Proposed Percentage Fee in Words |
|--|----------------------------------|
| <u></u> % | |

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%)

| TENCEIVI (2070) | | |
|---|---|-------------------------------------|
| Annual Gross Sales | Proposed Percentage Fee in Number Format | Proposed Percentage Fee in Words |
| Annual Gross Sales less than \$25,000,000 | <u>21_</u> % | Twenty one percent |
| Annual Gross Sales between and \$ 25,000,000 and \$50,000,000 | <u>22_</u> % | Twenty two percent |
| Annual Gross Sales equal to or greater than \$50,000,000 | <u>25_</u> % | Twenty three percent |

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) |
| Melanie Rave | BY: Journ |
| (Witness Signature) | (Signature of Authorized Representative) |
| | Brian J. Quinn |
| | (Printed Name of Authorized Representative) |

ALL PROPOSAL FORM(S) MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE LEGAL ENTITY SUBMITTING THE PROPOSAL (I.E., THE PROPOSER). IF NOT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE PROPOSER, THE PROPOSAL WILL BE DEEMED NON- RESPONSIVE AND NOT SCORED.

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).

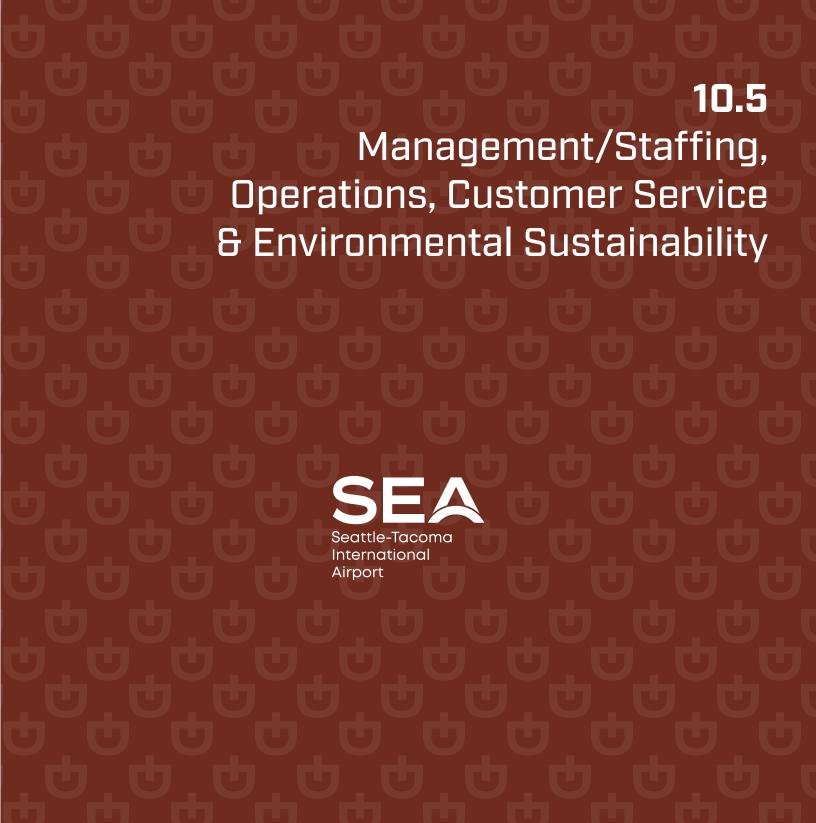
^{*}Hudson Group (HG) Retail, LLC is the majority interest in our proposing entity: SEA TAC Duty Free JV. Per Addendum 2, we have included the signature of the Authorized Signatory of Hudson Group (HG) Retail, LLC.

FORM A.12
Seattle - Tacoma International Airport
Proforma Statement, DUTY FREE ALL LOCATIONS COMBINED
PROFORMA

| | | 2027 | | 2028 | | 2029 | | 2030 | | 2031 | | Total |
|--|----|------------|-----------|------------|----|------------|----|------------|----|------------|-----------|-------------|
| ASSUMPTIONS USED | | | | | | | | | | | | |
| Enplanements | | 3,000,000 | | 3,100,000 | | 3,200,000 | | 3,300,000 | | 3,400,000 | | 16,000,000 |
| Sales per Enplanement | \$ | 15.97 | \$ | 16.21 | \$ | 16.46 | \$ | 16.70 | \$ | 16.95 | \$ | 16.48 |
| PROJECTIONS | | | | | | | | | | | | |
| Gross Sales: | \$ | 47,920,984 | \$ | 50,261,125 | \$ | 52,660,688 | \$ | 55,120,930 | \$ | 57,643,130 | \$ | 263,606,857 |
| Control Control | • | 40.040.400 | 6 | 40.005.400 | ÷ | 20.700.000 | • | 04 707 040 | Φ. | 22 707 005 | \$ | - |
| Cost of Goods Sold | \$ | 19,016,169 | | 19,905,126 | \$ | 20,796,962 | | 21,737,913 | | , - , | \$ | 104,163,174 |
| Gross Profit | \$ | 28,904,815 | \$ | 30,355,999 | \$ | 31,863,727 | \$ | 33,383,017 | \$ | 34,936,125 | \$ | 159,443,683 |
| Expenses | | | | | | | | | | | \$ | - |
| Payroll | \$ | 7,875,762 | \$ | 8,225,396 | \$ | 8,584,969 | \$ | 8,964,006 | \$ | 9,335,055 | \$ | 42,985,189 |
| Benefits | \$ | 2,634,442 | \$ | 2,751,395 | \$ | 2,871,672 | \$ | 2,998,460 | \$ | 3,122,576 | \$ | 14,378,546 |
| Utilities | \$ | 239,605 | \$ | 251,306 | \$ | 263,303 | \$ | 275,605 | \$ | 288,216 | \$ | 1,318,034 |
| Operating Expenses | \$ | 2,125,270 | \$ | 2,229,054 | \$ | 2,335,474 | \$ | 2,444,584 | \$ | 2,556,442 | \$ | 11,690,825 |
| Franchise/License Fees | \$ | _ | \$ | - | \$ | _ | \$ | _ | \$ | _ | \$ | - |
| Rent to Port | \$ | 10,292,616 | \$ | 10,815,281 | \$ | 11,415,172 | \$ | 12,030,233 | \$ | 12,660,783 | \$ | 57,214,085 |
| General & Administrative | \$ | 479,210 | \$ | 502,611 | \$ | 526,607 | \$ | 551,209 | \$ | 576,431 | \$ | 2,636,069 |
| Washington Lease Excise Tax | \$ | 430,714 | \$ | 451,747 | \$ | 473,314 | \$ | 495,427 | \$ | 518,096 | \$ | 2,369,298 |
| Insurance | \$ | 143,763 | \$ | 150,783 | \$ | 157,982 | \$ | 165,363 | \$ | 172,929 | \$ | 790,821 |
| Other Direct Expenses | \$ | 701,909 | \$ | 736,186 | \$ | 771,333 | \$ | 807,369 | \$ | 844,312 | \$ | 3,861,109 |
| Total Expenses | \$ | 24,923,292 | \$ | 26,113,760 | \$ | 27,399,827 | \$ | 28,732,255 | \$ | 30,074,841 | \$ | 137,243,975 |
| EBITDA | \$ | 3,981,523 | \$ | 4,242,240 | \$ | 4,463,900 | \$ | 4,650,762 | \$ | 4,861,284 | \$ | 22,199,708 |
| Interest, Depreciation, and Amortization | \$ | 3.547.980 | | 3,547,980 | \$ | 3,547,980 | | 3,547,980 | \$ | | \$ | 17,739,900 |
| Net Profit Before Taxes | \$ | 433,543 | \$ | 694,260 | \$ | 915,920 | \$ | 1,102,782 | \$ | 1,313,304 | \$ | 4,459,808 |
| | Ť | , | | , | _ | 0.0,0=0 | _ | 1,112,112 | _ | 1,010,001 | Ť | 1,100,000 |
| Total Initial Investment | \$ | 17,739,900 | | | | | | | | | | n/a |
| | | | | | | | | | | | | n/a |
| | | | | | | | | | | | | .,, |
| | | | | | | | | | | | | |

⁽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.



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.

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.

| | CONCOURSE A | SOUTH CONCOURSE | NORTH CONCOURSE | WAREHOUSE | OFFICE | TOTAL |
|---------------------------|-------------|-----------------|-----------------|-----------|--------|-------|
| STORE TEAM MEMBERS | | | | | | |
| Sales Associate | 20 | 20 | 4 | | | 44 |
| Specialty Sales Associate | 6 | 6 | | | | 12 |
| Beauty Advisor | 12 | 12 | | | | 24 |
| Liquor Specialist | 2 | 2 | | | | 4 |
| Ops Supervisor | 6 | 6 | | | | 12 |
| Ops Manager | 1 | 1 | | | | 2 |
| STORE TEAM MEMBERS | | | | | | |
| Ops General Manager | | | | | 1 | 1 |
| Ops Assistant GM | | | | | 1 | 1 |
| Partner Manager | | | | | 1 | 1 |
| Product Manager | | | | | 2 | 2 |
| Ops Office Administrator | | | | | 1 | 1 |
| Warehouse Manager | | | | 1 | | 1 |
| Warehouse Supervisor | | | | 2 | | 2 |
| Warehouse Associate | | | | 5 | | 5 |
| Customs Coordinator | | | | 1 | | 1 |
| Total | 47 | 47 | 4 | 9 | 6 | 113 |



BEING A SEA PREFERRED EMPLOYER

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

OPERATING EXCELLENCE

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.

Cleaning & Maintenance

Impeccable Standards for an Enhanced Customer Experience

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.



MAINTENANCE OF EQUIPMENT & FIXTURES

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.

10.5 OPERATING STANDARDS TRACKING & DOCUMENTING OPERATING STANDARDS

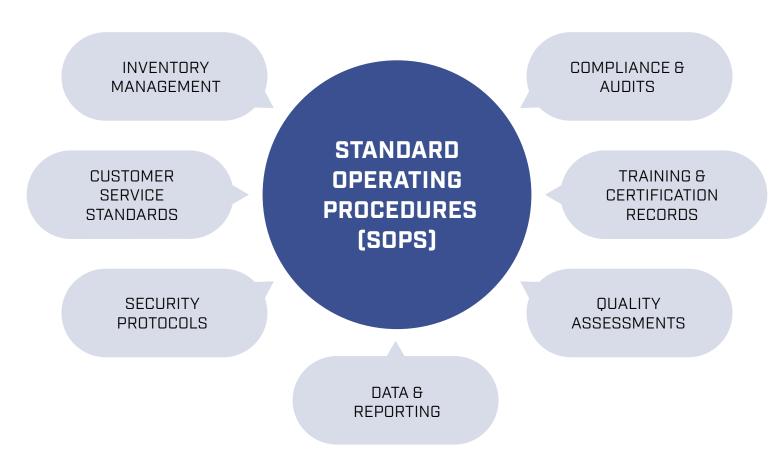
At our duty-free locations, we thrive on the foundation of comprehensive Standard Operating Procedures (SOPs). These meticulously crafted SOPs form the backbone of our seamless operations, covering everything from inventory management to customer service and security protocols. They are the essential 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



DUFRY'S CUSTOMER SERVICE JOURNEY TOWARDS EXCELLENCE

4. VALUE-ADDING SERVICES

throughout the customer journey



5. ASSISTED SCOS

Maximizing customer service at our selfcheckout 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.





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 preshop 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, lowimpact 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.



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.



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 DAY

90%

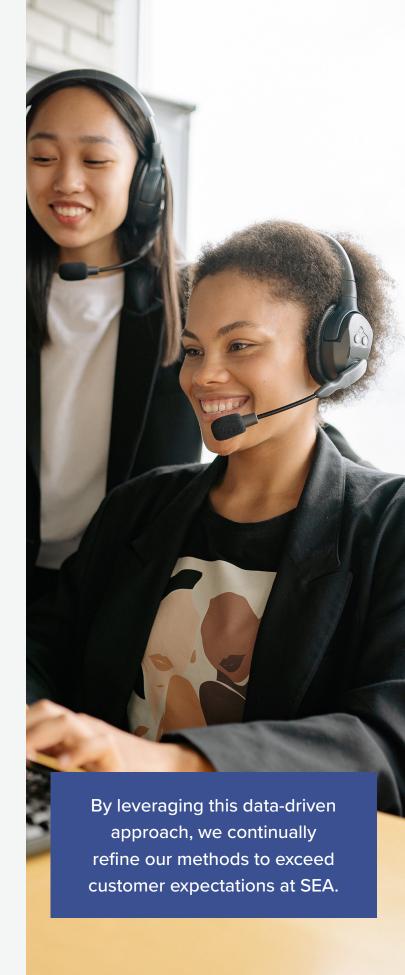
EMAILS ANSWERED WITHIN ONE BUSINESS DAY

85%

CALL RESPONSE TIME UNDER 40 SECONDS

90%

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







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 purposedriven partnerships that not only benefit the environment but also provide enduring opportunities for local communities.



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:

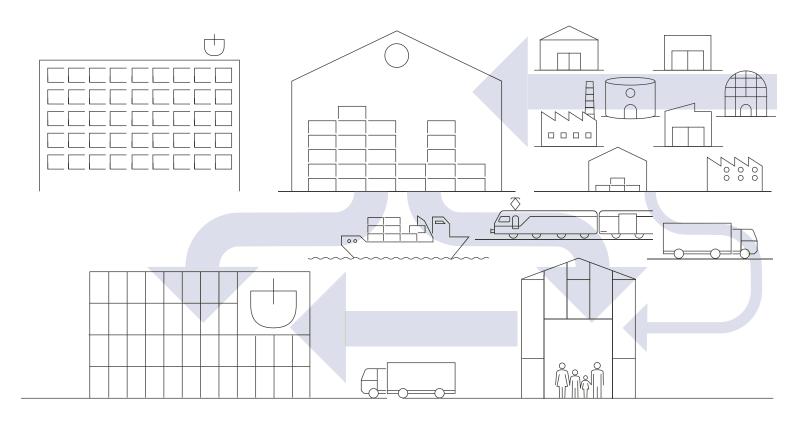
We employ reusable plastic containers for seamless product movement between suppliers, distribution centers, and retail stores. Post-delivery, these containers are stored and returned on subsequent delivery runs, optimizing their utility and reducing reliance on single-use plastics and cardboard. When 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.



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 airconditioning 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 offpeak 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 shutoff 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 GoalsOur 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.



CEDAR GROVE

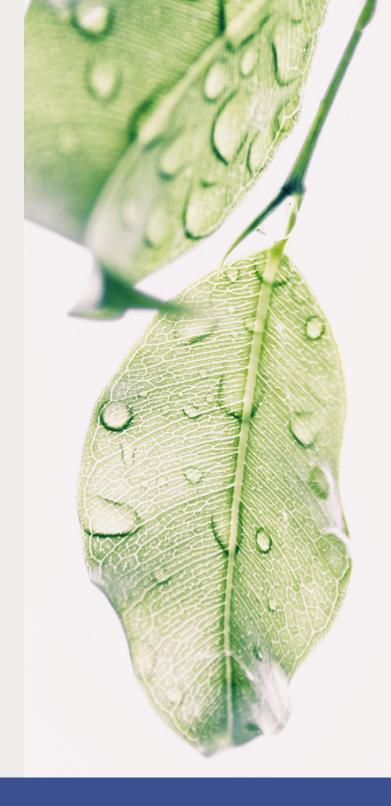
In our program, the focus is primarily not on food and beverage options, except when they complement our duty-free offerings and do not compete with traditional, adjacent F&B units. We are pleased to procure products from Cedar Grove when such needs arise.

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.



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.



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 datadriven approach sets the benchmark for reducing energy usage.
- LED Lighting: Our stores feature lowconsumption 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.



- 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.