

DUFRY WORLD

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**CORPORATE
MAGAZINE**

ISSUE 38

March 2021



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A Solid Company Ready to Accelerate Growth During 2021 Recovery



Julián Díaz, CEO Dufry Group.

The 2020 business year has undoubtedly been the most challenging year in our company's history – not only because of the impact of the pandemic on our commercial performance, but also due to the considerable number of changes implemented and the efforts made by all of you to adapt the company to the new business environment.

Today, having completed the restructuring, we are a solid, well-organized company, ready to accelerate sales and growth as soon as the recovery starts. While the environment is still dynamic and we are still seeing travel restrictions in place, the ongoing vaccination campaigns will contribute to improving travel conditions. This is the key element, as we already know that people want to start travelling again as soon as possible.

Important achievements in the 2020 business year

Given the extraordinary business environment seen in 2020, the impact on our performance was obviously considerable. In this context, our turnover reached CHF 2,561.1 million as compared to CHF 8,848.6 million in the previous year and equal to a decline of -71.1%. Organic growth for the year stood at -69.8%. On the positive side however, we have continued to expand our footprint with important new concessions in Turkey, Russia, Brazil, the US and of course in Hainan China, amongst others, and we also need to acknowledge the important achievements made with respect to securing the resilience of the company and creating a solid financial base on which to build our future. In this context, we have achieved overall

savings of CHF 1,312.1 million and reached a solid liquidity position allowing us to navigate through the recovery phase and resume activities as a strong player of our industry.

Goals and steps to recovery during 2021 -2023

As you know, we have already shared with all of you the main goals and the development path for the next 3 years, which will guide us through the recovery and will allow us to emerge as a strong player in our industry. On top of a high level of clear communication and close alignment, the key to success will be our positive thinking and conviction in achieving our goals. We have defined five main elements, which are aimed at helping us effectively manage the recovery phase, whilst also assessing opportunities that allow us to further develop the company in new areas of activity, in new markets or adjacent channels of travel retail. These five initiatives or elements are:

- Acceleration of sales and repositioning of our commercial offer. This includes the verification of potentially changed customer shopping behaviors and the respective adaptation of our assortment and services.
- Assess and develop diversification opportunities into channels other than just travel retail, such as food & beverage, online, high-street operations etc.
- Analyze and develop digital technology with respect to data collection and management to accelerate sales through intensified customer engagement of new services.
- Expand our travel retail portfolio and footprint in all markets and with a particular focus in Asia.
- Adapt and revise our current business model as needed during the recovery phase, thus making sure that once the recovery starts, our business model and organizational structure can manage an increasing sales volume.

Strengthening the company in many directions

In this Dufry World edition you can see that we continue to shape and strengthen Dufry in many directions. Our entry into the duty-free market in Hainan, which is currently our industry's hot-spot is important as, whilst generating sales, it also allows us to present Dufry in the most positive way to consumers and landlords in mainland China and to demonstrate our skills and know how in travel retail.

We continue to evolve our ESG engagement (environment, social and governance), incorporating the topic of diversity and inclusion in different parts of the company as the example of Hudson shows. We will also continue with the evolution and expansion of our women@dufry initiative in the coming months.

A good example of our ongoing digitalization of the Group is the "Just Walk Out" technology we have recently launched at our Dallas Love Field Airport operation through a collaboration with Amazon. Allowing customers to pay for their purchases without going to the till is an interesting service, as it both improves the shopping experience for the customers and allows our colleagues in the shop to dedicate more time to customer engagement.

Thank you for your support


I hope that all of you are - and continue to stay - in good health. It remains our priority to ensure we provide a safe and healthy working and shopping environment for all of our colleagues and customers and in this context, I want to thank all of you for your extraordinary efforts and dedication. I continue to see a strong focus and motivation to maintain our high

level of attention to the business and the cost consciousness we have developed, which remains a key priority to take us through the recovery. Let's maintain this positive attitude and continue to work closely together as a strong and effective team.

Kind regards,

Julián Díaz

Chief Executive Officer

 People

Here Comes the Sun

Ángeles Montesdeoca leads Dufry's Southern European cluster. With nearly 30 years of experience in travel retail, she has seen many ups and downs in the business and in this interview she shares her views on the current situation and expected comeback of the business. Ángeles, who describes herself as a lucky person because she is able to just enjoy the little things in life, is a great example of career development within our company.

By Jorge Muñiz

Can you share with us your view on the current evolution of the business?

Sometimes I still find it difficult to believe that such a small and insignificant organism can challenge the whole human race as much as this Covid-19 virus has done. It's been over a year since we started talking about a strange disease affecting a small part of China. A year later, the world is a very different place, and so it seems is our industry. It's very hard to make any kind of accurate prediction about the evolution of the business, as the situation seems to be an ever-changing one.

Nevertheless, there are several reasons to be confident about the future in the short-term. Starting with the availability of the vaccines. This will be a game changer, as more and more people build their immunity. The first quarter of 2021 will still be challenging, with restrictions



and lock-downs still affecting people's mobility. Hopefully however, we will gradually be moving towards a more favorable scenario in the second quarter of the year – and we must be ready to benefit from this.

Do you feel positive about the comeback of our business?

Sometimes it can be hard to see the wood for the trees. As you see the news around us with restrictions, air connections canceled, new mutations of the virus... it's sometimes difficult to believe this will all eventually come to an end and we will recover normality. However, it's just a question of time.

Many things have changed in just a year. However, there is something that remains constant, and that is people's appetite for travel. If you take last summer as an example, as soon as the pandemic gave us a break in the northern hemisphere, we began to move and resume travel. If all goes according to plan, by summer this year, we will hopefully be in a very different situation and we will start seeing higher volumes of passengers again.

We have seen a surge in online shopping in the last year as a consequence of the pandemic. Do you fear that this increase may impact our business as we re-open?

Online shopping has many upsides beyond the convenience. Many of our customers may well have bought their bottle of perfume or their favorite whisky somewhere else and had a great experience. Technology already plays an important role in the shopping experience.

That is why Dufry is accelerating the deployment of its digital strategy. Our partnership with Alibaba to strengthen our online capacities, or the adoption of the latest shopping technologies – like Amazon's Just Walk Out to be implemented in selected Hudson stores in the US – demonstrate how Dufry sees the integration of the online world in our business.

Shopping however – and airport shopping in particular – is a fundamental part of travelling. The experience customers enjoy in our stores cannot be replaced by any virtual marketplace. As soon as we have the chance to push up the shutters in our stores, customers will come back – and, hopefully, will spend more with us!

For the recovery, we have to focus on what we do best, and that is giving our customers the best possible shopping experience. We need to keep working to maintain this asset and make it even more relevant for the next generation of customers.

What would be your advice for the next few months?

Keep pushing and work hard. A world of opportunity is there for those who fight for it. From a corporate perspective, we have taken all the necessary steps to safeguard the business and be ready for the comeback. While sometimes it's not that easy to remain motivated and engaged, now is the time to do our best, to help each other and to work towards returning the company to where it was, in what we might now call "the good old days"!

If you had to choose a title or a headline for the current situation... what would it be?

I'm originally from the Canary Islands, a region that is well-known for its great weather conditions all year long – we have more than 4,800 hours of sun per year! For us the Canarians, the sun is what makes the difference, not just health-wise, but also in the way we face life.

So, if I had to give a title, I'd choose the words made famous by The Beatles in "Here Comes the Sun", a song from 1969 that could pretty well describe the existing situation: "It's been a long, cold, lonely winter... It seems like years since it's been here... but here comes the sun".

I think we have managed to live with the uncertainty of not knowing what will come next, or how to manage the situation. I have no doubt that we are at the beginning of the end of this situation. The first few rays of sun are here showing us more hopeful times ahead.

Your progression in Dufry is quite notable: from managing the business in the Canary Islands to General Manager of Spain in January 2019 and now you lead the Southern European cluster... Did you find it difficult taking over greater responsibility?

It's been quite a swift but smooth move for me to be honest! However, I reckon this is thanks to the extremely professional teams we have in place in Spain, Italy, Malta and Portugal. The move to lead Spain, despite the fact that I sleep less than ever since it happened, was quite natural for me.

It was (only) 1992 when a "younger me" in an auditing role engaged with Aldeasa (a company that years later became World Duty Free Group). At that time, the manager responsible for duty-free took me into the retail operations function that I've not left ever since. Over these 29 years, I've got to know the people, the business and the airport landlords quite well. Dealing with the additional number of issues and aspects of the business, that come from managing one of Dufry's largest operations, was of course a challenge. I'm lucky however in having a team of extremely professional and supportive colleagues, with in depth knowledge and expertise in the business. That always makes your life easier! I feel proud of each and every member of my team and I'm very fortunate and thankful to be able to work with them.

The biggest challenge came in September with the addition of Portugal, Italy and Malta to my area of responsibility. If in normal circumstances it takes time to understand a new operation, imagine three at once and under the current trading conditions! The different evolution of the pandemic, different legal frameworks, different landlords and ways of managing the relationships.

But, again, Dufry's main asset is our people. You find extremely well prepared professionals everywhere, and that makes the whole process easier! I'm very impressed with the support and the high level of involvement of the General Managers in these three additional operations and I'd like to take this opportunity to thank them for their support and commitment.

The March issue of Dufry World always touches on gender equality - the celebration of International Women's Day is always a positive framework within which to celebrate women's achievements and raise awareness about what still needs to be done...

I absolutely agree. I'm not a radical feminist, nor do I believe in a correlation between professional success and gender. Dufry is a great place to work, not only because two thirds of its staff are women, but because it truly promotes diversity across all levels of the organization. With the support of our Board of Directors, and the direct sponsorship of our CEO, Dufry promotes the internal dialogue to identify barriers to success. With initiatives such as

Women@Dufry we are giving greater visibility to our women executives, showing that gender is not an obstacle for professional success at Dufry and to encourage everyone – men and women – to continue working to progress.

Everywhere around our organization, we have great examples of career progression. Extremely talented professionals who grow and evolve because of their real skills and leadership capabilities and who are the future of this company.

What do you enjoy the most when you have some free time?

Going to the opera is one of my passions. I love the show, the set-up... everything that comes with it. I also feel the happiest woman on earth when I can enjoy a walk on the beach. To be honest I'm one of those lucky people who just enjoys the little things in life: from a good glass of wine, to a meeting with friends, or a simple get together with loved ones. Life can be too short, so make the most of every day!

In a minute:

A meal: Iberian ham... and always a good Foie Gras!

A book: The one I'm currently reading: The Book Thief, from Markus Zusak

A city: New York

A film: Casablanca

A hobby: Travelling

A leader: Mandela, Ghandi... and a handful of colleagues, including my former boss ☺

An airport: Gran Canaria airport. That's where the travel retail learning adventure began!

Hudson Diversity & Inclusion Update



People are at the heart of Hudson’s business. As an organization that strives to create an inclusive and diverse environment that reflects the communities and travelers it serves, and one that sees workforce diversity as one of its greatest strengths, Hudson must continuously evolve and adapt to bring about necessary change.

In 2019, Hudson established its Diversity and Inclusion (D&I) Committee in connection with its newly-formed Corporate Social Responsibility Committee, comprised of team members reflecting the broad diversity of Hudson’s workforce across function, position level, race & ethnicity, gender, and age. After its formation, the D&I Committee set out on a mission to identify, understand, and remove any barriers that may keep Hudson from being a diverse and inclusive workplace. Notably, this company-wide initiative began prior to the events of 2020 when communities around the world rallied for racial and social justice, reinforcing the importance of this mission and inspiring Hudson to stand in solidarity with the Black Lives Matter (BLM) movement.

Since the formation of the D&I Committee nearly two years ago, Hudson has taken the time to evaluate how the company can continue to embed diversity and inclusion into the framework of its business. Equally as important for charting the course forward for change was understanding and ensuring that Hudson’s initiatives aligned with Dufry’s global goals. As a signatory member of the UN Global Compact, the world’s largest corporate citizenship and sustainability initiative, Dufry actively promotes the adoption of the UN Global Compact Sustainable Development Goals, specifically “UN SDG #5 – Gender Equality.”



After a thorough process that included an internal team member diversity climate survey, ongoing discussions driven by the D&I Committee, and cross-collaboration with Dufry, Hudson identified diversity and inclusion in the dimensions of race & ethnicity, gender, and age as its priorities, with a meaningful impact on these areas through four key avenues: Recruitment, Career & Talent Development, Compensation, and Organizational Culture. The specific commitments, announced in August 2020, are outlined below.

Recruitment

- **Hiring Diversified Talent:** Develop new partnerships with job boards and recruitment agencies to actively recruit talent from diverse channels.

Career & Talent Development

- **Structure Job Descriptions & Competencies:** Formalize requirements for the most common positions so that it is clear what qualifications and experience are required for a particular role.
- **Talent Development and Career Road Maps:** Offer internal and external training and development opportunities to ensure team members have the resources and support needed to further their career growth.
- **Retention:** Explore ways to increase retention rates and promotion of females and minorities at the management levels and above through the development of focus groups with targeted objectives.

Compensation:

- **Compensation:** Establish internal compensation structures and market benchmarking based on role and experience. Conduct formal pay equity analysis by race & ethnicity, gender, and age to ensure equal pay for equal jobs.
- **Promotion/Merit Increase/Position Change Process:** Review key HR processes and establish a more transparent process for employment changes such as promotions, merit increases, and position changes.

Organizational Culture

- **Celebration:** Develop annual calendar of events to celebrate and embrace diversity and inclusion within the workforce. In October, Hudson launched a Corporate Social Responsibility stream on Beekeeper with monthly themes, messages, and action items for team members around the topics of Poverty Awareness, Black History, Gender Equality, and Mental Health Awareness, among others.
- **Education:** Work closely with team members and communities, including Hudson's Airport Concession Disadvantaged Business Enterprise (ACDBE) partners, in order to better understand the issues affecting minorities and determine how to best educate, advocate, and communicate about them.
- **Measures:** Measure the progress and success of initiatives by tracking the percentage of new hires and the retention of team members based on level in the organization, race & ethnicity, gender, and age.
- **Tracking** the percentage of new hires and the retention of team members based on level in the organization, race & ethnicity, gender, and age, as well as **evaluating** the percentage of team members moving into management and above roles by race & ethnicity, gender, and age.



As Hudson implements these initiatives, it remains committed to fostering an environment where individuals of all backgrounds, capabilities, and opinions have the same opportunities for growth, and an avenue for open dialogue. The development and success of these initiatives would not be possible without the Hudson team members involved, all who have provided valuable feedback and insight that will help shape the transformation of Hudson's D&I efforts in the coming months and years ahead.

🔗 Key Story

Dufry Enters Hainan Duty-Free Hot Spot



Through the collaborations with Alibaba and Hainan Development Holdings (HDH), Dufry widened its Asian footprint adding Hainan Island to its network. The Chinese Government is strongly driving and supporting the evolution of Hainan as travel and shopping destination located in the South China Sea and already famous in China as tourism province offering tropical climate and gorgeous beaches.

By Renzo Radice

The basic requirement to operate duty-free shops in China is the granting of the respective licenses by the Chinese Government. While in the past, licenses were given only to Chinese operators, in recent years and in the context of China's "opening of its economy" policy, the approach has been changed and the participation of foreign companies through strategic supply and services agreement with a local Chinese partner are now allowed. This is also in the interest of the Chinese customer as competition widens and the access to global brands increases further.



Important collaborations

In this context, the importance of the collaboration with Alibaba, aiming in general at growing travel retail operations with greater emphasis on duty-free in China and accelerating Dufry's digitalization, and Hainan Development Holdings, to operate the Mova Mall duty-free location, becomes fully evident. By joining forces with the local partners and by participating in this



Samuel Wong shows the new store to Chinese officials.

booming duty-free hotspot, Dufry can start building a duty-free presence in Mainland China. As you know, Dufry had so far been present in China with duty-paid operations since 2008 with shops at the Shanghai Hong Qiao and Chengdu Airports, as well as duty-free operations in areas known as Greater China such as Hong Kong and Macau, which benefit from local and specific regulations.

In line with the current legislation, Dufry's role in the joint-venture is twofold. First, we supply the Mova Mall shop, called Global Duty Free Plaza, with the respective assortment of global brands, which are complemented by local products and brands sourced by HDH. Second, Dufry takes an advisory role to consult the local shop management with respect to shop-design, marketing, promotions etc. Once fully opened, we will also provide our digital services, such as Reserve & Collect, and will cooperate with Alibaba to identify further digital collaboration opportunities such as getting access to Alibaba's existing customer network of over 800 million people in China or develop new service features for the Chinese customers.

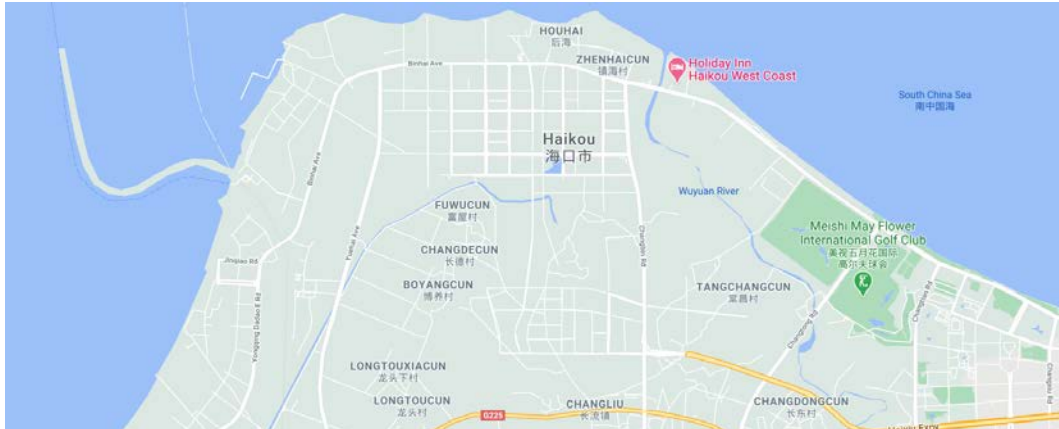


Mova Mall – centrally located in Hainan's capital Haikou

The Mova Mall and its duty-free operation in the city-center of Hainan's capital is a major tourism and shopping destination featuring a vast leisure offer of shopping, dining and entertainment facilities, as well as over 2,500 luxury hotel rooms in walking distance. The Mova Mall complex welcomed 22 million visitors in 2019 and visitors from mainland China are allowed to buy duty-free items up to an amount of 100.000 RMB (approx. USD 14,000) per year.

Once the three development phases are completed, the new downtown duty-free shop will span over 38,920 m² across two buildings of the Mova Mall, Aquarius and Capricorn. The first part opened just before the Chinese Spring Festival in 2021. During this initial phase, the temporary product assortment includes an attractive offering covering all core categories such as perfume & cosmetics, food and confectionery, wine & spirits, as well as sunglasses and

luxury items from global brands and local premium labels. For the second and third phase for both Aquarius and Capricorn, we engaged with an additional range of top luxury and lifestyle brands allowing the offer to reach over 350 brands across all categories once the store will be fully completed in the second and third quarters 2021.



A highly competitive hot-spot with more to come

Hainan is currently enjoying a high profile with many interested communities such as travel retail operators, brands, media, investors, and most importantly, tourists and customers – everybody wants to be there and benefit one way or the other. Besides Dufry partnering with HDH, there currently are four other major duty-free competitors operating in Hainan. These are China Duty-free Group (CDFG); China National Service Corporation for Chinese personnel working abroad (CNSC); Shenzhen Duty-Free partnering with DFS as well as Hainan Tourism partnering with Lagardère. Today's duty-free shops in Hainan cover close to 172,000 m² of retail in total and are concentrated in three main locations. The majority of the downtown duty-free shops are in the city of Sanya in the South of the Island, in Haikou the capital in the North as well as in Bo'ao in the Southwest. An additional CDFG-operated duty-free mall is planned to open in 2023 also in Haikou, but the project is still waiting for confirmation.

Leverage learnings from Chinese customers

Besides the pure additional revenue stream that the new shop will generate, the close and first-hand experiences we will be able to make in the Mova Mall operation will allow us to leverage the learnings when seeking other opportunities in China directly as well as across other locations with significant presence of Chinese travelers.



To More Years of Collaboration

It was back in 2009 when Dufry began its relationship with the international charity SOS Children Villages. What started with the sponsorship of a project focused on preventive care in Igarassu, a town located in the north east of Brazil and one of the poorest areas in the country, has evolved into long-standing and constantly growing support reaching more geographies and involving a greater number of Dufry locations. Now, a decade later, the partnership continues evolving with initiatives like Captain Dufry being added to the mix, to help raise additional and much needed funds that will help improve the living conditions of many children in need.

About SOS Children Villages

SOS Children Villages has over 70 years of history behind them. The first SOS Children's Village was founded in 1949 by Hermann Gmeiner in Tyrol, Austria. As a child welfare worker, Gmeiner saw how children orphaned because of World War II suffered. He was committed to helping them by building loving families and supportive communities.

Today, SOS Children's Villages are active in 136 countries and territories around the world, helping hundreds of thousands of children each year through alternative care, family support, schools, health centers, and other community-based work.

SOS Children Villages' focus is around securing quality care for children in care. This means providing a safe and caring environment to enable each child to grow and reach their full potential. For this reason, the work of SOS Children Villages is mostly with communities and states to provide a loving home for children who need alternative care and to help prevent family breakdown. Their work is focused on keeping families together, providing alternative care when needed, supporting young people on their path to independence, and advocating for the rights of children.



The Igarassu Village, in the North East of Brazil, is where Dufry started its collaboration with SOS Children Villages

Partnership with Dufry

Dufry continues supporting the Igarassu village in Brazil and, in 2020 alone, our donation benefited nearly 400 infants, young children and teenagers with their mothers and enabled them to join family strengthening programs focused on building self-esteem, improving gender relations and preventing domestic violence. During this decade, Dufry has also lent support to similar villages in Mexico, Russia, Kenya, Jordan or Spain.



The way SOS Children’s Villages works permits families to evolve and reinforce family ties, whilst giving the necessary attention to children. Mothers are given the opportunity to leave their children in the child-care center during the day so that they can go to work and earn a living for themselves, and opt for better work opportunities. At the same time, children in these day-care centers are included in childhood development programs as well.



Dufrey-sponsored project in Nairobi, Kenya

Fathers, on the other hand, receive awareness raising support in connection with educational matters and are helped and encouraged to become more constructively involved in family responsibility, thus improving the overall quality of life for these families.



SOS Children Villages develops family programs in Comitán, Mexico

SOS Children Villages also promotes family strengthening programs, like the Dufry-sponsored program in Nairobi, Kenya. This program seeks sustainable and innovative ways to prevent family separation and address the situation of those children who are at risk of losing care from their biological family.

The pillars of this program are family empowerment and community empowerment, to achieve the ultimate development of children

through provision of quality care and protection.

Community-based partners are strategically identified, assessed and engaged to help create a strong safety net around the vulnerable children and youth in the community.

Captain Dufry and SOS Children Villages

Captain Dufry opens a new chapter in our long-standing partnership with SOS Children Villages by opening up a channel of support for the charity via our customers. The initiative (covered in [issue 36](#) of Dufry World) consists on the sale of a plush toy dog across 23 countries and the proceeds generated from the sale of Captain Dufry will be donated to SOS Children's Villages. Simple, straightforward and hopefully an effective way to enable us to increase the support given to this charity.

Captain Dufry also comes along with other additional initiatives to further engage customers in supporting charities, like the opportunity to make donations - to SOS Children Villages or any other charity - using the Red By Dufry app.



Dufry Expands its Presence in Fortaleza



Dufry reinforces its presence in Pinto Martins airport in Fortaleza, Brazil, with the opening of duty-free and duty-paid concepts. During January, a 272 m² duty-free walk-through store opened in the international departures area of the airport. This followed the opening back in November of a Dufry Shopping megastore at Fortaleza Airport of 634 m². This duty-paid concept is located at the entrance of the domestic boarding area of the airport and offers products from all the core categories.

Dufry Shopping has proved to be a very successful concept in the Brazilian market as it gives consumers access to quality international products. The Dufry Shopping store in Fortaleza is aimed to provide convenience to passengers and others who are visiting the airport and offers products from international brands such as Carolina Herrera, Dior, Chanel, Lancôme, Chandon, Jack Daniel's, Ballantines, Veuve Clicquot, Johnny Walker, Victorinox, Michael Kors, Guess, Puma, JBL, GoPro, Ray Ban, Calvin Klein, among others.

The offering will be complemented with the opening of a 897 m² duty-free walk-through store in the International arrivals hall during the first quarter of 2021.





📍 Regional News

Hudson to Use Amazon's Just Walk Out Technology

In January, Hudson made an announcement that furthered the company's digital transformation strategy and bolstered its competitive offerings in the industry, especially in the COVID-19 environment. Working with Amazon, a global e-commerce leader, Hudson will leverage Amazon's Just Walk Out technology to open up new, contactless stores.



The new store concept, known as Hudson Nonstop, allows travelers to seamlessly enter the store by swiping or taping their credit card, taking the products they're looking for, and then walking out. After they leave the store, travelers are charged for the items they took with them, and can receive a receipt via email for their purchase, if they choose to do so. The use of Amazon's Just Walk Out technology eliminates the checkout-line friction while also allowing the traveler to shop at the speed and convenience that best fits their travel schedules.

While Hudson team members will still be present in the store, the team members' roles will switch from being transaction-focused to sales-focused to prioritize helping the traveler and making product recommendations. Additionally, the stores will require team members to restock items, clean and sanitize high-traffic areas, and provide customer service, including assisting shoppers who may be unfamiliar with the Just Walk Out technology.

The first Hudson Nonstop store opened at Dallas Love Field Airport in February 2021. The freestanding Dallas store is designed with a single point of entry and exit to create a walk-through shopping experience that also manages crowd control and promotes social distancing.



Once in the Hudson Nonstop store, travelers can find the products that Hudson is known for, including Grab & Go food, beverage, and snacks as well as a selection of electronics, personal protective equipment (PPE), and health and beauty products. The store also features a section of Texas-themed merchandise, reflecting the local city.

While Dallas is the first location for a Hudson Nonstop store powered by Amazon's Just Walk Out technology, Hudson has plans to introduce the concept to other airports in North America later in 2021.

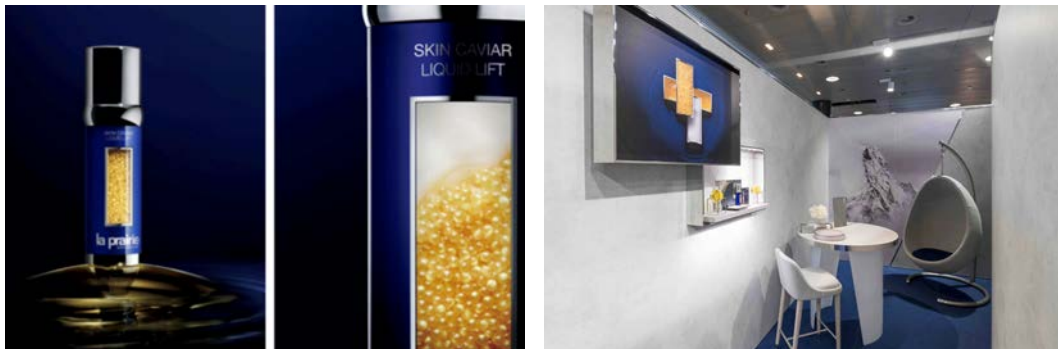
La Prairie at its Best at Zurich Airport

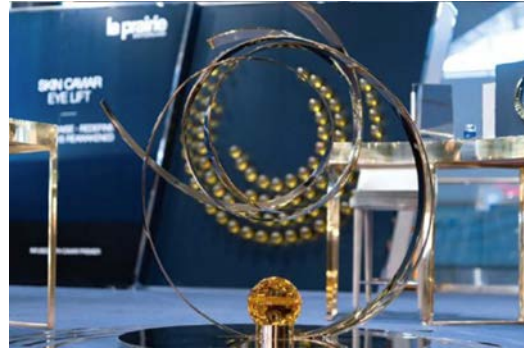
Airports remain as a premium spot for top global brands for brand visibility, and testament to this is La Prairie's latest spectacular activation in Zurich airport. The Swiss luxury skincare house partnered with Dufry to unveil a full-scale immersive installation at Zurich Airport during December 2020 and the first few days of the new year.



The 'Emergence of Life' pop-up served to celebrate on of La Prairie's most iconic and successful treatments, La Prairie's Skin Caviar Liquid Lift. In its over 120 m², the pop-up store was an invitation for travelers to discover the history and science behind La Prairie Skin Caviar Liquid Lift. Moreover, the pop up included a private consultation area, rounding visitors can experience.

Famous French artist, Cyril Lancelin, created a magical set up to celebrate La Prairie's launch of the product. The space featured one of the most recognizable pieces of this international artist, sculptures made of metal spheres, which also evoked the spherical silhouette of La Prairie's caviar beads.





📍 Regional News

Alexandre Tabacoff, Appointed MEADFA Board Member

In January, the Middle East & Africa Duty-Free Association (MEADFA) announced the appointment of Dufry's Cluster General Manager Middle East/India, Alexandre Tabacoff, as new member of his Board.

Alexandre replaces Felix Brunner on this role and joins [Isabel Zarza](#) at MEADFA's Board, where Dufry is the only travel retailer with two chairs. Alexandre brings MEADFA over 20 years of Travel Retail experience in Europe, the Caribbean and Hong Kong – where he's been working for Dufry for the last five years, leading the Cruise business and Dufry's North Asia business as General Manager since 2019.



📍 Regional News

Dufry Lands in Odesa International Airport

It was October 2020 when Dufry broke new ground with the opening of its duty-paid concept, Dufry Shopping, in Odesa Int. Airport, first time ever in Ukraine. Located in the hall for domestic flights, the store features a curated selection of national and international brands, with products from all main categories including perfume and cosmetics, wine and spirits, confectionery and travel essentials.

The opening of Odesa Dufry Shopping was followed in February with the opening of a 400 m² duty-free store located on the third floor of the terminal in the departure area of international flights.

The official opening of Duty Free store in February was attended by Vladimir Semenchenko, Director of Odesa International Airport; Vyacheslav Cheglatonev, Commercial Director of Odesa International Airport, as well as Dufry colleagues Andrei Avanesov, Finance Manager Eastern Europe, Andranik Martirosyan, Director of ADF Shops (Dufry Armenia) and hosted by Elena Naumkina, Director of Dufry Ukraine.



From left to right, Andrei Avanesov, Vyacheslav Cheglatonev, Vladimir Semenchenko, Naumkina Elena and Andranik Martirosyan.



Dufry Ukraine team is now ready to meet international departure passengers at Odesa airport.

Supporting Richmond Hospital

For the fifth consecutive year, World Duty Free Vancouver continued supporting Richmond Hospital and donated over \$8,000, which will go towards the new acute care tower.

World Duty Free Vancouver has committed to raising USD 100,000 towards the ACT (Acute Care Tower) NOW campaign within three years. Richmond Hospital urgently needs a new Acute Care Tower to replace the original hospital tower, which is more than 50 years old, seismically unstable and obsolete with a severely deficient infrastructure and unable to meet the needs of Richmond's dramatically growing and ageing population.



Left to right: Elanie Xu, vice president of Travel, trade and promotion at Dufry North America and Tracy Wong, regional VP of Operations at Dufry North America.

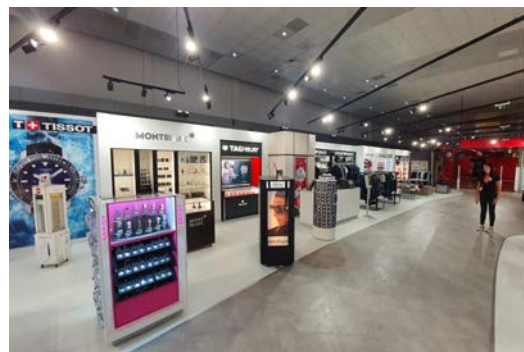
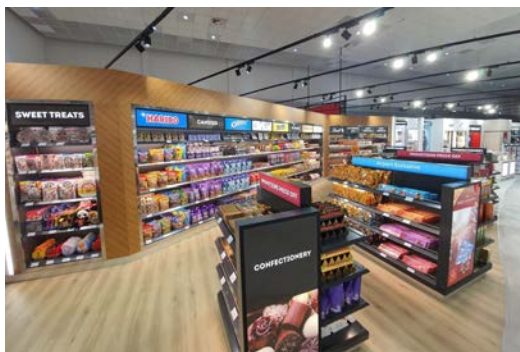
Dufry Opens its Newly Renovated Store at Belgrade Nikola Tesla Airport



At the end of January, Dufry opened the shutters of its renovated 875m² store at Belgrade's Nikola Tesla Airport. The opening comes as part of a wider €2 million upgrade carried out by the airport's concessionary – the French-based Vinci Airports – and, as the airport's main retailer Dufry has been working in close partnership with them to create a new, fresh and inviting departure space.

The store is located straight after passport control and has a snaking walk-through design that leads the passengers through Dufry's commercial offer, before exiting onto the "Tesla Square", which houses a chill-out zone, a new restaurant and a coffee shop, as well as a gaming zone.

The store is open 24 hours a day, seven days a week, all year round. It houses a multi-brand assortment, with an emphasis on local brands, while offering a large range of international brands across all traditional duty-free categories.





Amongst the local brands there is a wide and well-known selection of wines; Aleksandrović, Braća Rajković and Kovačević, brandies; Zaric, Stara Sokolova and Stara Rakija and white spirits. In terms of confectionery, the international chocolate selection is complimented with local luxury brands such as Art Ival and Eugen.

Strategically placed along the store-walk, passengers can find dedicated promotional areas and gondolas with airport exclusives by category. In the final stretch, there is an eye-catching personalised luxury area where customers can find corners dedicated to Emporio Armani, Lacoste, Mont Blanc, Tag Heuer and Furla, amongst others.



When passengers reach the tills at the exit, there is an enticing range of “last-minute” essentials including travel accessories such as flip-flops and neck cushions, handy confectionery items and beauty products at very competitive prices.

We have 27 Dufry colleagues based at this main store, out of a total of 97 across the whole operation in Serbia (including duty-free, duty-paid and food and beverage outlets) and it was a great team effort to open the store. Everyone rolled up their sleeves to contribute, even in the final hours, working on the merchandising display until 4 a.m. on opening day, ready for the 5 a.m. walk-around with the airport commercial team.

Congratulations to Simo and his whole team for a fantastic job!

Note: The airport is the largest and busiest in Serbia, and is a hub for Air Serbia, the country’s flag carrier and largest airline. It is notably also an operating base for Wizz Air, the low-cost carrier.

New Duty-Free and Duty-Paid Concession Contracts in Montego Bay, Jamaica



Dufry has been awarded new concession licenses at Sangster International Airport in Montego Bay, Jamaica. In addition to other developments to further expand and modernize the airport, the operator, MBJ Airports Limited (“MBJ”), is currently expanding and redeveloping the retail space. The new agreement allows Dufry to considerably expand its presence at the main airport in Jamaica, by increasing the retail space from 1,800 m² to 2,260m² in total, thus allowing it to offer an extended product assortment to the 4.6 million travelers who visit the airport each year.

The agreement consists of two elements, firstly, a new five-year duty-free contract effective as of August 2021, which features a newly designed walk-through shop, two last-minute duty-free shops in the departure areas and a duty-free arrival shop. The duty-free offering includes all the typical core categories such as perfume & cosmetics, spirits, food & confectionery and tobacco, complemented by watches & jewelry, accessories, electronics and luggage. The second part is the six-year duty-paid concession effective as of June 2021, which includes several of Dufry’s specialized shop concepts such as Tech-On-The-Go for electronics; Spirit of Jamaica for souvenirs and the typical Hudson convenience shop offering a vast assortment of travel essentials. These new shops are spread across the whole airport to best serve both domestic and international travelers.

Timebox Store at Zurich Airport



In this issue of Dufry World we wanted to turn our attention to Timebox, one of the most experiential retail concept stores in the fashion watch category, offering an exciting combination of products, visual merchandising, store design and in-store entertainment. Timebox offers a broad range of international designer brand fashion watches and jewelry, including DKNY, Fossil, Michael Kors and many more. With its fresh and appealing design, it has quickly become in a successful concept with increasing presence across all Dufry locations.

The Timebox store featured on this occasion is located at Zurich Airport, in Switzerland. Timebox at Zurich airport had a remarkable debut – in 2014 when it was recognized as “Best New Watch Store” in DFNI’s annual Global Awards. Ever since then, it has consolidated its reputation as a winning formula. When our customers walk into a Timebox store, they discover the best brands from this category, clearly presented in a welcoming and contemporary environment, with music, lights and screens making the entire shopping experience more fun and engaging. The ultimate destination for any watch lover!

Suggestions

Dear colleagues,

Feel free to send us your stories, **news and any other contributions to suggestions@dufry.com** so that we can continue to develop Dufry World as a magazine from employees for employees.

IMPRINT

Imprint Publisher: DUFREY AG, Brunngässlein 12, 4010 Basel, Switzerland

Editorial Team Headquarters: Julián Díaz, Yves Gerster, Javier González, Salvatore Aricò, Renzo Radice, Jorge Muñiz

Design and Process Coordination: Match Communications, Zurich

Production: Match Communications, Zurich

Online Version and Print: Neidhart + Schön Group AG, Zurich

Published Languages: English, French, Italian, Portuguese, Spanish

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