

DUFRY WORLD

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**CORPORATE
MAGAZINE**
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Reopening Trend and Business Acceleration Confirmed



Julián Díaz, CEO Dufry Group.

During the third quarter and along October and November we have seen the fundamental recovery trend continuing, even if in some countries fire-pockets of the pandemic persist. Our third quarter results have shown that we are well managing the ongoing reopening phase while successfully keeping our costs under control. Combined with the sales acceleration this resulted in an Equity Free Cash Flow of CHF 253.7 million in Q3, which is very close to the CHF 266.2 million of the record year 2019, and where our sales for the third quarter were almost twice as high – this is a remarkable achievement.

Reopening of shops ongoing with more and more colleagues returning to work

In line with the global easing of travel restrictions, we see the

trend for the ongoing recovery of travel patterns continuing, thus allowing us to reopen our shops accordingly. By the end of November, we had 81% of shops open at group level, representing a sales capacity of 87% with respect to 2019 levels. Looking at the single clusters, we can see the different levels of this positive evolution with Southern Europe already reaching 95% of shops open, followed by North America (87%), South America (83%), Central Europe and Middle East (77%) and even in Asia-Pacific we are at 56%, despite the still higher travel restrictions levels applied by these countries. Further stores were already opened or scheduled for opening in December so that by the end of the year we expect to have around 82% of shops open at Group level.

In parallel with the shop openings and the increasing number of customers we can serve, since the beginning of the year we have also been welcoming back several thousands of colleagues to resume their work at the shops floor, in our warehouses and within the office-based functions at Group and country levels. I am very pleased that after the difficult months behind us, we are moving in the right direction, to physically meet and increasingly normalize our working environment. These are for all of us important steps, which will further simplify daily collaboration, drive confidence and allow us the best serve our customers.

Implementing ESG initiatives in many areas

As you know, we have strongly committed to increase our ESG (environment, social and governance) engagement, which more and more shows that it is an important and inherent element of the company strategy and of how we do business. Many initiatives planned at the beginning of the year are now materializing with tangible realities, which we are successfully implementing at internal and external levels.

To mention just the most important ones, we have above all defined a proposal for the goals and actions on how we want to reduce our CO₂ emissions to make our contribution to protect the environment in line with the so-called Paris Agreement to limit global warming to 1.5 degrees Celsius. To further evolve Dufry as a great place to work we increased our Diversity & Inclusion engagement and recently launched the D&I survey to learn more about all of you and to identify how we can progress and make sure that all our employees are treated with respect and have the same opportunities to evolve without any type of discrimination. And equally important, we have both continued to expand our plastic bags substitution initiative as well as globally implemented our sustainable product identification initiative across 33 countries and 117 shops to help our customers to shop considerately and highlight for them products classified as particularly sustainable under different aspects. We will keep you informed on all these activities in more detail in the coming Dufry World editions.

Wishing you all a happy holiday season

While the overall situation remains uncertain, I am however fully convinced about one thing – we will all of us have a better and more enjoyable turn-of-the-year, than the last one. I therefore wish all of you and your families all the best for the coming year. Let us all enjoy some relaxed moments during the forthcoming seasonal holidays, clearing our minds and gaining a positive spirit to tackle the New Year with renewed confidence.

Kind regards,



Julián Díaz
Chief Executive Officer

Articulating Dufry's Diversity Proposition

By Jorge Muñiz

In this issue of Dufry World, we have replaced our traditional one-to-one interview for a more diverse format, becoming a four-to-one interview. Augusto Deymonnaz (Basel, Switzerland), Freda Cheung (Vancouver, Canada), Marie d'Hauteville (Hong-Kong) and Ranjith Kumar (Bangalore, India) are taking the stage on this occasion to share with us their views about Diversity & Inclusion (D&I) in Dufry.

The four of them are part of the core team appointed to support the Chief Diversity & Inclusion Officer Sarah Branquinho to give shape and articulate Dufry's plan for D&I. They bring to the table their experience, diverse backgrounds and different perspectives and views in this field, and hence enrich the team with their different points of view and experiences. Their work and contributions will be instrumental in helping Dufry achieve its ambition of building a truly diverse and inclusive company.

During the interviews, many interesting views and reflections arose and it's been difficult to choose which ones to feature. In the following questions, we are sharing with you the highlights from their views.

Share with us what diversity, equality, and inclusion mean to you and your function and why they are important...

According to Freda, Diversity is about ensuring different identities are represented in an organization; Equity is recognizing that not everyone starts from the same place, so some need more help than others. Inclusion is about ensuring that the thoughts and ideas of these different identities are all heard, valued and taken into consideration. A diverse and inclusive workplace is a place where everyone respects each other's differences and is given equal opportunities to contribute and grow.

We are a multinational company present in 64 countries – commented Marie – so for me, it's even more important that we have a diverse representation of cultures/genders/age/sexual orientation etc. across all levels of the organization. I am myself a foreigner in HK and have been given an opportunity to work with people of different cultures and backgrounds.

What is the most challenging aspect of working in a diverse environment?

They all agreed that working in different geographies and locations as we do, may exacerbate the communication gaps. When email or phone communications replace face-to-face contact, it's very easy to overlook other ways of thinking or approaching a situation. An additional challenge is the use of a foreign language to communicate with colleagues, as sharing ideas and views can be tougher. It's fair to say, that although they won't replace face-to-face interaction, video conferencing tools such as Teams are helping break that barrier.

Ranjith pointed out the significance of culture and education and how important (and sometimes difficult) it is to accept and embrace cultural differences, which dominate the working environment in many countries. The sense of hierarchy and the boss-to-employee relation-

ship change from one place to another, and even in the same place, from one cultural background to another. And understanding this kaleidoscope of cultures that geographically spread teams represent is both a challenge, but also an opportunity and a key for success.

Although the D&I topic has been on the agenda for many years, it is now in the spotlight more than ever, but has different levels of acceptance and understanding. How would you advocate for diversity, equality, and inclusion with colleagues who do not understand its importance?

For Marie, this is about creating a truly diverse and inclusive workplace where ideas are listened to and implemented. It's about ensuring that everyone experiences equal chances and opportunities regardless of their background and that they feel confident to express their views and ideas.

Augusto and Ranjith concur that it is important to increase the visibility of the success that comes when achieving a diverse workplace. An inclusive environment generates more engaged staff, which results in better circulation of ideas and, ultimately, more innovation and creativity.

Lastly, Freda points out the risk of decision makers being surrounded only by people who are like them. She adds that hearing and understanding those that have been negatively impacted by the lack of Diversity, Equality and Inclusion is important, as sometimes this unconscious bias generates unintended pain amongst those working with us.

You all have a team. Can you give me an example of how you make your direct reports feel a sense of inclusion, belonging, and equality on a daily basis?

All agree that sharing and discussing projects and activities with the group, to ensure all voices are heard and respected, always adds value to the outcome. Praising team achievements and encouraging team members to share ideas and initiatives during meetings is also an important part.

On the bi-weekly meetings with the teams, Freda has opted for including non-business related topics, which go beyond business trends and best practices, topics such as grief and fear, anxiety and depression, poverty awareness, black history, gender equality, celebration of faith, mental health, LGBTQ2+, disability awareness, Asian heritage, Hispanic heritage, Indigenous/Native American heritage, and human rights are discussed. This allows normalizing the conversations on topics that are often ignored or avoided.

Marie regularly steps out with the team for lunch or does some team-building activities – a great opportunity to listen and learn more about teammates in a relaxed environment. She is also keen on leading by example, showing that work-life balance can be achieved, working hard but raising her three young kids and always trying to stay positive, open-minded, respectful and curious.



Freda Cheung - General Manager Dufry Canada and USA

Born and raised in Hong Kong, moved to Canada as a teenager and has lived and worked there 30 years. Joined Aldeasa in 2006, which was subsequently merged with World Duty Free, and then acquired by Dufry in 2016.

"My life experience has shaped me

to be very cognizant of the importance of diversity, and to be the voice of those who are excluded. While I'm 100% Chinese, I've spent my entire adulthood in Canada which in herself is a mosaic of over 250 ethnic origins. This has allowed me the opportunity to be curious and attempt to understand many different cultures other than my own."

Ranjith Kumar - Divisional CFO - APAC, EE, MEMEI

Hails from India, born and brought up in Bangalore, joined Weitnauer Tuxedo (currently Dufry) in Sharjah as country Finance Manager in March 2000.

"I consider myself a Dufry veteran! Having worked in the company even before it was named Dufry, and having seen it grow to the leading travel retailer that is today, I have had the chance to set up and lead cross-country and cross-cultural teams and I take pride in having learned about the value this brings to our business. The story of Dufry is about growing and consolidating, not just business and finance, but also teams and individuals."





**Marie d'Hauteville -
Procurement Director for ADI
Operation (Alibaba-Dufry
Joint-venture)**

Born in Lyon, France, lived in Japan (5 years) and the UK (5 years). Worked in Paris for a few years and moved to China. Joined Dufry Group in June 2009 in Beijing, then moved to Shanghai in 2011 as Commercial Director and

finally moved to Hong Kong in 2016.

"I have a multi-cultural background (Japanese/Thai mum and French/Norwegian father) and I speak many languages (French, English, Japanese, Mandarin, German...) which helps me understand other cultures well and accept differences. I have lived in different countries and I am very curious and eager to learn new languages. I am a working mum of three."

Augusto Deymonnaz - Global Head of Trade Marketing

Born and grew up in Buenos Aires, Argentina. Degree in Advertising and post graduate education in Business in Argentina and a Masters in Marketing in Australia. Joined Dufry over 15 years ago in Argentina operations.

"I bring to the team my Latin American background and experience in both operations and in the headquarters working with different areas of the organization and nationalities. Having started as a Marketing assistant and being able to grow in the organization, I have visibility on different teams and groups and levels, as well as global brands teams. That gives me a very wide view of our organization and its people."



Alejandro Vivanco: Travel Retail Superstars Award Winner

Dufry is proud to have the best Shop Floor – Customer Facing sales professional of the Americas. Alejandro Vivanco Cordella, Store Sales Executive Watch & Accessories at Dufry – Ezeiza International Airport, Buenos Aires, won this special award, organized by The Moodie Davitt Report – probably the most prestigious publication of the travel retail industry – which recognizes those people who everyone loves to work alongside and encounter in the workplace.

The Travel Retail Superstars Awards place the spotlight on those frontline and behind the scenes heroes and heroines who have helped kept our industry going throughout the most profound and sustained crisis it has ever

faced. The organizers of the awards ask employers to submit a written entry for each individual or team, addressing the impact made by the person or department through their actions and how far they reached; how they measured success in terms of service or helped improve the business, and what made a particular staff member or team stand out.

Alejandro's outstanding work representing Victorinox in the main Dufry store at Argentina's Ezeiza International Airport led the brand to put him forward for this honor and his integrity, passion and ambition to go the extra mile have earned him this award. Bravo Alejandro!



New Specialized Stores in Athens International Airport

Hellenic Duty Free, the operator of Dufry's stores in Greece, has completed the opening of three specialized store concepts that come to complement the already comprehensive offering of our Athens International Airport operation.

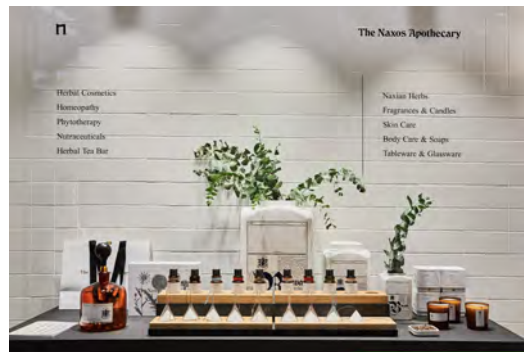
The Naxos Apothecary

The Naxos Apothecary is all about Naxos-island-heritage, precious Greek herbs and statement design – the brainchild of pharmacist Giorgos Korres and a tribute to his beloved homeland. Naxos becomes a point of reference as various elements of the enchanting product collection 'narrate' the culture and history of the Cycladic island,



while organic herbs growing in its soil are used to develop the tailor-made face creams.

A set of ten fragrances inspired and named after some of its most breathtaking villages and seashores takes center-stage, along with iconic bar soaps, shower gels and precious candles. But that's not all there is; if a decorative object – all designed by young, talented designers – catches your eye, you can purchase that as well; from a brown glass vase reminiscent of old-school pharmacies to an imaginative ceramic. All infused with the authenticity and poetry of a Greek island of the Aegean Sea.



Fournos Theifilos

An arc of Greek Food Culture & Tales. When the team first thought of setting up Fournos Theifilos, the last thing they had in mind was a physical store. Their idea of Fournos felt more like an "Arc", a space where to collect, value, showcase and offer the most precious culinary treasures produced in Greece, of the best possible quality.

Unique honeys, the purest of the pure virgin olive oils, baklavas, walnut pies, Smyrna cookies kneaded by proud artisan fists, fine nuts, and all those other products that constitute the pieces forming the mosaic of the Greek culinary tradition. As a tribute to the great folk artist who lent his name to that vision, the store is decorated with his art, enhanced by visual elements from our collaboration with the Benaki Museum.



Mastiha Shop

The long and creative collaboration between Mediterra and Hellenic Duty Free Stores has given birth to a new “mastihashop”. Seventeen years after the establishment of the first mastihashop at Athens Airport, it was time to create the second mastihashop, this time in Extra Schengen at the departures level.

The design of this new store follows the line, the style, the philosophy as well as the uniqueness of the brand, highlighting the products and the options available.

The numerous Greek and foreign friends of mastihashop now have the opportunity to acquire mastiha products of all categories. From natural mastiha, to cosmetics and sunscreens as well as traditional products such as Turkish delights, spoon sweets and cookies. The offer also includes food such as pasta, olive oil, sauces, and beverages such as coffee, tea, chocolate and liqueur and is further complemented by more exclusive products such as dietary supplements, toothpaste, mouthwash and soaps. Customers can enjoy these products when departing from area A or area B of the International Airport of Eleftherios Venizelos.





📍 Regional News

Next Generation of Brookstone Airport Stores



Hudson has shared its vision for the next generation of Brookstone airport stores, reflecting Hudson's commitment to reinvigorating the powerhouse brand after becoming its exclusive airport retailer in 2019.

With a sleek, ultra-modern store design and expanded product assortment, Brookstone celebrates a differentiated shopping experience for the traveler - driven by robust industry insights, built on brand accessibility, and positioned as an innovative, one-stop-shop. Elements of the new, reimagined Brookstone have been incorporated into the recent openings at

Nashville International Airport (BNA), Norman Y. Mineta San Jose International Airport (SJC), Seattle-Tacoma International Airport (SEA), and the Virgin Hotels Las Vegas, with plans to open new stores with the full redesign in the coming months.



Product assortment has been enriched by blending the electronics categories synonymous with Brookstone with newer product categories, including STEM (Science, Technology, Engineering, and Math) products like build-your-own robots or drones, and wellness products like air purifiers and aromatherapy oils.

The new store exterior is warm and inviting, blending soft ambient lighting with signature shades of Brookstone blue. Inside, the spacious open floor plan is divided into branded discovery zones comprising of Audio, Luggage, Massage, STEM, Tech Essentials, Travel Essentials, Tech Toys, Travel Comfort, and Wellness.

Informational screens, hands-on product demonstrations from knowledgeable and passionate Hudson team members, and other interactive touchpoints spread throughout the store offer first-time and repeat customer with the latest innovations, on-trend products, and seasonal items for a complete shopping experience.

Dufry Reloaded



By Jorge Muñiz

As we get closer to the end of the year, it's time to stop and reflect on how much we have achieved over the last 12 months. Words like resilience, change or resistance are probably overused in these pandemic times, when most companies – especially in the travel sector – have gone through very difficult moments and yet survived, faced with an unrepresented event such as was the Covid outbreak and spread.

That's why, for me, the word Transformation better describes the Dufry we have known the last couple of years. Because unlike other businesses that seem to have hibernated since the outbreak of the pandemic in the first part of 2019, Dufry has accelerated its transformation of the company. And in this journey to a new Dufry, we all have taken part.

Business Transformation

Travel retail has traditionally been a safe harbor, especially for those players with global presence. As passenger volumes globally grew consistently year after year, the main challenge was to seize the opportunity and sell to a growing number of customers that were naturally going through our stores. A business with quite good outlook visibility. However, things

changed from one day to another; customer volumes were reduced to a fraction of their former size and the predictability of our business was replaced by high doses of uncertainty, leaving clear that the 2019 Dufry needed to adapt to this new reality.



This required adapting the business to a leaner and more flexible structure that would put us in a better position to take on the continuous changes that we have gone through. The organization of Dufry by regional clusters and the changes in the executive team, as well as the group consolidation with the reintegration of Hudson, served to simplify our business and to give Dufry the necessary agility to adapt to the new environment.

At the same time, we continued to strengthen our portfolio of operations with both the incorporation of new and exciting business opportunities – including non-airport operations such as Anecdote in Zurich or the participation at the Global Duty Free Plaza at Hainan's Mo-va Mall in China – and the incorporation and renewal of airport store concessions.

Sustainability

For many years, business performance has been king when valuing a company – and not just from a financial and investing perspective, but also when selecting Dufry as a business partner or a place to work. However, there is a growing shift to the valuation of the non-financial performance of a company as well, and in essence, to assess if the business is sustainable in the long-term.

Under the acronym ESG, which stands for Environmental, Social and Governance, companies are now explaining how a company is organized and performs under these three elements. And on this front, Dufry has also evolved over the last few years.



The presentation of our ESG strategy at the beginning of 2021 marked a milestone in the company timeline. For the first time, the company was disclosing its non-financial ambition, presenting a clear structure and responsibilities to ensure that the long-term goals are achieved.

In the following months, we saw how many of the initiatives of this long term plan flourished. The appointment of a Chief Diversity & Inclusion officer at GEC level, the decision to discontinue the production of plastic carrier bags, initiatives to support our customers in the selection of sustainable products and the first steps taken towards establishing a plan to reduce our CO₂ emissions, and hence doing our part to fight against global warming, are just some examples of concrete actions adopted by Dufry in recent times. These actions require sensible changes in the way we do business and are also contributing to the shape of a new company.

Digitalization

The digitalization of Dufry is not a new topic and has been on the agenda for a number of years. However, recently, we have seen how this is gaining speed – to the point that this now represents an additional sales channel to Dufry, just as the convenience or specialized shops are.

Some ongoing initiatives, like the New Generation Stores, Red By Dufry or services like Reserve & Collect, have continued with their expansion and are now available in more and more locations. More recent developments, such as our joint venture with Alibaba, are expected to streamline the digital transformation of our business even more, and to take initiatives such as those listed before to the next level.



Our digital strategy keeps delivering on the objectives set. Our aim is to engage with our customers, both in- and outside of our stores, and here, technology can play an important role. From the first adoption of new technologies – like Amazon’s Just Walk Out technology in the Hudson Nonstop stores –

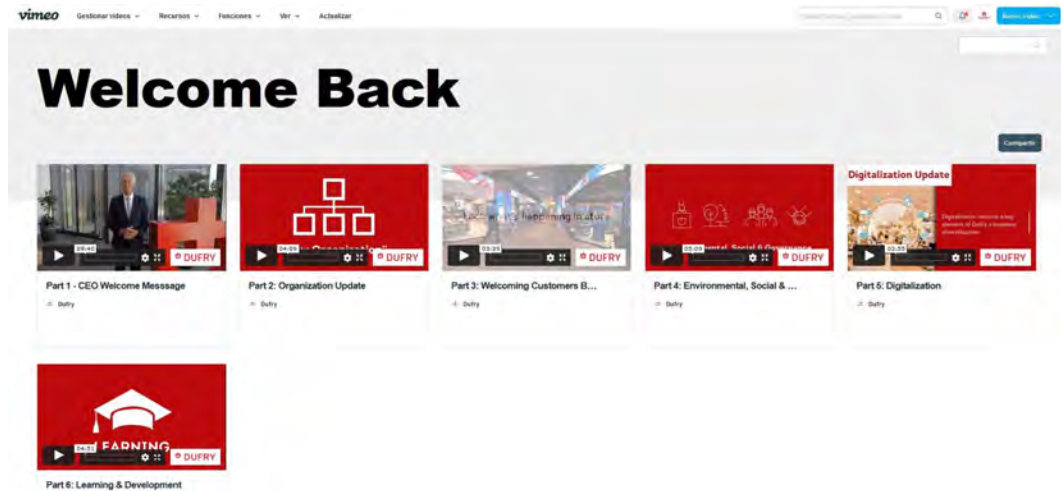
to data processing and analysis, or digital communication channels, digitization has come to stay and enrich our customer’s shopping experience with Dufry, while helping to generate additional business opportunities.

Delivering Superior Shopping Experience

Yes, it is true that the company has changed a lot and very fast in the last couple of years. And these changes have built a more solid company ready to cope with the challenges ahead. What has not changed – and will persist – is Dufry’s leit motiv (or guiding principle) which is to deliver a superior shopping experience to our customers. And we all play a part in achieving this objective.

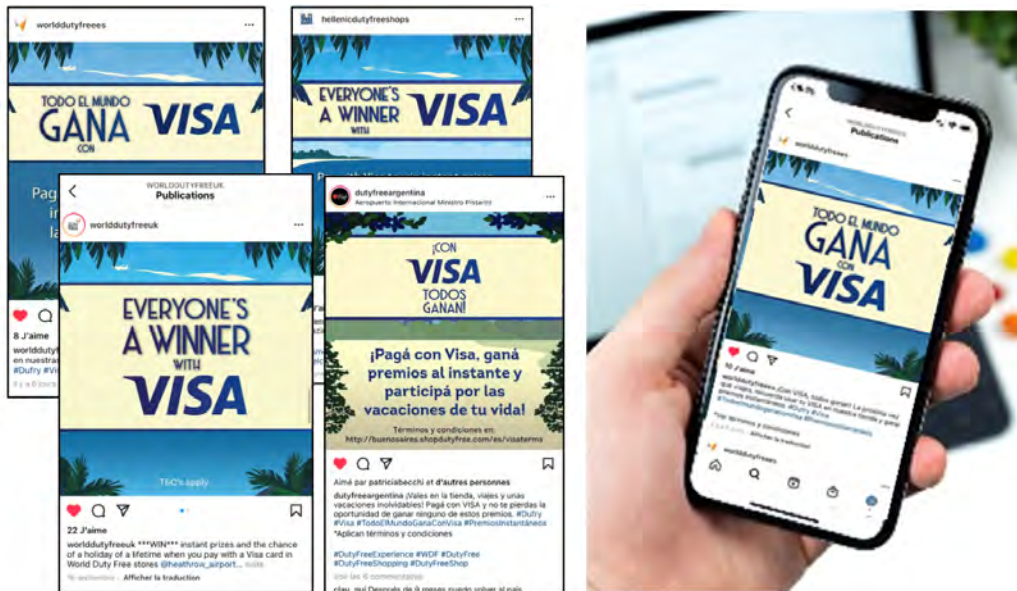
Videos

As we welcome back both customers and colleagues to our stores, it’s important to catch up on the latest updates and understand how much the company has evolved. In the following [link](#) you will find six videos that that will take you through the major milestones achieved in the last few months; a summary of the changes that have led to the new Dufry that we have briefly described in this article.



Welcome Back on Vimeo

Visa Campaigns: Everyone's a Winner



Win a holiday worth 15,000 Swiss Francs just for paying for your purchases with Visa. That was the main prize that Dufry customers could opt in for during the July 15th to October 31st period as part of a campaign with credit card company Visa, aimed at reaching millions of passengers throughout the summer period.

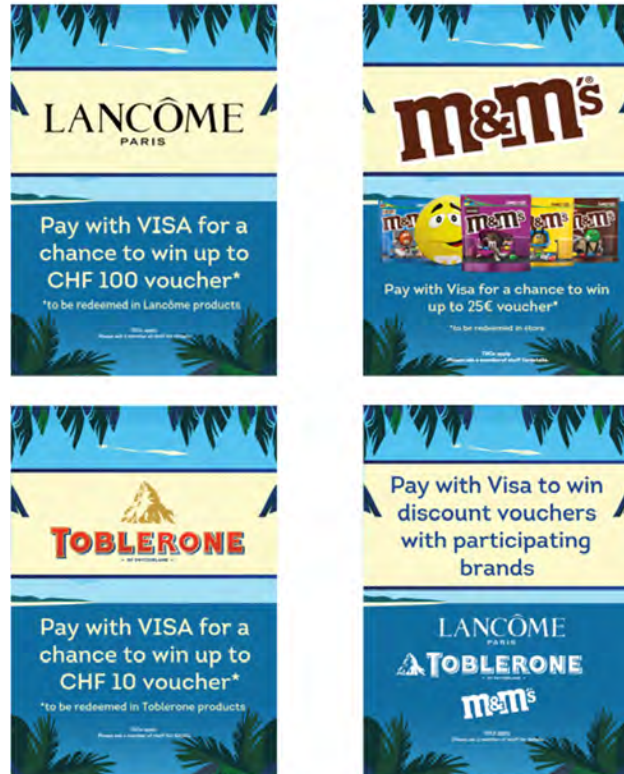
Created as a Welcome Back campaign to add an additional level of excitement to the returning passengers, this special promotion was run in 122 stores across 10 Dufry locations - Argentina, Greece, Jamaica, Mexico, Portugal, Spain (Mainland & Canary Islands), Switzerland, Turkey and the UK. Under the title of Everyone's a Winner, the campaign aimed at creating fun & improving the Visa brand affinity by offering cardholders exclusive benefits and unique experiences.



By making a purchase with their Visa card, customers had the chance to participate in a game to win instant prizes, the main one being a “Holiday of a lifetime” – in the shape of a 15,000 Swiss Franc voucher to spend on a holiday with Expedia (one per location, with the exception of Portugal and Turkey). Upon completing their payment with a Visa card, customers were given a QR code to scan, to gain access to a digital version of the traditional “scratch & win game” and try their luck. Prizes included vouchers to spend in store, vouchers to spend on participating brands – Lancôme, Toblerone and M&M’s – and Red By Dufry prizes, including bonus points (from 100 extra points to up to 1,000 points) as well as status upgrades (to Gold and Platinum statuses) for a limited time.

Results of the campaign have been extremely good. Not only for Visa, through the visibility gained and the increase in the number of transactions – but also for Dufry, with increased sales figures and, more importantly, with strong voucher redemption (over 73,000 vouchers were issued and 45% of them were redeemed). This latter element was an important one too as it triggered an additional, non-planned sale, and hence, increased spend per passenger. On average, customers redeeming vouchers spent almost four times the value of the discount given.

The campaign was supported by powerful in-store communication and through our digital channels, including social media and communication with our customers using Red By Dufry.



Before the Curtain Rises



By Karen Sharpes

Big events, such as sports events, conferences, exhibitions or festivals – which usually mean increased volumes of traffic in airports – are always an opportunity for making additional sales. That’s why these types of events are always highlighted by our teams, who then pull out all the stops to make sure the store, the stock and our staff members are ready to welcome the unusual number of customers when the date arrives.

The 26th United Nations Climate Change Conference of the Parties (COP26), which was hosted in Glasgow, Scotland, between 31st October and 12th November – was one of those events. However, this one was particularly special – mainly because of the high level of media and public interest in the event, as well as the high profile attendees. As such, COP26 represented both a great showcase opportunity and a challenge for our colleagues running the store operations.



Over 100 world leaders, alongside thousands of negotiators, government representatives, businesses and citizens, travelled to Glasgow for the twelve days of talks; and many used Heathrow airport, Edinburgh airport and of course Glasgow airport to do so.

With the heightened focus on climate issues at this time and many delegates passing through our stores in these locations in particular, we made sure everyone was fully prepared for any customer questions that might come our way.

Store teams were therefore briefed well in advance and reminded of the various initiatives Dufry already has in place, as part of our efforts to make our business more sustainable. These included the following:

Green Points of Sale

Our Marketing team produced point of sale signage in the form of stickers, shelf risers and strut cards which highlighted key sustainable attributes of various products that we sell, including confectionery, beauty and selected liquor items. There were icons for each of six key categories and these were displayed alongside relevant products, to help our customers make informed choices about the products they were buying.

The 6 categories are:

Sustainable & Recyclable Material

These products are made from materials obtained from sustainable means or are recyclable.



Vegan

These products contain no animal ingredients or animal by-products.



Palm Oil Free

Palm oil is a widely used ingredient in many products including food, beverages and personal care products.



Plastic Free

Committed to help reduce the amount of single-use plastics



Supporting Local Communities

These products & their manufacturers give back & support communities that need it the most by paying fair wages and supporting small local suppliers.



Carrier Bags and STEBs

An important topic to brief our staff on was the company policy when it comes to the reduction of plastic consumption, with a special focus on plastic bags, as there could well be questions from customers and delegates on this subject.

For some time now, we've been asking customers if they need a carrier bag rather than assuming they want one. Dufry has taken this a step further and since October 2020, the company has started the process of gradually replacing our plastic carrier bags with more environmentally friendly ones made of compostable and recyclable materials.

Plastic Security Tamper Evident Bags (STEBs) are an exception at the moment as these are required for certain airport purchases such as liquor or tobacco. However, Dufry is actively exploring recyclable or degradable alternatives which will still meet the specific aviation and airport requirements for STEBs.

Leading by example

Our business is committed, wherever possible to **Reduce – Reuse – Recycle**. Our local store teams are therefore responsible for ensuring that we **Reduce** the amount of paper we use for printing, **Reuse** whatever we can and **Recycle** all relevant materials and packaging wherever we operate.

Raising awareness on the UN SDGs

Dufry's link with the United Nations started many years ago. However, the collaboration has been especially relevant since 2016, when both entities collaborated on several awareness campaigns linked to the UN's Sustainable Development Goals.



The COP26 event was a great opportunity to yet again remind the world that we have specific objectives to achieve – structured under these 17 Sustainable Development Goals (SDGs) – and that these objectives are not achievable without individual contributions.

To this extent, communication around these 17 SDGs was prominently displayed in our Glasgow store through pop up banners and screens, highlighting Dufry's support of the UN Global Initiatives and that as a business, we're committed to adopting sustainable practices wherever we can.



Charitable Initiatives

COP26 was very much focused on climate issues and how these can be addressed on a global level. Climate issues are just one important part of our global Environmental, Social and Governance (ESG) strategy and whilst an isolated action might not mean much, as part of the broader approach that is defined by our ESG strategy, it has a higher value. For this reason, it was important to remind our staff of the several charitable initiatives Dufry supports as part of our corporate responsibility:

- Since 2016 World Duty Free has been one of the main commercial sponsors of **The One Foundation**, selling the charity's bottled **"One Water"** and branded jute bags in all its UK stores. To date, funds generated via sales of these items have helped to fund installation

of and improvements to water and sanitation systems in many low income regions across Africa.

- Our very own **Captain Dufry** was prominently on display in both Glasgow and Edinburgh stores and 100% of the profit raised from the sale of these cute soft toys goes towards educational charities, including SOS Children's Villages.

 World Class

On the Road Again



Dufry's stand at ACI Latin America and Caribbean / World Annual General Assembly in Cancun, Mexico

Slowly but surely, the industry is returning to where it was at the beginning of 2020. And the live celebration of the Tax Free World Association (TFWA) World Exhibition & Conference in Cannes at the end of October is an encouraging milestone for the comeback of our industry.

Albeit with the expected sanitary measures, including proof of vaccination or negative PCR tests to gain entry, the use of facemasks and restricted capacity, the Dufry team was part of the



3,408 visitors who visited the 272 exhibitors across 263 stands;- about half the number seen in 2019. An event characterized by a very positive atmosphere and a general belief that momentum has restarted and we are getting back to where we left off.



Cannes however has not been the only major event that is returning to live celebrations. Dufry also played an important role in the celebration of the Middle East & Africa Duty Free Association (MEADFA) Conference in Dubai in November, where Dufry was one of the main sponsors. Dufry's Chief Operating Officer for Central and Northern Europe, Russia and Africa, Isabel Zarza, had the chance to share with audience Dufry's vision of the industry in this part of the world and how the

company is facing the recovery of the business. Isaias Díaz, Managing Director Africa, also participated, with a presentation during the "Spotlight on Africa" session.

Finally, towards the end of November, the ACI Latin America and Caribbean / World Annual General Assembly, Conference & Exhibition (WAGA 2021) took place in Cancun, Mexico with almost 350 visitors. René Riedi spoke on a non-aeronautical panel as part of the pre-conference program, and Dufry installed an eye-catching booth at the two-day conference event and used the opportunity to network and gain visibility in the region. The local team managed to sign up nearly 300 Red By Dufry members in the process – a huge congratulations to the colleagues involved; particularly to Álvaro Zabala, and the Area General Manager for Cancún Margarita Cervantes, along with Rodrigo Saldivar, Angelica Rubio and Javier Cortés from her team, for their outstanding efforts and the excellent result.

These events all received positive feedback from those who attended; industry colleagues and businesses embraced these advancements following the pandemic, and look forward to an active 2022 events calendar.



📍 Regional News

Contract Extension in Cambodia



Dufry has successfully extended for five and a half years its duty-free concession at Cambodia's three international airports in Phnom Penh, Siem Reap and Sihanoukville, which in 2019 welcomed 11.6 million international travelers.

The extended concession contract started in October 2021 and covers departure and arrival duty-free shops at the Phnom Penh and Siem Reap hubs, as well as the departure shop at Sihanoukville airport with a total sales area of 2,680 m², which Dufry has operated since 2003.



As part of the agreement, Dufry will refurbish the duty-free shops at Phnom Penh and Siem Reap, following the redesign of the Sihanoukville outlet in 2019.

Through the refurbishment of the shops, Dufry will provide travelers with a new and attractive shopping experience, thus further increasing productivity of these important Cambodian hubs, which enjoy increasing attention from international passengers.

The airports are operated by the Vinci Airports subsidiary Cambodia Airports and the company has put a strong focus on sense of place in its offer. In line with this, Dufry will feature an assortment of Cambodian products and souvenirs, alongside the traditional duty-free offer.

Regional News

Chanel N°5 Spaceship Lifts Off at Heathrow



The celebration of Chanel's 100th anniversary continues and Chanel has partnered with Dufry and Heathrow Airport to unveil the spectacular Chanel N°5 Spaceship pop-up store serving to welcome the festive season in the Departures Lounge of Heathrow Airport Terminal 5.

The Chanel N°5 spaceship experience begins with a 'Find N°5' game, which invites travelers to explore the pop-up space and find all the hidden N°5 stickers. Customers receive a special Chanel boarding card to write down their guesses. Afterwards, they can choose from a trunk of golden envelopes to win various prizes from Chanel.

The activation features an array of beauty tech innovation and an augmented reality-powered digital screen that virtually applies a Chanel makeup look. It is also the first travel retail location to debut Chanel's integrated digital tool for beauty advisors.



Regional News

Hudson Reopens Flagship Store at Grand Central Terminal

In September, Hudson reopened its flagship Hudson News store in New York City's iconic Grand Central Terminal in partnership with the Metropolitan Transportation Authority (MTA) and Metro-North Railroad.

A mainstay of Grand Central Terminal since 1990, Hudson News has served as a symbol of nostalgia and familiarity for all New Yorkers and those who visited daily. Today, the newly-reopened travel convenience store continues to pay homage to the heritage of the building, saved by Former U.S. First Lady Jacqueline Kennedy Onassis in 1978, while looking towards the future to meet the needs of the ever-evolving city as business travel and tourism return.

In the 2,500-square-foot store – around 232 m² – customers can find food & beverages, electronics, and health and beauty products, in addition to books, magazines, and newspapers. The offering is complemented with branded merchandise and other local offerings to ensure travelers can cherish memories from their time in the Big Apple.

From NYC and to NYC

New York has long played an important part in Hudson's operations. With a significant presence in the greater New York City area, including John F. Kennedy International Airport (JFK); LaGuardia Airport (LGA); Port Authority Bus Terminal; New York Penn Station; Jacob K. Javits Convention Center; the Empire State Building; and the United Nations, Hudson's re-entry into Grand Central Terminal continues to celebrate and strengthen Hudson's roots in the local community.



📍 Regional News

House of Creed Choses Dufry for its Western Europe TR Debut



With its launch in Dufry's London Heathrow Terminal 5 store in October, fragrance brand Creed made its debut into the Western Europe Travel Retail segment. Working in close partnership with House of Creed, a striking personalized wall bay was installed in the main World Duty Free store in Heathrow's Terminal 5. Alongside it, a standalone tester unit elegantly displays twenty-five of Creed's celebrated and sought after fragrances including Royal Water, Aventus and Millésime Imperial.

With its 300-year heritage, the House of Creed upholds traditional perfumer methods, to proudly create timeless niche perfumes of unrivalled "Millesime" quality from their family-run factory in Fontainebleau on the outskirts of Paris. Each Creed fragrance is still filtered, bottled and labelled by hand for a truly artisan perfume experience. This newcomer has been extremely well received by our customers, who are delighted to discover that this luxurious range from one of the world's leading niche perfume houses is now available in our World Duty Free store in Heathrow Terminal 5.



Hudson Cooks Up New Restaurant – Plum Market



As part of the company's strategy to grow its food & beverage business, Hudson celebrated the opening of its first-ever full-service restaurant and bar, Plum Market, in Dallas Fort Worth International Airport (DFW) in October.

The 2,400-square-foot – 223 m² – restaurant features over 80 seats and offers an open-concourse dining experience that includes a designated area for table service, a grab and go marketplace with self-checkout capabilities, and a full-service bar.

Plum Market has bold offerings to satisfy every foodie's palate, whether for breakfast, lunch, dinner, or simply an afternoon "pick me up." The brand's signature menu brings together time-honored and contemporary global dishes for both traditional sit-down and grab and go choices. With a promise towards thoughtful ingredient sourcing, each menu item is handcrafted using only farm fresh, all-natural, organic, and locally-grown ingredients.



To celebrate the local culture, the Plum Market restaurant in DFW has been designed with rustic, region-specific décor for an authentic Texas atmosphere and ambiance. The bar's alcoholic beverage menu is infused with an array of Texas-inspired cocktails and fan-favorites from Austin Eastciders, Lakewood Brewing Company, Fall Creek Vineyards, and other local

establishments. There are also a number of local products represented in the pre-packaged candy, snacks, and beverage options found in the restaurant's grab and go marketplace section.





Fresh New Look in Linate

At only 8 km from the city center, Milan Linate is an airport located virtually within the city of Milan, the Italian and international capital of fashion and design. And, now that the renovation works to restyle the airport and change the passenger flows are complete, so are the new Dufry stores at Linate.

Over 1,610 m², the Milan Linate Dufry store represents the essence of the city of Milan and its citizens. The moment you enter the long central passage of this walkthrough store, you can feel the vibes of the city. Inspired by fashion, art and design, as well as the rich architectural elements of the city, the Linate store offers customers more than 4,000 different products from all categories.

The store also features an elegant and attractive Montblanc corner shop, a bright jewelry and watches and luxury area and a stunning interactive space dedicated to sunglasses with interactive elements to bring the shopping experience to life. An integrated Hudson store located just before the exit of the walkthrough - which features a large bookshop - completes the offer of this elegant and chic space.