



8 JANUARY 2019
HANNAMARI KOIVULA
CORPORATE RESPONSIBILITY MANAGER

ALTIA

**Award-winning corporate responsibility
in a leading Nordic alcoholic beverage
brand company**

SEB NORDIC SEMINAR 2019, COPENHAGEN

Contents

- Altia in brief
- Corporate responsibility at Altia
- Key themes today:
 - Circular economy
 - Water
 - Sourcing
 - Packaging
- 2019 going forward

Leading Nordic alcoholic beverage brand company operating in the wines and spirits markets in the Nordic countries, Estonia and Latvia. We also have production in Cognac, France.

We are the leading Nordic alcoholic beverage brand house on the wine and spirits markets



- Head office
- Production
- Distillery
- Sales office
- Warehouse

Finland & Exports

Import, sale and marketing of wine and spirits, and other beverages in Finland and the Baltics, as well as exports and travel retail.

Scandinavia

Import, sale and marketing of wine and spirits, and other beverages in Sweden, Norway and Denmark.

Altia Industrial

Koskenkorva plant operations, starch, feed component and technical ethanol businesses, as well as contract manufacturing services at Rajamäki.

Supply chain operations, i.e. production operations in different countries, customer service and logistics.

Market positions in the Nordic Region

Spirits **#1** | Wines **#1**

Exports to approx. 30 countries



Let's drink better

Altia wants to support and co-create the development of a new, modern and responsible Nordic drinking culture

the drinks business
**GREEN
AWARDS
2018**

Altia awarded as the Green Company of the Year

"Altia was selected as the winner due to the bio and circular economy achieved at its Koskenkorva distillery in Finland."



Sustainability and high quality raw materials are key elements of our brands



viinimaa

Authenticity

Sustainability

Health consciousness

Premiumisation

Convenience

Digitalisation

- CONNOISSEURSHIP
- LOCALITY, PROVENANCE AND HERITAGE
- CRAFTSMANSHIP

- ETHICAL WELLBEING
- FAIRLY TRADED
- ENVIRONMENTAL RESPONSIBILITY
- TRANSPARENCY

- BALANCED LIFE
- CLEAN CULTURE MOVEMENT
- FRESHNESS AND SIMPLICITY
- NATURAL INGREDIENTS

- QUALITY ALL AROUND
- SCARCITY IS LUXURY
- PREMIUM EXPERIENCES

- ON-DEMAND
- EASY ACCESS
- CONVENIENT PACKAGING

Establishing an understanding on the views of our investors and owners

STAKEHOLDER SURVEY STARTED 6 MONTHS AFTER THE IPO IN MARCH 2018

Highlights from investor survey

- Megatrends like health and well-being seen as important business drivers for Altia
- Corporate responsibility and especially the Nordicness seen as an business opportunity in marketing and brand building
- Altia is expected to continue excellent performance on environmental issues
- Innovations in sustainable packaging development seen increasingly important
- Importance of transparency and good governance raised
- Altia's ESG reporting and communications considered at a good level

New material topics raised by investors

- Transparency and good governance
- Sustainable packaging

Most important CR aspects according to shareholders

- Product quality and safety
- **Circular economy**
- Occupational health and safety
- Climate change (energy and CO2 emissions)
- Transparency and good governance
- **Conserving groundwater**
- **Sustainable packaging**
- Responsible marketing
- Responsibly produced raw materials
- **Responsible supply chain**

Product quality and safety remains the most important corporate responsibility focus area

Our responsibility work is driven by key megatrends: health & wellbeing, circular economy and climate change

ALTIA CORPORATE RESPONSIBILITY CORNERSTONES AND MATERIALITY



DRIVEN BY THE MEGATRENDS HEALTH & WELLBEING, CIRCULAR ECONOMY AND CLIMATE CHANGE

Altia & customers

- Quality and safety of Altia's products
- Responsibly produced and traceable raw materials
- Balanced product portfolio aligned with responsible consumption trends

Altia & society

- Responsible marketing
- Responsibility in supply chain
- Transparency and good governance

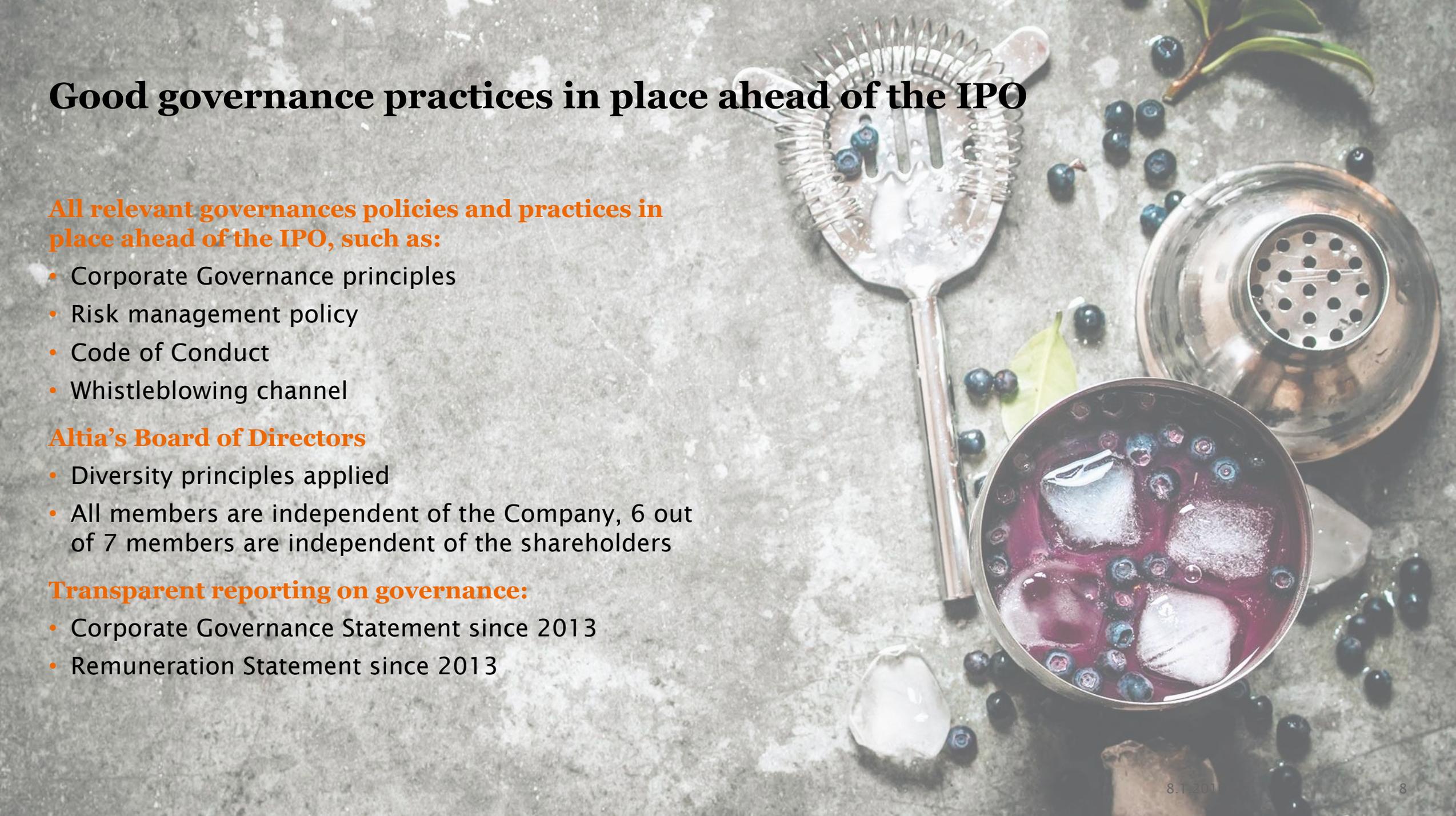
Altia & environment

- Energy consumption and CO2 emissions
- Sustainable and resilient agriculture
- Conserving groundwater
- Sustainable packaging

Altia & employees

- Wellbeing of employees
- Employee development & good leadership
- Occupational health & safety

Good governance practices in place ahead of the IPO

A still life photograph of a cocktail shaker, a strainer, and a glass of blueberry drink with ice on a concrete surface. The shaker is silver and has some blueberries on it. The strainer is also silver and has a mesh top. The glass is filled with a dark purple liquid, ice cubes, and blueberries. There are several blueberries scattered around the glass and shaker. The background is a textured, grey concrete surface.

All relevant governance policies and practices in place ahead of the IPO, such as:

- Corporate Governance principles
- Risk management policy
- Code of Conduct
- Whistleblowing channel

Altia's Board of Directors

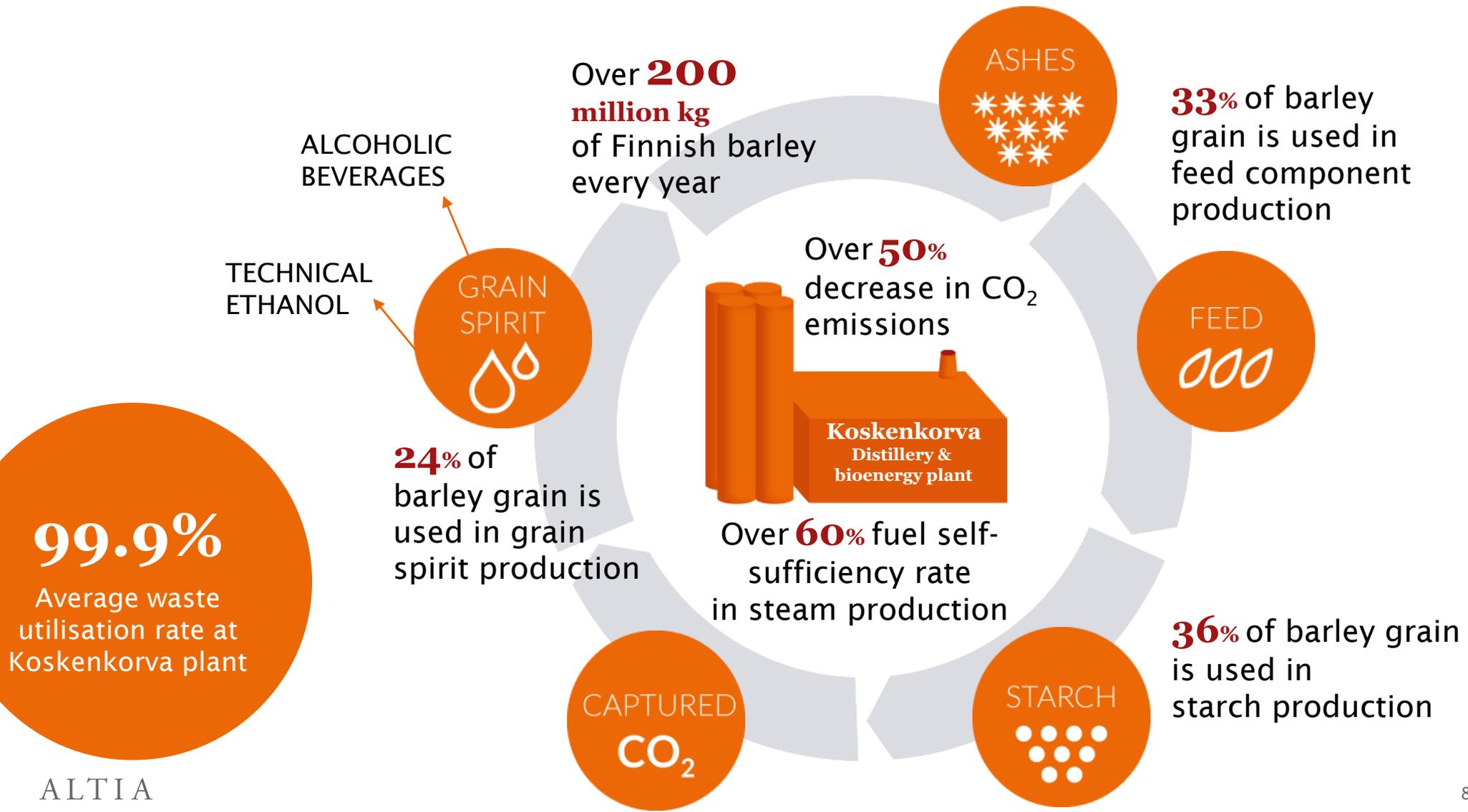
- Diversity principles applied
- All members are independent of the Company, 6 out of 7 members are independent of the shareholders

Transparent reporting on governance:

- Corporate Governance Statement since 2013
- Remuneration Statement since 2013

Our award-winning circular economy

WE USE 100% OF THE BARLEY GRAIN



Share of total barley harvest in Finland

14%

1500 farmers

From nature to bottle

THE PURE & UNPROCESSED GROUNDWATER IS A CORE INGREDIENT

- No chemical or mechanical processing is needed
- Same source of water for 130 years
- Water pumped from 7 metres below the ground straight to the plant

Protected water abstraction areas

- Altia protects the water abstraction areas by owning land, limiting construction in the area and establishing environmental protection areas

Altia owns
1,100
hectares of land
corresponding to
over **1,500**
football fields in the
Rajamäki area

Reduction in
water
consumption
compared to
2016

-41,6%

Traceability and responsibility in our supply chain

WITH OUR LET'S DRINK PURPOSE, WE ARE COMMITTED TO RESPONSIBLE SOURCING

- Amfori BSCI member since April 2017 (involved in the system since 2012)
- Enhance possibilities and capabilities to develop responsible sourcing in the long term
- Capacity building and annual audits
- A dedicated wine sourcing team operating around the world in all wine regions
- We conduct audits at raw material suppliers
- Ethical certifications Fair Trade, Fair for Life responding to increasing consumer demand

Annual bulk wine sourcing
17 million litres



18
full amfori BSCI audits
in Altia supply chain
in 2017

Forerunner in innovative, ecological and smart packaging

WE CONSIDER ENVIRONMENTAL ATTRIBUTES AND RECYCLABILITY OF THE MATERIAL USED

With our sustainable packaging development we aim to

- Reduce the packaging carbon footprint
- Shift from fossil fuel based to renewable material in PET bottles
- Make 100% of our packaging recyclable
- Reduce weight of Altia's glass bottles and increase quantity of recyclable material

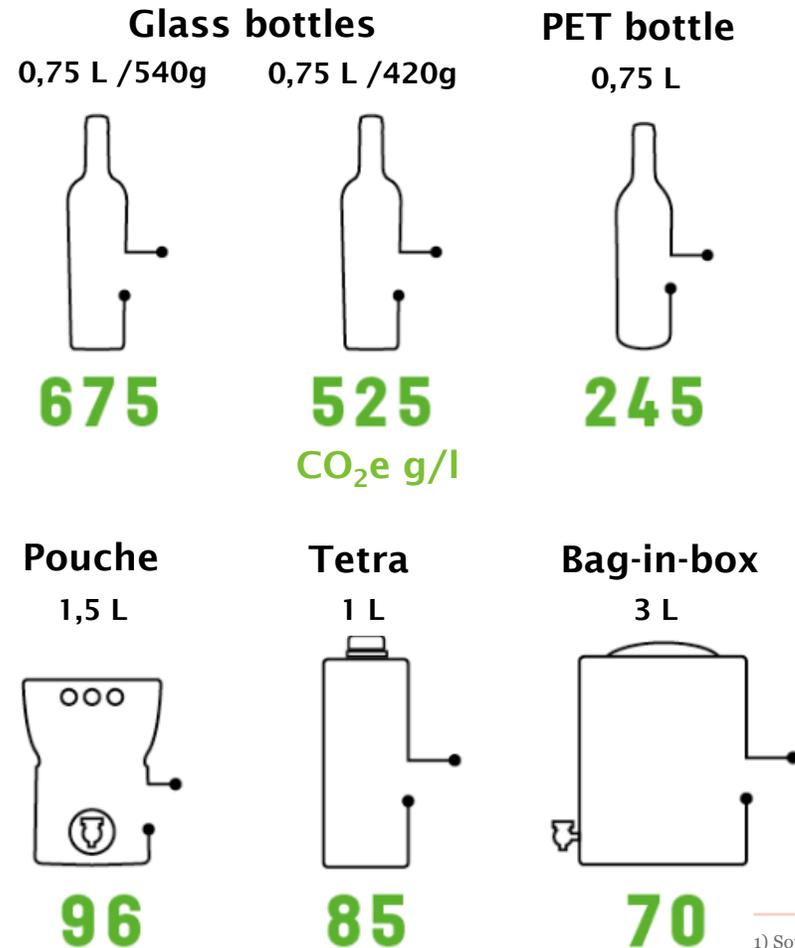
PET increasing its share of packaging:

- PET 39% (+25% since 2013)
- Glass 52%
- BIB 5%

High recycling rates in the Nordics:

Up to 90%
of PET bottles are recycled

Wine PET bottles and bag-in-boxes have lower CO₂ emissions than glass bottles⁽¹⁾



62%
Of the wine sold in Systembolaget is sold in BIB

Our wide and versatile CR work continues – with new added focus areas

Altia's strategy
Our purpose: Let's Drink Better

CR Cornerstones



Altia & Customers



Altia & Society



Altia & Environment



Altia & Employees

CR Programme 2018-2020

Let's Drink Better

Brand image and marketing

Consumer focus and understanding

Innovation and product development

Operational efficiency

Sustainability in value chain

Risk management

Personnel and management

CR Development focus 2019

- Altia sustainability strategy and long term targets
 - Occupational safety and employee wellbeing
- Increase supply chain transparency and traceability
 - Sustainability in packaging
 - Sustainability of key focus brands
- Carbon footprint calculations for focus brands
 - CDP Climate reporting

Code of Conduct, amfori BSCI Code of Conduct, Supplier Code of Conduct

Thank you

www.altiagroup.com

Corporate Responsibility: hannamari.koivula@altiacorporation.com

Investor Relations: tua.stenius-ornhjelm@altiacorporation.com

