



PHILIPSON SÖDERBERG

— *A part of Altia Corporation* —

VALUES



*Our values: curiosity, innovation
and knowledge are always present,
both at our office and on the field.*



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LOOKING BACK

Over 50 years ago, Nils-Bertil Philipson (1922 – 2016) - the founder of Munsänkarna (Sweden's leading organisation for wine tasting and wine education) – started a wine-agency named after himself. The company soon became agent for several, well known French wine houses.

Simultaneously, Sven Söderberg started a competitive company that, among other things, became Swedish representative of several big spirits brands.



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In 1989, managements of the two companies decided to merge, and Philipson Söderberg AB (P&S) was formed.

In July 2003 the majority shareholding of P&S was sold to the Nordic beverage company Scandinavian Beverage Group (SBG), and a year later Altia Corporation, Finland, acquired SBG.



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RIGHT HERE, RIGHT NOW

With a strong and well-diversified portfolio of brands, Philipson Söderberg is a leading player in the Swedish market place for alcoholic beverages. Since 2004 we are a subsidiary operating independently under Altia Corporation, the largest Nordic alcohol group with over 15 companies around the Nordic countries and the Baltics.

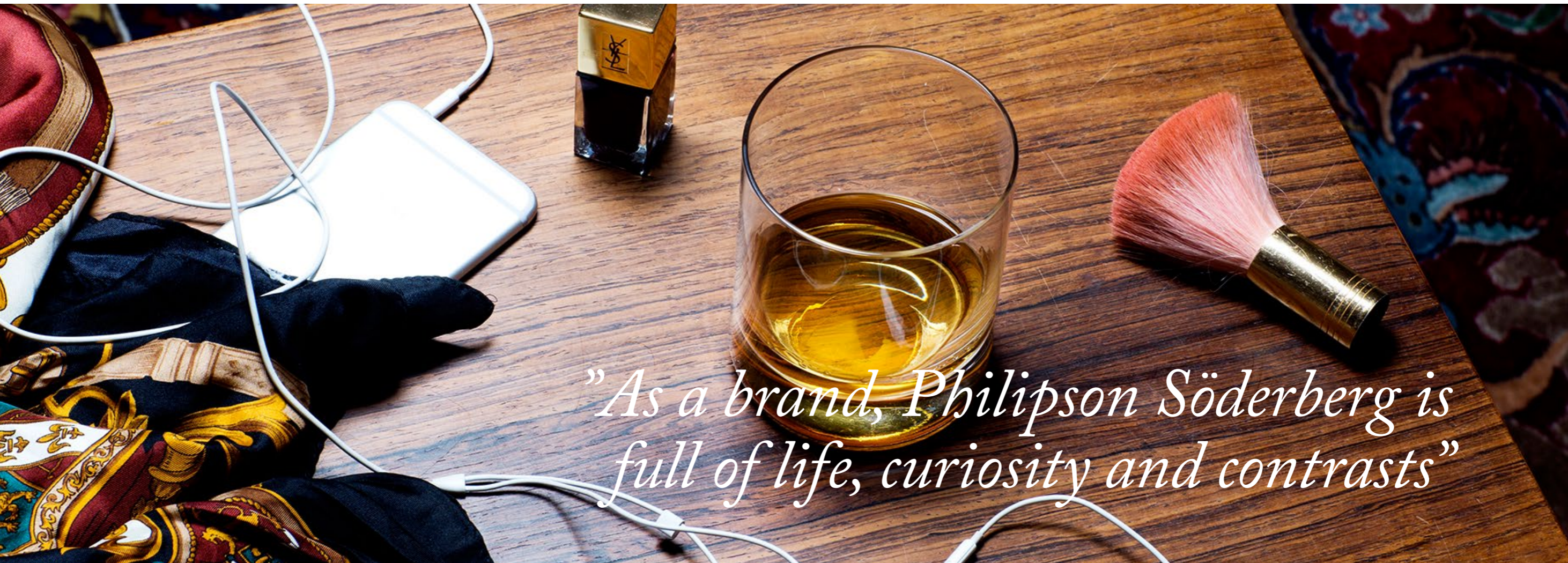


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Our mission is to assist our customers to a superior drinking experience and we aspire to be a source of both insight and inspiration. Everything we do at Philipson Söderberg is focused at accomplishing this mission. As a brand, Philipson Söderberg is full of life, curiosity and contrasts. These characteristics are always present, both at our office and on the field. We are a strategic, passionate distributor with a strong commercial focus, that offer our partners focus, continuity and in depth marketing know-how.

Philipson Söderbergs' new, lean, company structure ensures that all of our partners get a senior team to execute the brand activities in an effective way to best seize the opportunity and grow their business in Sweden.



“As a brand, Philipson Söderberg is full of life, curiosity and contrasts”

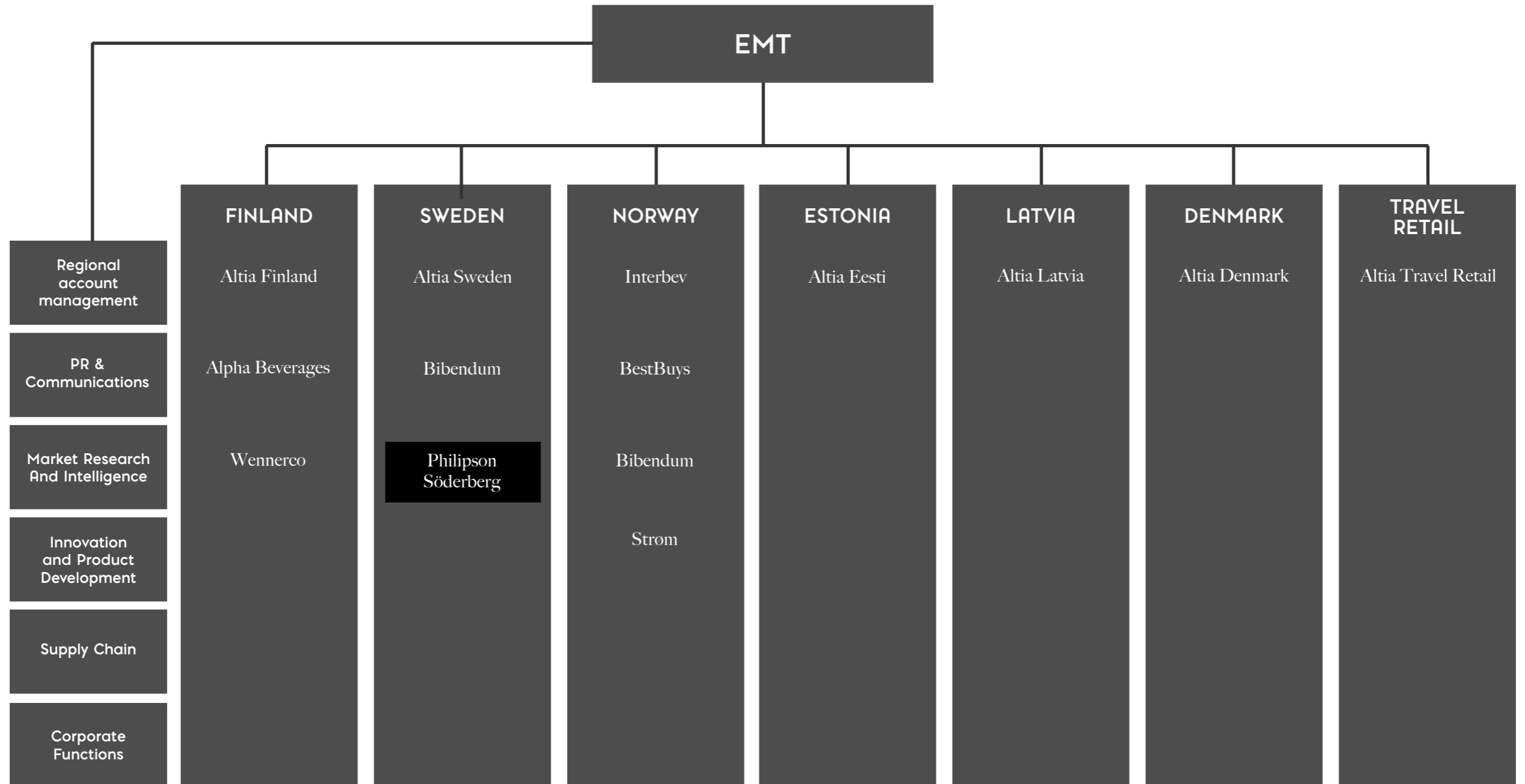


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ALTIA REGIONAL SETUP

OUR OPERATING MODEL IS BASED ON EFFECTIVE SHARING OF CORPORATE SYNERGIES COMBINED WITH SOLID EXECUTION ON LOCAL LEVEL



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TOP POSITIONS IN ALL MARKETS

Let's drink better

Altia is the leading wine and spirits company in the Nordics and Baltic region, with roots going back to 1888. We serve customers, consumers and partners close to their markets through our sales companies. Our partners and their brands benefit from our dedicated teams and passion for winning.

Altia aims to build the new Nordic drinking culture by turning things to the better, being responsible and doing good. By combining our heritage with Nordic innovation that makes moments better we can achieve our purpose: Let's drink better.

Top positions in all markets

Altia is the market leader in spirits and wines in Sweden and Finland. Runner up in the key Baltic markets of Estonia and Latvia. Number four in Denmark and Norway and top three in the very important Nordic and Baltic Travel Retail market.

Our ambition is to strengthen and grow our partners' business in the area, build brands together and to create added value for our partners.



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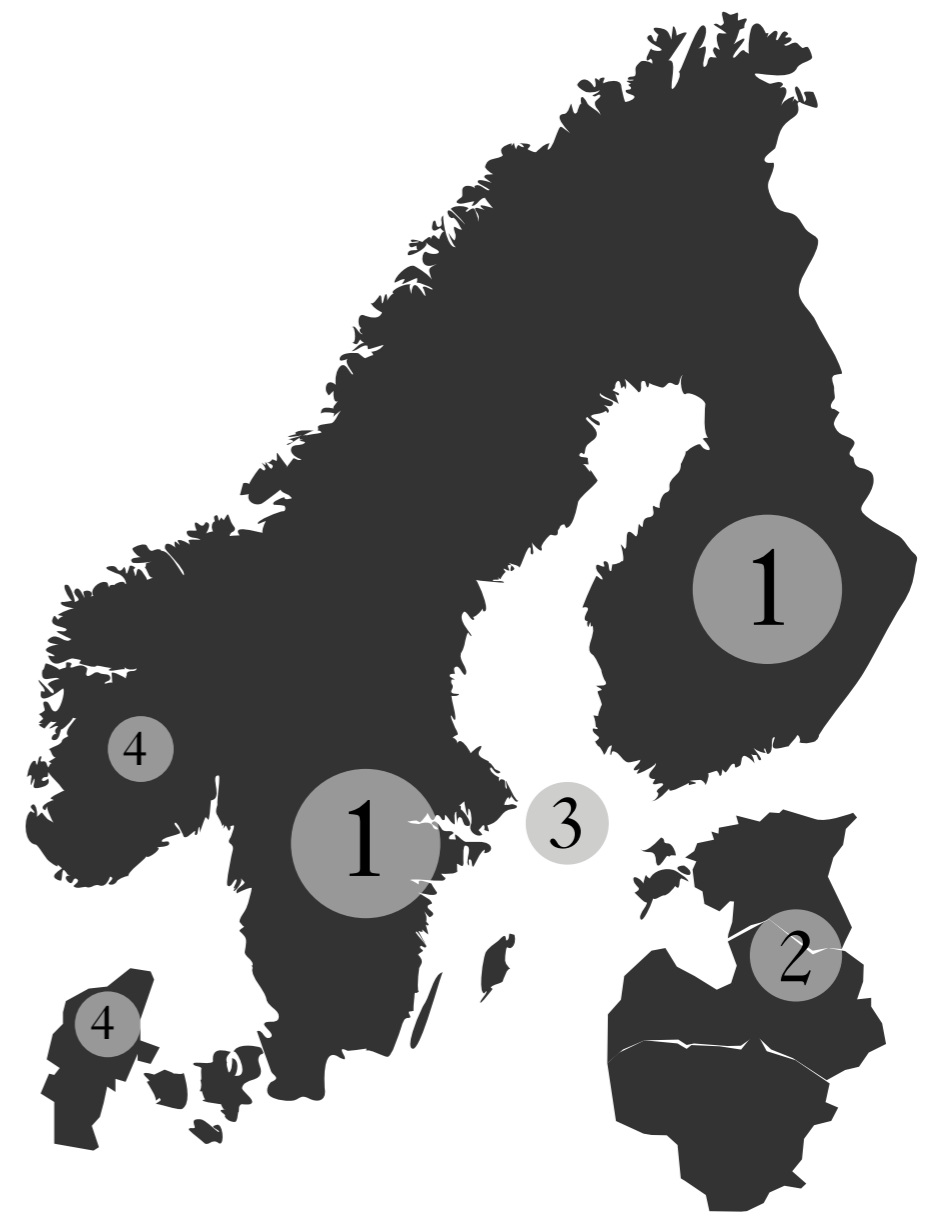
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TOP POSITIONS IN ALL MARKETS

ALTIA IS THE MARKET LEADER WITHIN THE NORDICS
AND BALTICS REGION

- Market leader in spirits and wine in Sweden and Finland
- Number two position in key Baltic markets of Estonia and Latvia
- Number number four in Denmark and Norway
- Top three in the very important Nordic and Baltic Travel

Retail market

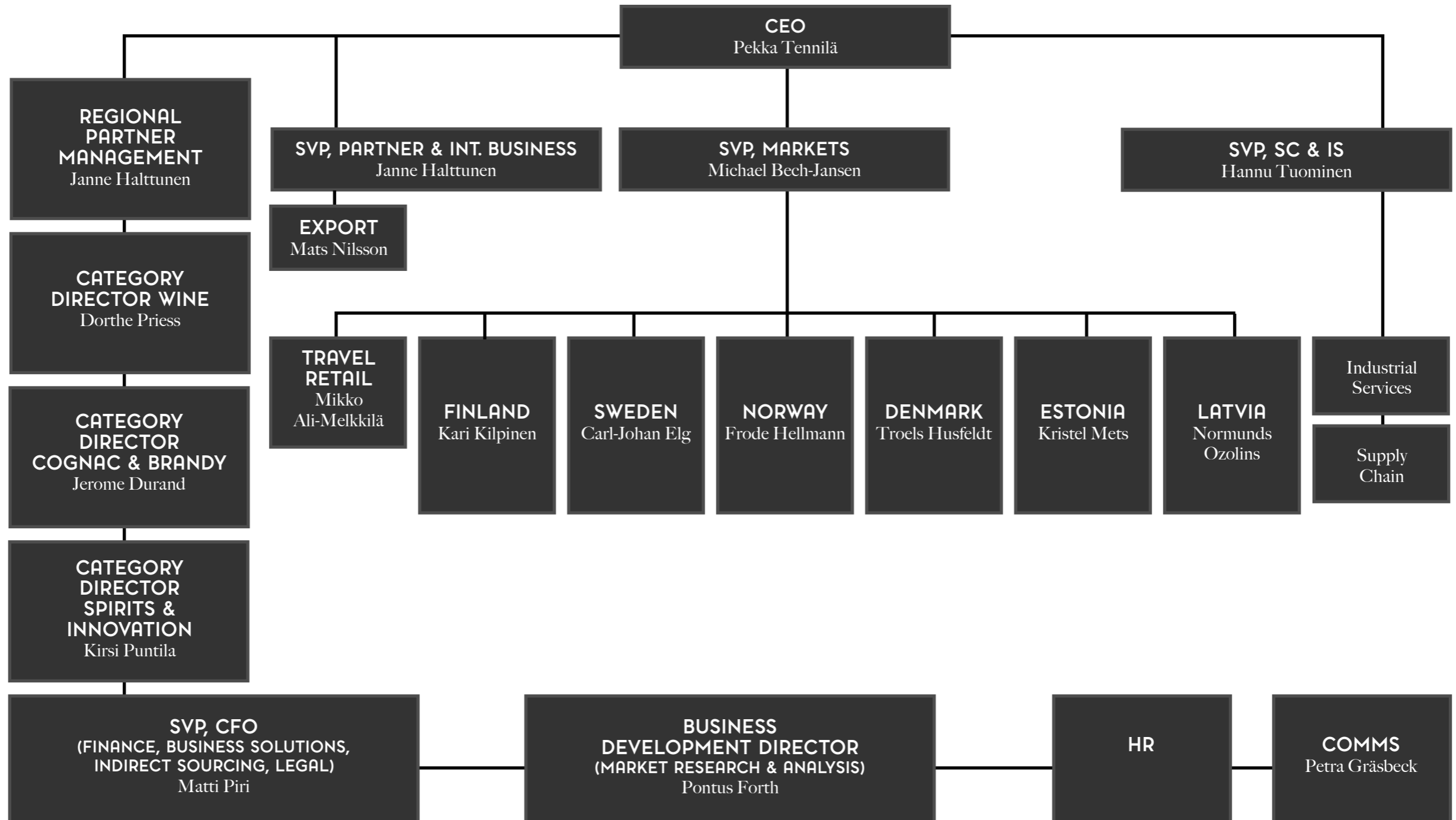


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ALTIA STRUCTURE

WE MAKE IT HAPPEN



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FULL SERVICE PARTNER - OF YOUR CHOICE

AS WE ARE A PART OF ALTIA, WE CAN PROVIDE YOU WITH SERVICE IN ALL PARTS OF THE VALUE CHAIN.

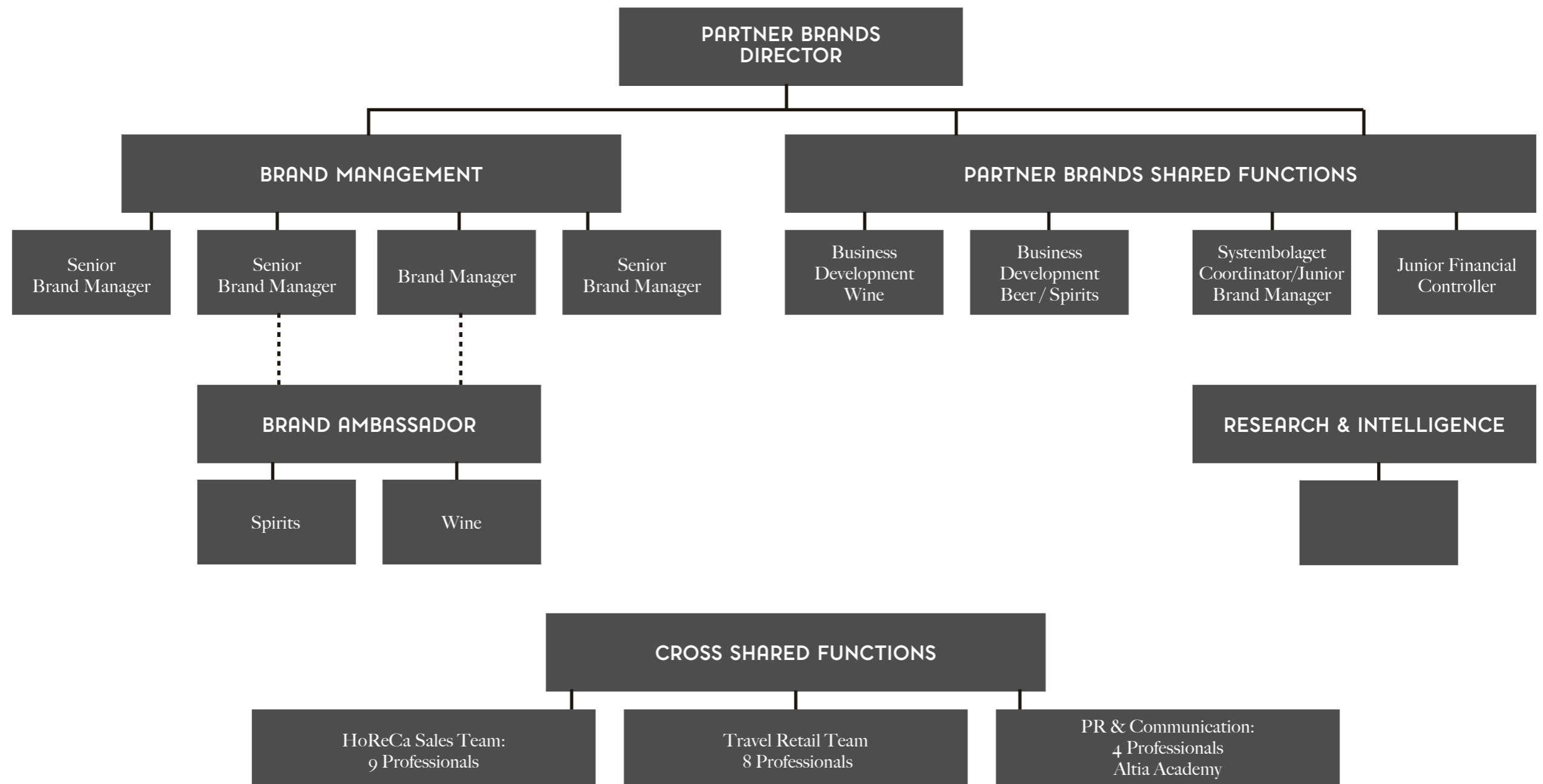
1. Partner
2. Bottling
3. Quality assurance
4. Distribution
5. Market research
6. Education / Altia Academy
7. Sales & Marketing
8. Consumer



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OUR TEAM - PHILIPSON SÖDERBERG



SUMMARY

- BUSINESS SETUP



LOOKING AHEAD

The legal company, P&S, will remain active with dedicated brand managers working for Philipson Söderberg's brands. This means that brand management resources will remain separate between Altia's own brands and Partner brands to ensure dedication and focus.

The market sales force on the other hand will be unified to ensure better service to our customers and to provide improved coverage across all channels. We will also increase the number of sales reps to increase focus on our wine portfolio.

Also communications teams, market insight resources and back-office functions will be unified to provide our customers and partners with full availability.

To improve in monopoly tendering we will invest in both competence and resources.



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MONOPOLY TENDER PROCESS EXCELLENCE

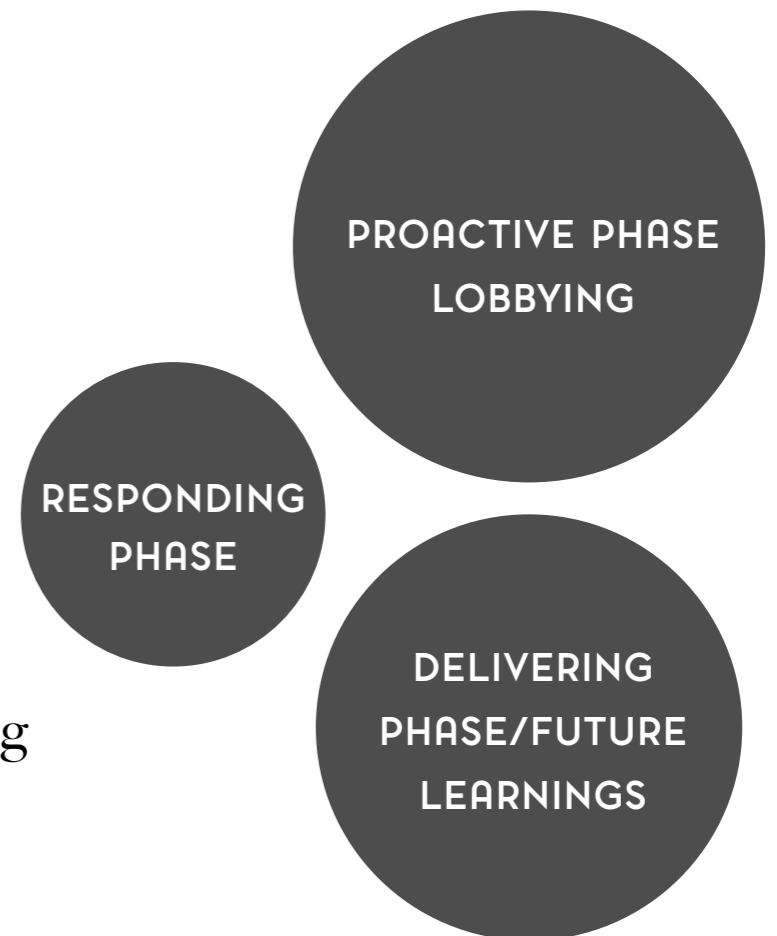
WE HAVE SKILLS TO OPTIMIZE TENDER WINS

TENDER PROCESS EXCELLENCE:

Skilled brand managers to identify and analyze opportunities

On-going lobbying for new tenders in cooperation with our Partners

Skills in blending, Aiming to maximize our chances to win a blind tasting



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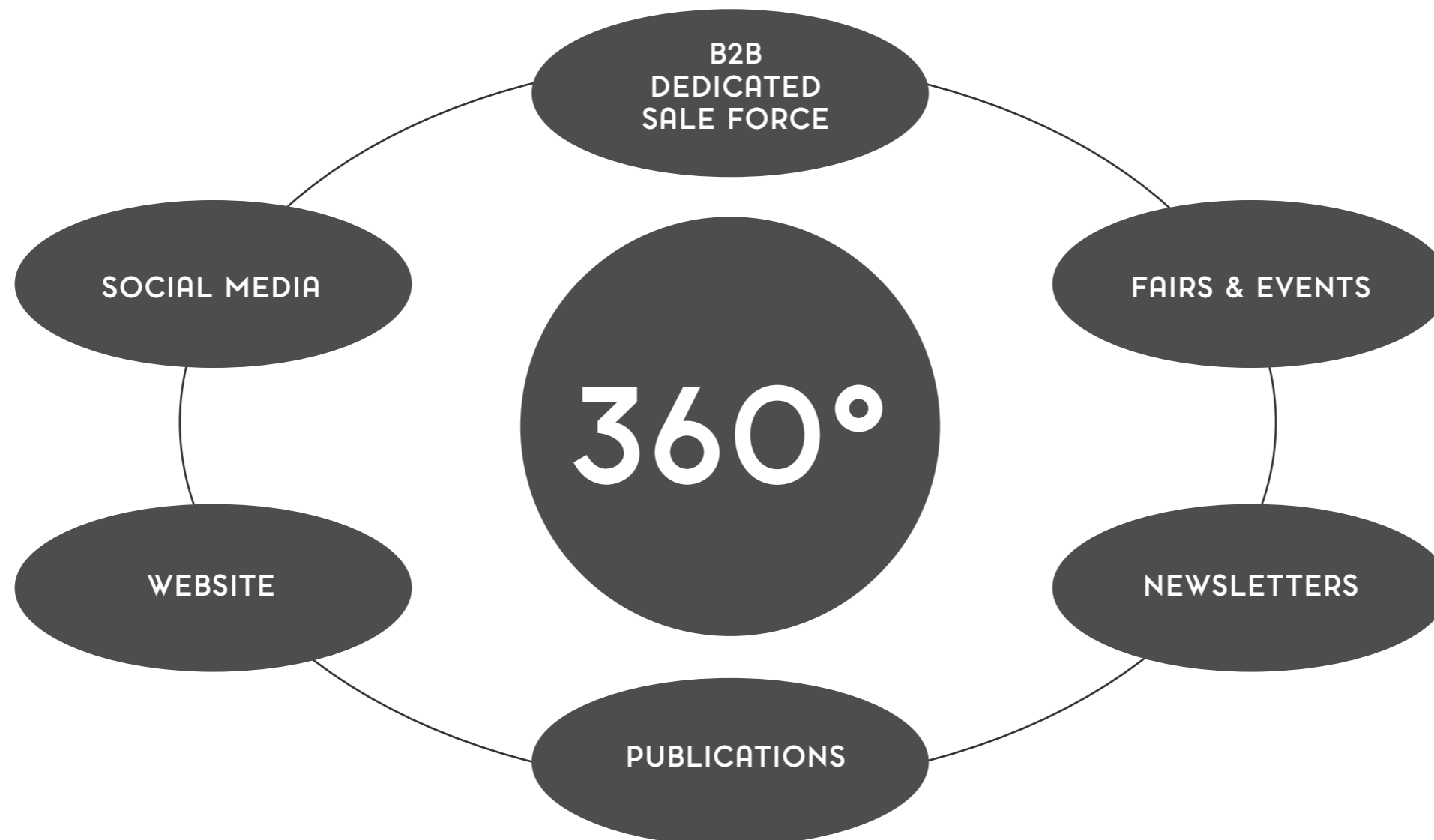
MARKETING KNOWLEDGE & FOCUS

- At P&S each brand has its own dedicated brand manager who develops a brand plan. In conjunction with the brand owner we will secure that all activation is performed in line with this plan. If needed corrective actions will be taken – always aligned with brand owner.
- We always search for optimization between sales driven marketing activities and long-term brand building.
- We conduct brand planning together with our partner and deliver monthly reporting in an effective and unified way.



STRONG PR & COMMUNICATION

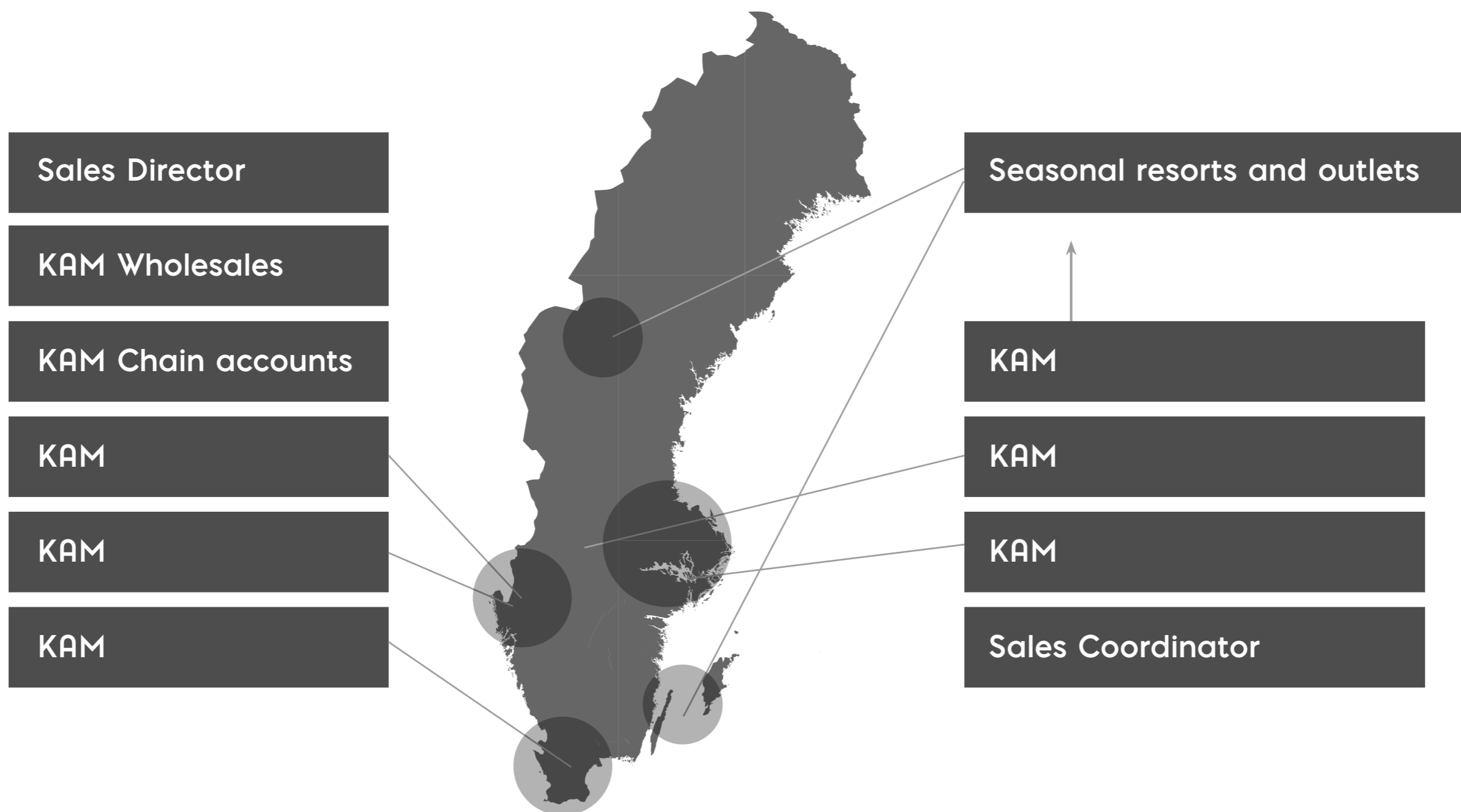
FOCUSED INTERNAL PR & COMMUNICATION TEAM



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ON-TRADE ORGANISATION



MULTI CONTACT SALES STRATEGY

FIELD SALES
9 EMPLOYEES

IN-HOUSE SALES
2 EMPLOYEES

WHOLESALE

BRAND
AMBASSADOR
7 EMPLOYEES

ALTIA
ACADEMY
1 EMPLOYEE



ON-TRADE BUSINESS

EST 2015: 1,1 M LITERS

SVENSKA
BRASSERIER

6 of Stockholm's
trendiest restaurants

SSP SWEDEN

Several airports and
stations all over SE

GRAND
HOTEL

Sweden's most
exclusive hotel

GRUPP F12

12 Restaurants in
Sthlm & Malmö

SCANDIC

Largest hotel chain
with 85 locations in
Sweden

EAST

Prestigious restaurant
at Stureplan

TURES

Stockolm based Chain of 6
restaurants

ESS HOTELL

Chain of exclusive hotels/
restaurants

O'LEARYS

Largest chain of
sportsbars in SE

AXFOOD
COOP
ICA

All major food retailers



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NORDIC/BALTIC TRAVEL RETAIL TAXATION DRIVES TRADE

CA 100 MILLION PEOPLE TRAVELLING YEARLY IN NORDIC BALTIC AREA

Norwegians buy from Sweden, as the alcohol tax on spirits is much lower than in Norway.

There are very popular cruises between Finland and Sweden, where both nationalities can purchase tax free spirits and wines.

Up to 15% of Finland's consumption is bought by passengers travelling to Estonia.

Norwegian's can purchase wines and spirits on arrival tax free. This sums up to 20% of Norway's total consumption.

Shops on the Border between Germany and Denmark are a popular destination for Danish and Swedes. It is estimated that as much as 35% of Denmark's consumption is bought from these shops.



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BULK BUSINESS

PHILIPSON SÖDERBERG IS PART OF ALTIA GROUP WHERE WE HAVE
"STATE OF THE ART" PRODUCTION FACILITIES

- Altia Group source wines from a number of different producers to suit their product range and brand family, before importing, bottling and packaging them for our various markets
- Our wine-related processes are designed to preserve the original properties of the products
- Altia has invested in high quality wine production in Rajamäki: we have clean and efficient facilities with modern, up to date equipment and technics
- All our products are the result of a combination of the winemaking expertise of both our suppliers and our own personnel
- Organic certification.
- State of the art PET facility
- KRAV Certified



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CSR - SOCIETY FOCUS

- We do not work with products or media channels which communicate towards a younger consumer group (i.e. under 25 years)
- We do not focus on low price/high alc. vol. products or producers with this as a business idea.
- We offer a wide assortment both on and off trade of organic and biodynamic products.
- Philipson Söderberg is certified by KRAV, which standards requires more than the EU-regulation for organic production.
- We annually contribute to organizations that work with children, women and families.
For instance: BRIS and Women's shelters.



CSR

- SUPPLIER FOCUS

- We actively work with suppliers that take responsibility in their code of conduct according to the Global Compacts Principles (CoC 1.0). This includes EU legislation, Human rights and the UN Child Convention.
- We believe that sustainable investments in people, processes and the environment will generate a better tomorrow and higher long-term return on investments.
- We are today in line with the Monopoly's Code of Conduct, which is included in the supplier contract after 2011-12-31.
- We continuously work with our producers to find new environmentally friendly packaging and shipment solutions.



The Savoy Cocktail Book

ELIXIR VÉGÉTAL
No. 1 Grande - Chartreuse
F. L. GARNIER

ELIXIR VÉGÉTAL
No. 1 Grande - Chartreuse
F. L. GARNIER

BITTER
ANGELICA
HELLFIRE



CORPORATE RESPONSIBILITY

ALTIA JOINED BUSINESS SOCIAL COMPLIANCE INITIATIVE (BSCI) IN 2014

- As a supplier to Alko and Systembolaget, Altia and all Altia's sales and marketing companies are committed to complying with the BSCI's ethical principles.
- Responsibility through the whole value chain
 - BSCI compliance enforced
 - Auditing of wineries in so-called "high-risk countries"
 - Reduction of environmental impacts
 - Effective logistics solutions
 - Recycling
 - Lightweight packaging
 - Preventing underage drinking
 - Strict age control in shops
 - Education about alcohol



Altia's approach to corporate responsibility

Responsibility and its continuous development are important values for Altia. Our stakeholders are more and more interested in that we work in a responsible and transparent manner. As a major player in the alcoholic beverage business we want to be worthy of these expectations. Above all responsibility is an opportunity for Altia - by acting responsibly we can develop our business long-term rather than pursuing short-term profits.

The Altia approach to corporate responsibility is through a business driven approach with cross functional working groups developing our corporate responsibility priorities and action plans, so that the initiatives are developed by the business for the business.

New BSCI Code of Conduct - what does it mean for Altia?

In line with the Nordic monopolies' purchasing conditions, all Altia companies have since 2012 been committed to the Business Social Compliance Initiative's ethical principles. This year the principles have been renewed, with some important changes that affect Altia and how we work with suppliers, partners and vendors.



More actions needed from Altia

The revised Code of Conduct and its “terms of implementation” explain in more detail the responsibilities for us as suppliers to the monopolies. For example, we are expected to:

- Have a regular dialogue with our business partners, to increase awareness about the Code and to exchange information about its implementation and any challenges in meeting its obligations.
- Identify, where in our products’ supply chains the risks are in terms of compliance with the Code – and act to mitigate the risks.
- Inform the monopolies if any of our business partners fail to comply with the Code.
- Require that our business partners follow the same principles, to ensure implementation of the Code in their supply chains.



Audits continue and extend

Thus far the audits have focused on risk countries and production facilities such as bottling sites. In the future, audits will be performed also in non-risk countries and on the farms producing the grapes or other ingredients. Re-audits will be done at sites that have already been audited.

What's at stake

The monopolies have the possibility to delist a product if some part of the supply chain is found non-compliant with the Code. However, this is a last-resort option. Instead, the aim is to work together – monopoly, us and the supplier/partner – to correct any non-compliance.

Learn more

During the autumn trainings will be organized internally as well as by Alko and Systembolaget, who will address the issue in supplier meetings. BSCI also organizes trainings in 3rd countries for producers.



VISION/GOAL

We want to be the preferred partner for our Suppliers & Customers and we want our brands to be loved by our Consumers.



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