



SUPPLIER EVENT

14TH APRIL 2016



PROGRAMME

Welcome!

9.30 Opening of the event

- Welcome and current topics
- Assortment strategy 2017-2020
- Briefing on Alko Online Store

11.15 Intermission

11.30 Workshops

12.30 Event ends



Current Topics

- January-March 2016 Sales
- Understanding the Supply Chain
- Feedback from Alko shops Bordeaux-theme in March
- Seasonal searches coming for Finland 100-theme
- Assortment satisfaction
- New assortment strategy
- Hearing about sale-to-order selection is now on. Please give feedback!
- Please remember to complete e-learning course on ethical principles!
- Best supplier –reports Q1-version will be published without product availability information because of problems in the calculation
- Alko Online Store's current topics

January-March Sales

	Litres			Net sales exc. taxes		
	Million litres	+-% pr.y.	Share, %	Million, €	+-% pr. y.	Share, %
Vodkas and unflavoured spirits	3,2	1,5	16,2	14,8	5,8	12,5
Other spirits	1,7	5,9	8,7	21,5	6,1	18,1
Fortified wine	0,6	-0,2	2,8	3,0	0,9	2,5
Red wines	5,7	9,0	29,1	34,2	11,4	28,8
White wines	4,3	4,9	21,8	22,5	7,0	19,0
Sparkling wines	0,8	9,2	4,3	8,6	11,7	7,3
Rosé wines	0,1	13,0	0,4	0,5	18,3	0,4
Other wines	0,2	-6,2	1,1	1,1	-5,2	0,9
Beers	1,8	2,9	9,4	7,5	10,6	6,3
Long drinks	1,0	-1,1	5,1	3,8	-2,4	3,2
Ciders	0,1	-5,3	0,6	0,6	-3,6	0,5
Alcohol-free	0,1	98,5	0,4	0,5	81,6	0,5
Total alcoholic beverages	19,8	5,1	100,0	118,6	7,8	100,0

Last year Easter was in April

Last 14 week sales vs. last year (both includes the Easter)

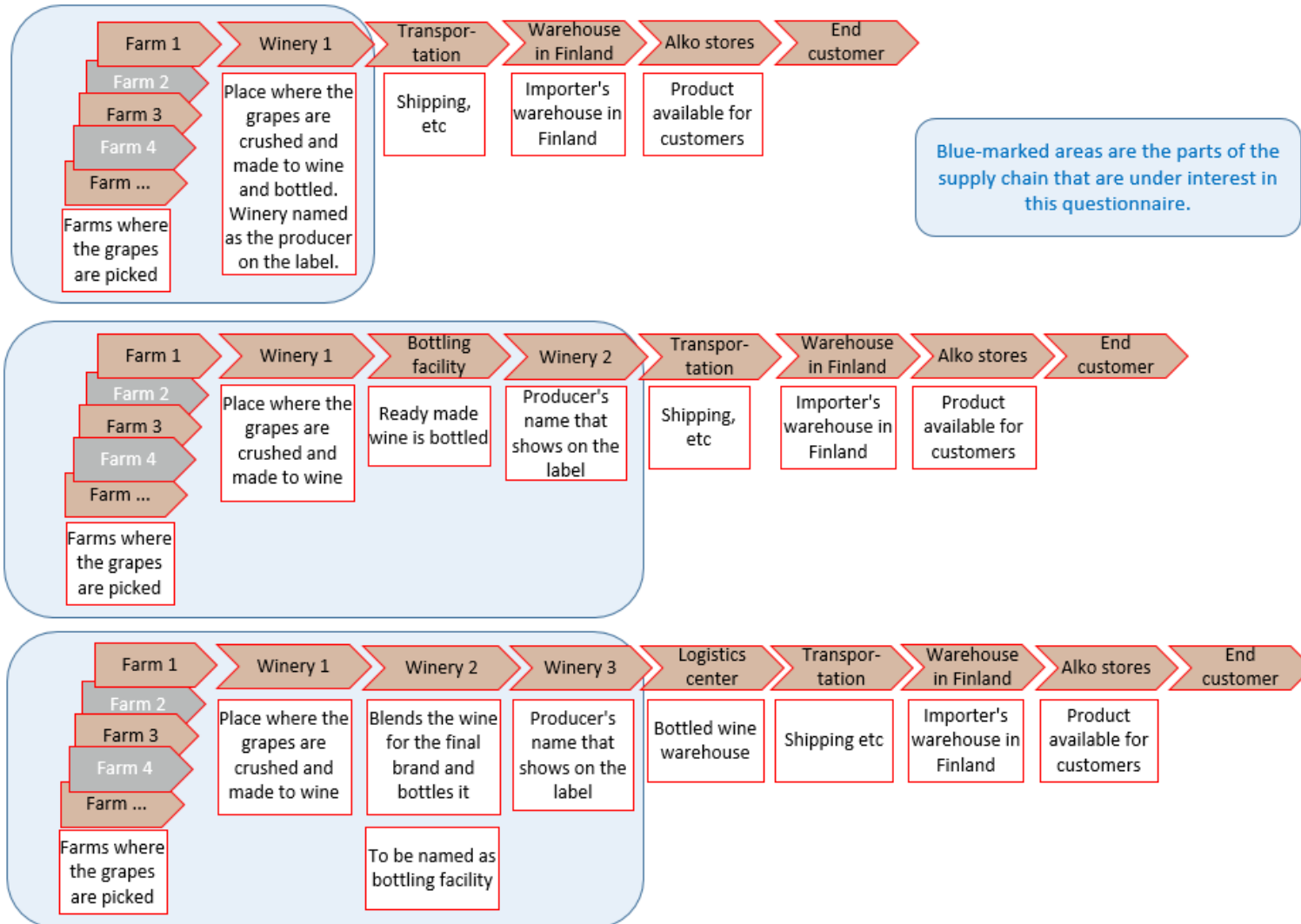
	Litres	Net sales
Brewery products	+1,7%	+5,9%
Wines	+2,9%	+5,2%
Strong beverages	+2,1%	+4,5%

Understanding the Supply Chain

- For the sake of the responsible purchasing it is really important to know where the product is actually coming from
 - This year's audits in the risk countries showed that there is a lack in our information
 - Coordination of audits among the Nordic monopolies almost impossible
 - Producer should get information about the coming audit immediately when the process starts. Then they would have approx. 6 months time to prepare
 - Actual producer and their farms may not have never heard about BSCI before
 - At this stage we will send a survey form to all of our suppliers of wines from South Africa and Argentina
 - The form includes present information about supply chain
 - Everyone should make investigation about their own products. Also about the products originating from other countries.

Understanding the Supply Chain

Examples of the possible supply chains:



• In focus

1. Farms where the grapes are produced
2. Wineries where the wine is produced (Winery 1)
3. All the other production facilities that participate in wine making

Feedback from Alko shops Bordeaux-theme in March



- Bordeaux started Alko's classic wine region campaign in March 2016
- The goal is to grow understanding to the classic regions and develop wine culture
 - Region characteristics, flavours and food
 - Alko shop personnel's education, customer communication and special displays
- We got great response from the customers as well as Alko shop personnel
- There were challenges in the product availability
- Coming in 2016:
 - Mosel & Rheingau –rieslings in May
 - Ribera del Duero in September
 - Toscana in the beginning of November-December



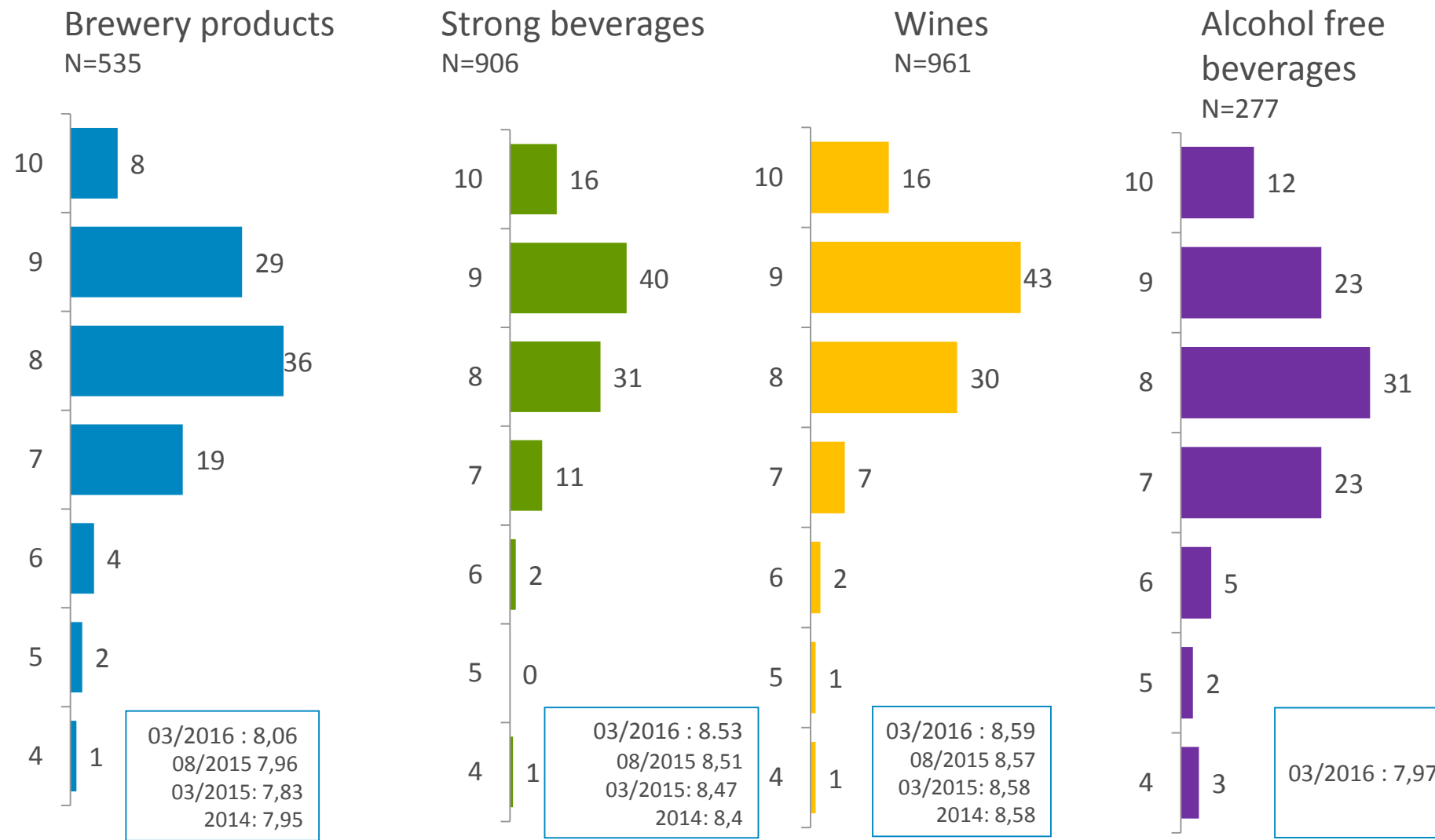
Finland 100 Years

- working together, our common Finland

” The centenary of Finland’s independence in 2017 will be the most significant commemorative year for this generation of Finns. It will provide opportunities to better understand the past, experience the jubilee together and set the course for Finland’s future success.”

- **Alko supports jubilee year with seasonal products**
 - Idea is to raise national-identity according to Finland 100 concept – to be proud of Finnish know-how
 - There may also be limited availability products searches during the period
- **Alko searches seasonal products where the jubilee year stand out clearly**
 - Official Finland 100 years products are advantageous
 - Season between preliminary dates 1st December 2016 – 31st December 2017
 - Release with the Purchase Plan 1/2017

Selection Satisfaction Level



ASSORTMENT STRATEGY



Alko's Strategic Objectives

THE BEST CUSTOMER EXPERIENCE

The best customer experience in every channel



THE BEST WORK

The best work with know-how and flexibility of work

RESPONSIBLE CONTRIBUTOR IN OUR SOCIETY

Operations that notify alcohol politic, social and environmental responsibility



EFFICIENT SPEALITY RETAILER

Efficient chain operation and processes that support customer service

Speciality Retailer Which Supports Strongly Culinary Art and Drinking Culture

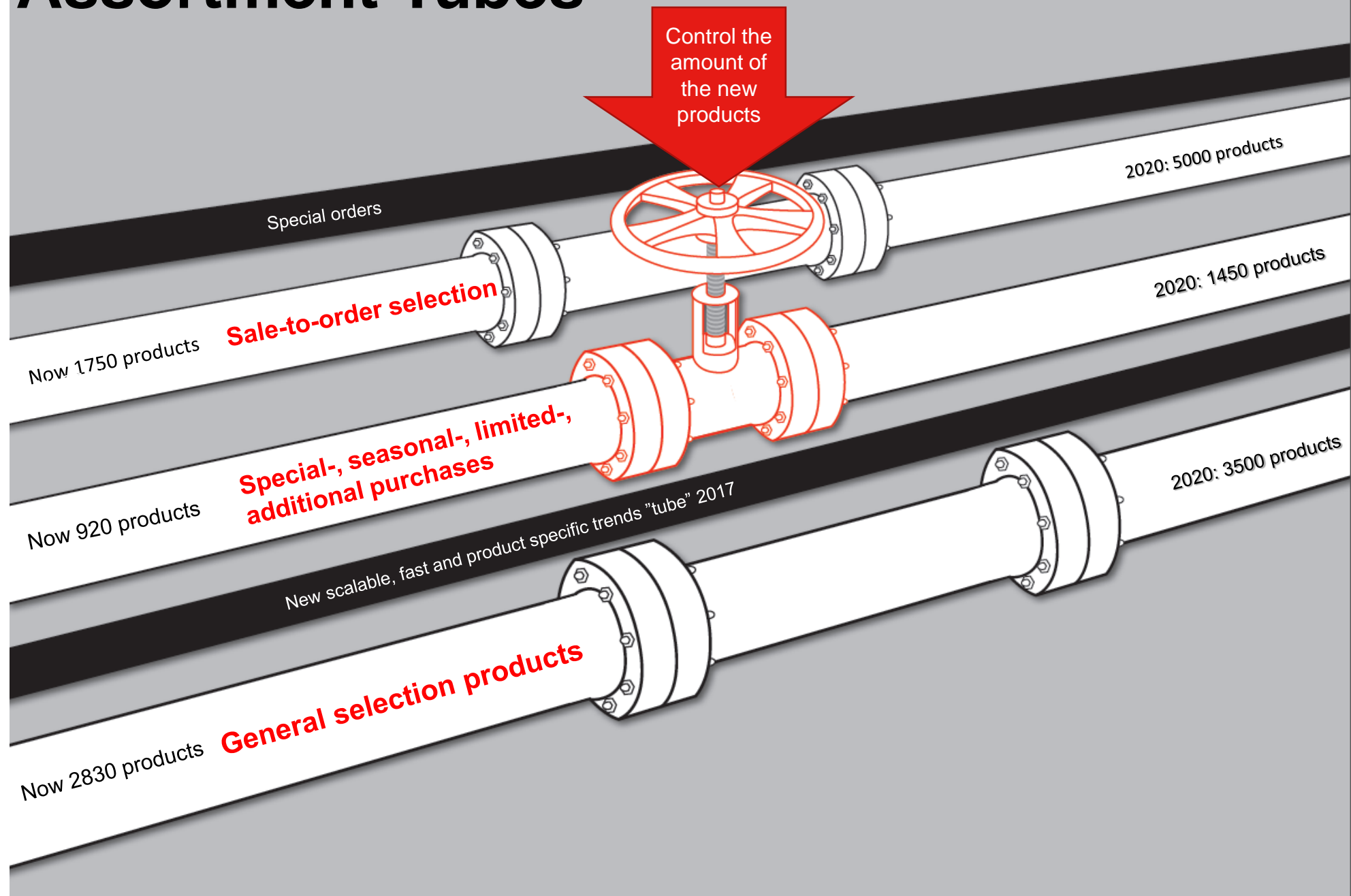


Assortment Strategy 2020

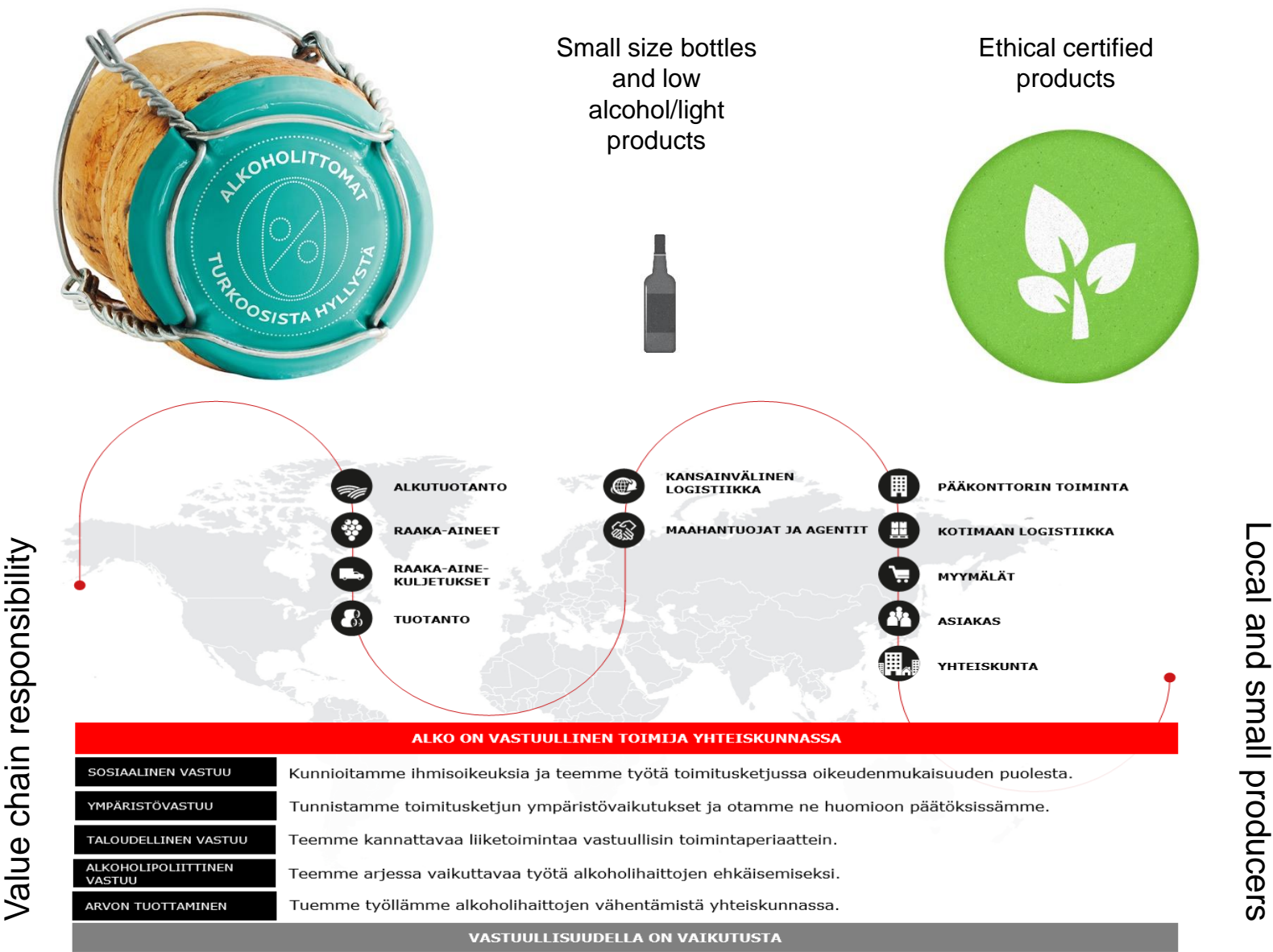


The whole world in your glass! Our 10 000 products inspire and surprise you whatever you need – regardless of the channel.

Assortment Tubes



Responsible Selection



Targets for Development 2016

- Omnichannel service and Alko Online Store affects to the customer purchasing
- Alko continue to develop its operation for the customers
 - **Alko Online Store**
 - **Assortment management**
 - **Limited availability products and rules for these**
 - **Special orders**

