



**SUSTAINABILITY
REPORT**

*Respecting people and planet
from farm to consumer*

2018



VISION

We are to become an inspirational role model and the industry leader in sustainability. Sustainability will always be an integral part of our business, generating growth and added value for our producers, customers and consumers.

Emil Sallnäs, CEO

A MESSAGE FROM THE CEO

Sustainability – key to our future success!

At Viva Wine & Spirits Group working for sustainable development is a natural choice. Sustainability is crucial for our planet, for people and for the future of business. Caring for people and planet also contributes to our profit, particularly in the long term.

Our objective is to be the most sustainable player in our industry and we aim to inspire competitors and partners to follow our lead. We will achieve leadership through initiatives in sustainable production, sustainable transport and through promotion of responsible consumption.

SUSTAINABLE PRODUCTION

At Viva Group, we strive for optimal quality, at all stages. This applies both to the products, as well as the choice of packaging and mode of transport. We demand decent working conditions and care for the environment at our producers. We engage in capacity building, implement Code of Conducts and make regular audits. We nurture discussions and build partnerships with local and global organizations.

SUSTAINABLE TRANSPORTS

We always look for climate efficient transports. Most of our transports are by sea or rail, with road transport only being

used in exceptional cases. We offset the remaining climate impact by investing in "Solvatten", a world-leading water-treatment solution for rural families in developing countries. Using the Solvatten system reduces the need of firewood used to boil and purify water. In turn, protecting trees and forests has a positive effect on the climate and reduces desertification.

SUSTAINABLE CONSUMPTION

Our product range includes many styles of wine and many different origins. Our producers include innovators and faithful traditionalists alike. We sell both conventional and organic beverages and are a market leader in organic and ethically certified wines. We require all our producers to comply with Amfori BSCI's guidelines regarding decent working conditions. We also care about public health, advocating responsible consumption of our products. We want our business to contribute to a sustainable planet, and to people's quality of life.



Our objective: *as little environmental impact as possible*

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Our vision and objective are to be the most sustainable player in our industry.

EMIL SALLNÄS, CEO VIVA GROUP



SUSTAINABILITY REPORT

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This is VIVA GROUP

The VIVA Group consists of entrepreneur-driven companies with a love of food, drinks and people. We care about how our products are manufactured and are particularly proud of our sustainability practices.

TRADITION AND INNOVATION

Wine growing dates back thousands of years and is pervaded by strong traditions. At the same time, winemakers are innovators, constantly testing the grapes' various expressions. Either using new techniques, or ancient methods. It is this curiosity, that today offers consumers a broad palate of styles. Packaging is evolving too. Today, consumers can find wine in glass or PET bottles, in cardboard boxes and cans.

PASSION AND RELIABILITY

We feel a deep respect for the craftsmanship needed to produce wine and spirits and we work hard to continuously exceed our consumers' expectations. We therefore seek the same passion and commitment from our producers. We invest in our producers and build mutually beneficial partnerships for the longterm. Rather than chasing the lowest price, we look for the best quality at each price point!

VALUES DRIVEN BUSINESS

All companies of the Viva Group started out with limited resources, but had tremendous drive and considerable ambition. Our growth comes from focussing on business development and moving quickly from idea to action. While this agility allows opportunities to be seized, ethics and responsibility is the compass guiding our decisions. We are particularly pleased when business opportunities evolve from the demand for sustainable solutions. We are proud pioneers of organic and ethical wine!

COMPETITION AND PARTNERSHIP

The Viva Group companies are all independent and compete forcefully with one another in developing products and sales. At the same time, we partner with each other on logistics, HR and sustainability. This fosters innovation, while optimizing resources and achieving economies of scale. By keeping shipping and administration costs low, we are able to invest more in our products and offer consumers better options. More quality for the money!

OWNER-OPERATED AND INCLUSIVE

All of the Viva Group companies are owner-operated, with dedicated and involved partners who give their outmost for the business. We work in closely knitted teams. Every employee is important and everyone's efforts make a difference. Our success is shared success!

→ *We are proud pioneers of the organic and the ethical!*

VIVA

WINE & SPIRITS GROUP



CHRIS WINE & SPIRITS

Experienced importer, offering high-quality wines from all over the world to consumers and restaurants since 1943. Well-known spirit brands from United Drinks are also in the portfolio.



GIERTZ VINIMPORT

Pioneer in organic and ethical wines, particularly from Argentina and Bulgaria. Also has several wines from Germany, Spain, Portugal and New Zealand. In addition, the company is a leader in Italian Prosecco and specializes in elegant wines from France, including Burgundy.



ICONIC WINES

Fast-growing company with a diversified portfolio of sustainable brands and innovative packaging. Contributes to better living conditions for workers in vulnerable wine-growing countries and a better environment through ethical and organic certifications.



WINEMARKET

Importer working for sustainability from soil to table. Leading South African wines and committed to good working conditions at the local level. Broad portfolio from table wines to the super-premium.



WINE TEAM GLOBAL

Sweden's largest importer of organic wines, with more than 70 percent of its product range being organic. Also passionate about natural and alcohol-free wines. Strong in wines from Italy, France and the US.

The 16 different origins of our beverages



BEVERAGES FROM ALL OVER THE WORLD

Together with our producers we offer beverages from all over the world. We offer wines of all types and styles, from all relevant origins.

For us, quality at every stage of production is critical. From farming to winemaking and bottling. Whatever the price range it is all done with respect for people and the environment. We want consumers to enjoy their favourite drinks with a good conscience!



40.7% *Organic / Ethical*



“ We have taken many steps and already achieved several goals. We are now focussing on reaching the next level. Together we will become a role model for sustainable growth.

MIKAEL SUNDSTRÖM
Director Sustainability

VALUE CHAIN

Sustainable strategy

Developing drinks requires the knowledge and commitment of many in a complex value chain that encompasses everything from farming, production, transports, marketing and sales. Responsiveness and long-term relationships, sustainability and the desire to identify mutually beneficial solutions have proven to be our recipe for success.

KEY STAKEHOLDERS

Our most important stakeholders are our producers and the workers in the vineyards, our customers and consumers. The most important among our customers are the Nordic retail monopolies, particularly Systembolaget. Other important customers are wholesalers, hotels and restaurants. Organizations such as KRAV, Fair Trade and Fair for Life are also important as we invest in organic and ethical production.

DIALOGUE AND COOPERATION

We realize that we can't change everything on our own. It is only in partnerships with others we will achieve large-scale shifts, truly benefiting people and the environment. The Beverage Industry's Climate Initiative is one example of the momentum created when competing suppliers and customers decide to cooperate.

SIGNIFICANT IMPACT

Farming, bottling and shipping wine and spirits affects the environment. This involves water, biodiversity climate use impact. The actual consumption of the products can also pose a risk. Consumed inappropriately, alcohol can cause medical and social problems, for both individuals and families, as well as for the larger community. We ensure to inform consumers of the risks and invest in projects that promote responsibility and moderation.

CONTINUOUS IMPROVEMENTS

Viva Group companies are all operated with a strong entrepreneurial spirit, with actions speaking louder than words. The focus has been on launching projects and achieving results, rather than communicating success. In 2018, a decision was made to further raise our sustainability performance. A Group Sustainability Director was recruited, the strategy and operations analyzed, goals were clarified, efforts were coordinated and initiatives were re-focused. News during the year included a comprehensive equality initiative, development of the Beverage Industry's Climate Initiative, membership of Amfori/BSCI and the implementation of the Worldfavor sustainability platform. Over the upcoming years, new, scientifically-based targets will be set, while also raising the level of ambition. The objective is to get the entire industry on board fulfilling the Agenda 2030. Ahead of time, if possible.

THE UN GLOBAL GOALS

At the 2015 UN Summit, 17 goals were identified, indicating the direction for the efforts of all Member States until 2030. Companies and organizations can also apply these goals in their operations. To successfully build a sustainable society together, these goals must be achieved. Although all of the goals are important, seven are particularly important for the Viva Group's operations.

AREAS OF FOCUS AND PRIORITIES



AREAS OF FOCUS	PRIORITIES	RESULTS 2018	TARGETS 2020
Sustainable farming	Good working conditions	100% of producers in high-risk countries with approved Code of Conduct 39% of volume audited	100% of producers in high-risk countries with approved Code of Conduct 75% of volume audited
Sustainable product range	Organic and ethical	41% of volume certified	50% of volume certified
Sustainable transport and packaging	Climate-smart transport and packaging	0.38 kg CO ₂ /liter beverage Climate-neutral transport 69% in climate-smart packaging	0.35 kg CO ₂ /liter beverage Climate-neutral transport 75% in climate-smart packaging
Sustainable workplace	Gender equality	50% women in senior positions	50% women in senior positions
Sustainable consumption	Responsible drinking	Warning text on ads	Warning text on ads

TARGET 3: HEALTH

We develop and sell alcoholic beverages and want them to be consumed in a way that gives pleasure and well-being. We advocate moderation, partly through responsible marketing practices, partly by supporting projects promoting moderation.
Read more on pages 16–19

TARGET 5: EQUALITY

In Sweden, we strive to be an equal and diverse workplace in which all are given opportunities to reach their full potential. The gender distribution among senior positions shall be equal, reflecting the workforce as a whole.
Read more on pages 6–7

TARGET 6: CLEAN WATER

Growing grapes requires water. Water has become a scarcity in many parts of the world, which is why we encourage producers to implement smart irrigation systems. We are also investing in organic farming, reducing the use of pesticides that can contaminate the groundwater.
Read more on pages 12–13 and 16–17

TARGET 8: DECENT WORKING CONDITIONS AND ECONOMIC GROWTH

Workers in vineyards and at wineries should all have good working conditions. For this reason, we are members of Amfori BSCI and visit our producers regularly. We feel strongly about ethical production certified by Fair Trade or Fair for Life. In this way, farmers are guaranteed a commission on their harvests, minimum prices and financial premiums for social projects.
Read more on pages 8–11

TARGET 12: SUSTAINABLE CONSUMPTION AND PRODUCTION

We foster organic and ethical farming and invest in climate-smart, recyclable packaging, thereby promoting the efficient use of natural resources.
Read more on pages 12–15

TARGET 13: COMBATTING CLIMATE CHANGE

Farming, transport and packaging all affect the climate. If we do not manage to curb global warming, it will become increasingly difficult to grow quality grapes. We strive to minimize our impact on the climate and have switched to rail for most of our transports. We also use climate-smart packaging. The remaining impact is offset by Solvatten.
Read more on pages 14–17

TARGET 15: ECOSYSTEMS AND BIODIVERSITY

Farming can both deplete and enhance biodiversity. We cherish wine being grown in ways that have as little impact as possible on ecosystems. We prefer to see farming that does not use chemical pesticides and that favours biodiversity. We are proud pioneers and industry leaders in organically certified wine.
Read more on pages 12–13

→ *A normal day at work*

Our purchasers maintain regular contacts with producers worldwide to be able to offer consumers the best quality at the best price – organic and ethical to the greatest extent possible.

The logistics department helps ensure an efficient and reliable transport chain.

Our marketers develop brand-building events and powerful advertisements.

The finance department helps keep track of costs and ensures that all transactions are conducted correctly and smoothly.



Equal and inclusive workplace



Alongside our producers, our employees are our most important asset.

We bring together curious, dedicated, creative and skilled people with a passion for beverages and entrepreneurship.

MODEL LEADERSHIP

For us at the Viva Group, it is important that we all strive to be good role models. Accordingly, fair leadership guided by sound values shows the way for the operations. The objective is to stimulate growth and development, both in the organization and among the employees. Together, we create an open, agile and inclusive work climate.

PURSUIT OF EXCELLENCE

We are keen to ensure that all employees develop and reach their full potential. Training is offered on an ongoing basis and internal mobility is encouraged. Our employees grow and develop with the company, and are offered opportunities to take on new roles with broader responsibilities.

DIVERSITY IS AN ASSET

We recruit those who are best qualified and believe that having colleagues with different backgrounds, interests and personalities contributes to an innovative and dynamic business. We see internal and external differences as an asset and we are convinced that an equal and fair workplace benefits the individual and the organization alike. Our workforce is almost perfectly balanced in terms of gender. The same applies to those with management responsibilities or in other senior positions. In our constant quest to remain at the forefront, the entire workforce received gender equality training in 2018. We updated our policy documents and procedures, reviewed our organization and raised our level of ambition.

Environmental, health and safety work at our office ↓

We always procure organic and, if possible, Fair Trade labeled supplies, including coffee, tea, fruit, milk and butter.

When purchasing office equipment, TCO Development-certified products with limited electricity consumption are prioritized.

We only buy renewable electricity and limit consumption by using sensor-controlled lamps.

We recycle paper, plastic, glass, metal and electronics.

Our office property is cleaned companies bearing the Nordic Swan ecolabel.

We offer all employees a generous wellness allowance.

We offer our staff a health test every second year and have well-functioning occupational health care.

For employees who are interested, there is an opportunity to attend a weekly yoga session.

All employees receive special training in alcohol and health in collaboration with Ljung & Sjöberg.



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An equal, fair and inclusive workplace is crucial for well-being and trust

LOTTIE SÖDERBERG
HR Manager

FAIR PAY

Winery workers and vineyard farmers must have fair pay and appropriate employment contracts.



FREEDOM OF ASSOCIATION

Everyone should be entitled to organize themselves and negotiate their terms collectively.



LEGAL WORKING HOURS

Working hours must comply with legislation and international agreements. There shall be opportunities for regular breaks.

Sustainable production

Producing quality wines requires a favourable climate, unique soil conditions and skilled winemakers. Grape farming remains largely a manual process, with harvesting involving long days of hard work at the vineyards. To get it done on time, more helping hands are often needed. Sometimes from neighbouring farms, sometimes from villages nearby. Harvesting grapes requires a gentle touch to avoid harming the ripe fruit or the vine itself.

DECENT WORKING CONDITIONS

For us at Viva Group, decent working conditions are a necessity, and we impose strict demands on our producers. All workers are entitled to reasonable working hours and appropriate pay. There may be no discrimination and employees' health and safety must be respected. All forms of forced or child labour are, of course, prohibited.

AMFORI BSCI

At Viva Group, we have chosen to implement Amfori BSCI's Code of Conduct down the supply chain. Amfori BSCI's guidelines are based on the UN Declaration of Human Rights and the ILO Conventions. Since 2012 the companies in the Viva Group have been sourcing aligned with Amfori BSCI to fulfil requirements of Systembolaget, Alko and Vinmonopolet

(the Swedish, Finnish and Norwegian state alcohol monopolies). In 2018, we took the next step towards our objective of improving working conditions in wine production worldwide, becoming one of the few companies in the beverage industry that are full members of Amfori.

AUDITING PRODUCERS

We regularly monitor our producers' sustainability efforts, focusing particularly on risk countries (Argentina, Bulgaria, Chile, Italy and South Africa), where controls are performed by independent audit firms. Each such audit takes two to five days, during which the operations and the employees' working conditions are thoroughly scrutinized. Interviews are conducted without management participation and all procedures and tasks are evaluated. If there are any deviations, we help the producer

develop action plans and resolve the issues over the ensuing months. We then follow up on the results of this work with additional visits to the site. If a follow-up audit shows that the producer has not remedied the shortcomings, our cooperation with them could be terminated.

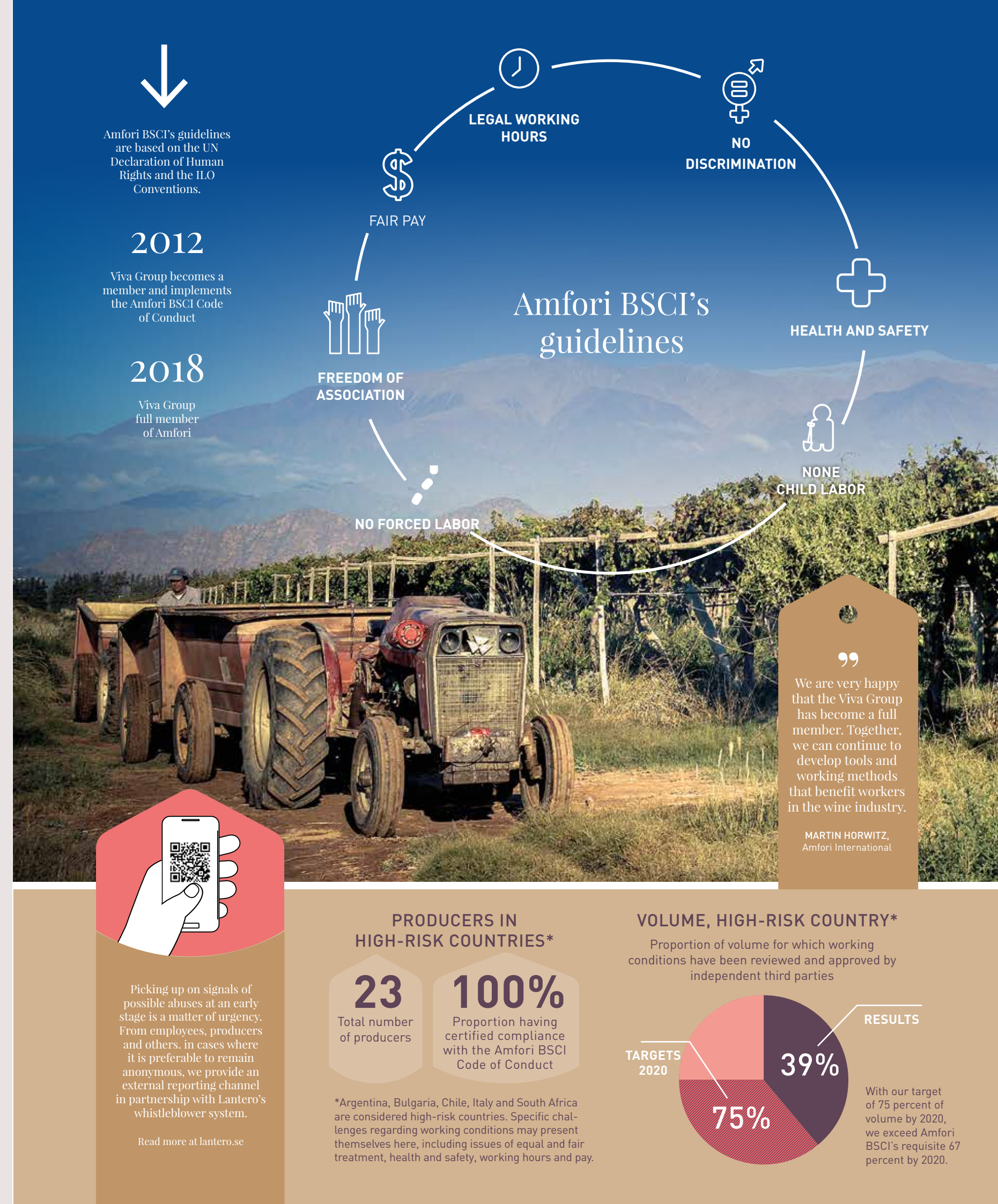
ACTING ON SHORTCOMINGS

At Viva Group, we favour transparency and act on all possible indications of abuses. Whether or not these originate from employees, producers, agents, customers or other business partners. We primarily recommend speaking with someone in a position of responsibility or a union representative, but in cases where it is preferable to remain anonymous, we provide an external reporting channel in partnership with Lantero's whistleblower system.

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The suppliers and producers' work with Amfori BSCI helps safeguard favorable working conditions in vineyards and has contributed strongly to the positive trend that has occurred, particularly in South Africa.

HANNA SUTHERLIN
Systembolaget





Fair Trade and Fair for life

Guarantees that farmers receive a premium improving their financial and social security.

Sustainable communities

All of our producers have to comply with the Amfori BSCI Code of Conduct. Beyond ensuring decent working conditions in the wineries and vineyards, we focus on supporting farmers in socially vulnerable areas, primarily in Argentina, Bulgaria and South Africa. Our initiatives are conducted in partnership with Fair Trade and Fair for Life.

The La Rioja wine cooperative is located in the La Rioja province of north-western Argentina. Although the area is economically underdeveloped, it is considered one of Argentina's most interesting wine districts. The dry, sunny conditions provide naturally healthy grapes, ideal for organic farming.

COOPERATIVE WITH HISTORY

The cooperative was founded in 1940, and four generations of five hundred families have since then been involved in growing grapes for what has become the country's largest cooperative. Most are small-scale producers with less than 2-3 hectares of land per family.

FINANCIAL SECURITY

The Fair Trade certification of the Ecologica, Raza and Fair & Square wines guarantees a

minimum price for the wine farmers' grapes and guarantees the sale of their harvest every year. Access is also provided to loans, credits and technical support. Moreover production failure insurance and a Fair Trade premium is offered for each kilogram of grapes sold. For every liter of Fair Trade branded wine bought by consumers, a certain amount is paid back directly to the local community, often amounting to several tens of thousands Euros annually. The members of the cooperative decide themselves how to invest the money.

SOCIAL SUSTAINABILITY

Since its certification in 2006, La Rioja has conducted more than 30 projects funded through the Fair Trade premium. Since 2010 alone, our sales of La Rioja wines in Sweden have contributed more than SEK 8 million. The largest project was the construction in 2010 of a technical

Founded in
1940

500
Families

Fair Trade
certification
2006

FAIR TRADE IN ARGENTINA La Rioja

agricultural high school in the small village of Tilimuqui, using funds from Sweden and the UK. Since opening, the school has grown from about 30 students to more than 600, and has become the most popular in the province of La Rioja. It is also one of the world's largest Fair Trade funded projects.

CLIMATE BENEFITS

We have also made investments to improve the water supply for the villagers of Tilimuqui and funded a survey of CO2 emissions from La Rioja's wine production. This survey provides the basis for our ongoing initiative to make the irrigation pumps more climate efficient.

INITIATIVES IN SOUTH AFRICA

In addition to our Fair Trade initiatives in Argentina, we also have Fair Trade certified production in South Africa in partnership with producers Kleine Zalze and Du Toitskloof.



1. Fair Trade-funded water reservoir, La Rioja.
2. Grape inspection, La Rioja.
3. Harvesting, Vinex Slavyantsi.
4. Dance performance, LEVA foundation-funded preschool.
5. Roma cultural day, Vinex Slavyantsi.
6. Morning assembly, LEVA foundation-funded preschool



FAIR FOR LIFE IN BULGARIA Vinex Slavyantsi

Bulgaria's wine growing traditions stretch back thousands of years. Vinex Slavyantsi, which produces the Leva wines, is located in the eastern part of the Rose Valley, a region where wine has been grown and produced for centuries.

With its mild winters and cool summers, the region is well suited for wine growing. For the ethnic minorities in Bulgaria, however, social and economic conditions are very difficult, particularly for the Romani population. Many people of Romani background live in the area around Vinex Slavyantsi.

LEVA PROMOTES INTEGRATION

In 2008, together with representatives of the Roma population, Viva company Giertz and Vinex Slavyantsi initiated a foundation aimed at improving living conditions and opportunities in the area.

Since 2008, Giertz has contributed more than 1,5 million SEK to the LEVA Foundation. The money has been used to support three preschools to provide grants to families so they can afford to send their children to preschool, as well as providing support for students and scholarships for higher educations. We have also supported smaller-scale health projects, provided legal assistance for employees, provided folk costumes for a dance group and hosted sports activities and school outings during vacation periods.

ETHICALLY CERTIFIED

In 2014, Vinex Slavyantsi and the Leva Foundation were ethically certified by IMO under its internationally – recognized "Fair for Life" system. This provides ethical certification for fair trade, which, in addition to decent working conditions and fair trade agreements, also requires high environmental standards in the vineyards.



Consumers choosing Fair Trade and Fair for Life are making a difference supporting wine farmers, their families and local communities.

BJÖRN WITTMARK
Giertz Vinimport

Start
2008

Leva
Foundation

Fair for Life
certification
2014



We take pride in offering quality wines with very limited environmental impact.

JOHN WISTEDT
CEO, Wine Team Global



Biodiversity Sustainable farming

People have grown and produced wine for thousands of years. The earliest wines would today be defined as organic since farming was done without chemical pesticides, herbicides and fertilizers. In fact, until the 1960s, almost all wine was organic, because it was only by then that farmers started using pesticides and herbicides on a more massive scale.

Organic

In organic farming, there are greater limitations on fertilizers and pesticides than in conventional farming. In recent years, demand for organic wines has increased steadily. Viva Group has been a leader in this development

INCREASED AWARENESS

In recent years, certifying wines as organic has become increasingly commonplace, with this largely being driven by conscious consumers, committed suppliers and producers. Today, Systembolaget's product range includes a large and growing proportion of organic wines. Its target is for 10 percent of everything it sells to be organic by 2020. At Viva Group, we were among the first to offer organically certified wines to Swedish consumers and today more than 35 percent of our total volume is certified organic. That makes us the market leader in organic wines in the Swedish and Nordic markets.

ORGANIC FARMING AND WINE MAKING

For a wine to be labelled and sold as organic, both the growing of the grapes and the production of the wine itself must be organic. This entails the grapes being grown without artificial fertilizers, without chemical pesticides and herbicides. There are also strict limitations on additives used in the wine making process.

The use of sulphur and copper is also limited. To be certified, the vineyard must have been operated organically for at least three consecutive years.

More than 140 organic articles!



Organic wine, of total volume



64%

in glass bottles



36%

in bag in box



Organic wine of total volume

35%

corresponds to

16.5

million liters

Ethical wine of total wine

10%

corresponds to

4.8

million liters

Certified wine* of total volume

40.7%

corresponds to

19

million liters

*Some products are both organically and ethically produced

BOOSTING BIODIVERSITY

Organic farming prohibits using chemical pesticides. Instead, weeds and pests are held at bay using sheep, bugs and other natural agents.



CRAFTSMANSHIP

Organic production means less additives and sulphur being used in wine production.



HEALTH AND SAFETY

Organic farming benefits biodiversity and the ban of chemical pesticides and herbicides also improves conditions for those working in the vineyard.

SENSITIVE GRAPEVINES

Growing wine has always been a complicated craft as the vines are highly sensitive to infestation by mold and pests that affect the quality of the grapes and the wine. In conventional farming, chemical pesticides and herbicides can be used, simplifying operations since these products are effective and relatively inexpensive.

BIODIVERSITY

Organic wine growers, on the other hand, combat pests and fungi with the help of beetles and biodegradable preparations. Weeds are controlled through mechanical weeding, grazing, torching and manual

digging. Using natural methods like these, organic vineyards are home to a rich variety of plants. To enrich the soil, organic fertilizers are used, rather than chemically produced ones. This all benefits the plant and animal life on the farm, reduces the climate impact per liter produced and ensures that vineyard workers are not exposed to chemicals while at work.

CERTIFICATION MAKES A DIFFERENCE

Growing organically is more labour intense and the harvest is often slightly smaller which can affect the price to the consumer. However, every bottle of organic wine sold has a significant impact on the conservation of biodiversity and reduces the amount of toxins in the countryside.

NATURAL WINE

Natural wine has recently become a trendy concept in the world of wine. For producers of natural wine, the objective is to have as little impact on the production process as possible. There is not yet any internationally accepted definition or recognized certification, although, most producers of natural wine are eager to grow organically, preferably allowing the wine to ferment spontaneously and minimizing the use of sulphur. Accordingly, maintaining the same style from year to year can be difficult when producing natural wines. At the same time, it is part of the charm.



We are pleased that the Viva Group is able to offer several KRAV-labeled wines. Sustainable wines without chemical pesticides, herbicides and fertilizers in respect of natural environments and ensuring workers favorable working conditions.

ANITA FALKENEK,
CEO KRAV Sweden

100% *Climate-neutral transport*

Sustainable transports and packaging

For us, efficient and sustainable logistics are critical. We are aware that transports and packaging have a major environmental impact, why we are constantly striving to develop smart solutions with our partners.

EFFICIENT LOGISTICS

Our logistics department continuously seek smart and efficient solutions, offering good reliability and minimal environmental impact. As far as possible, we co-distribute to ensure that shipments are as fully loaded as possible. Within Europe, we have also shifted all transports from road to rail. Through co-distribution and rail transport, we have radically reduced our emissions. Over greater distances our products are transported by sea. Certain products are transported in tanks, with the wine being bottled in Denmark. This reduces the weight of the transports significantly, resulting in a reduced climate impact.

CLIMATE-NEUTRAL TRANSPORTS

We promise climate-neutral transports. This means our consumers can be confident knowing that regardless of where in the world their wine has been produced, there is no difference in terms of the impact on the climate. The remaining impact on the climate we offset by investing in Solvatten. We always invest to cover more than our actual emissions.

WAREHOUSE WITH RAIL TERMINAL

Once our products have arrived in Sweden they are stored by our partner DLP in Jordbro. The warehouse has a rail terminal, allowing train cars with our products to roll right up to the doorstep. The cars are unloaded using electric forklifts and the wine is then placed on shelves to await onward transport to Systembolaget, wholesalers and restaurants.

SMART PACKAGING

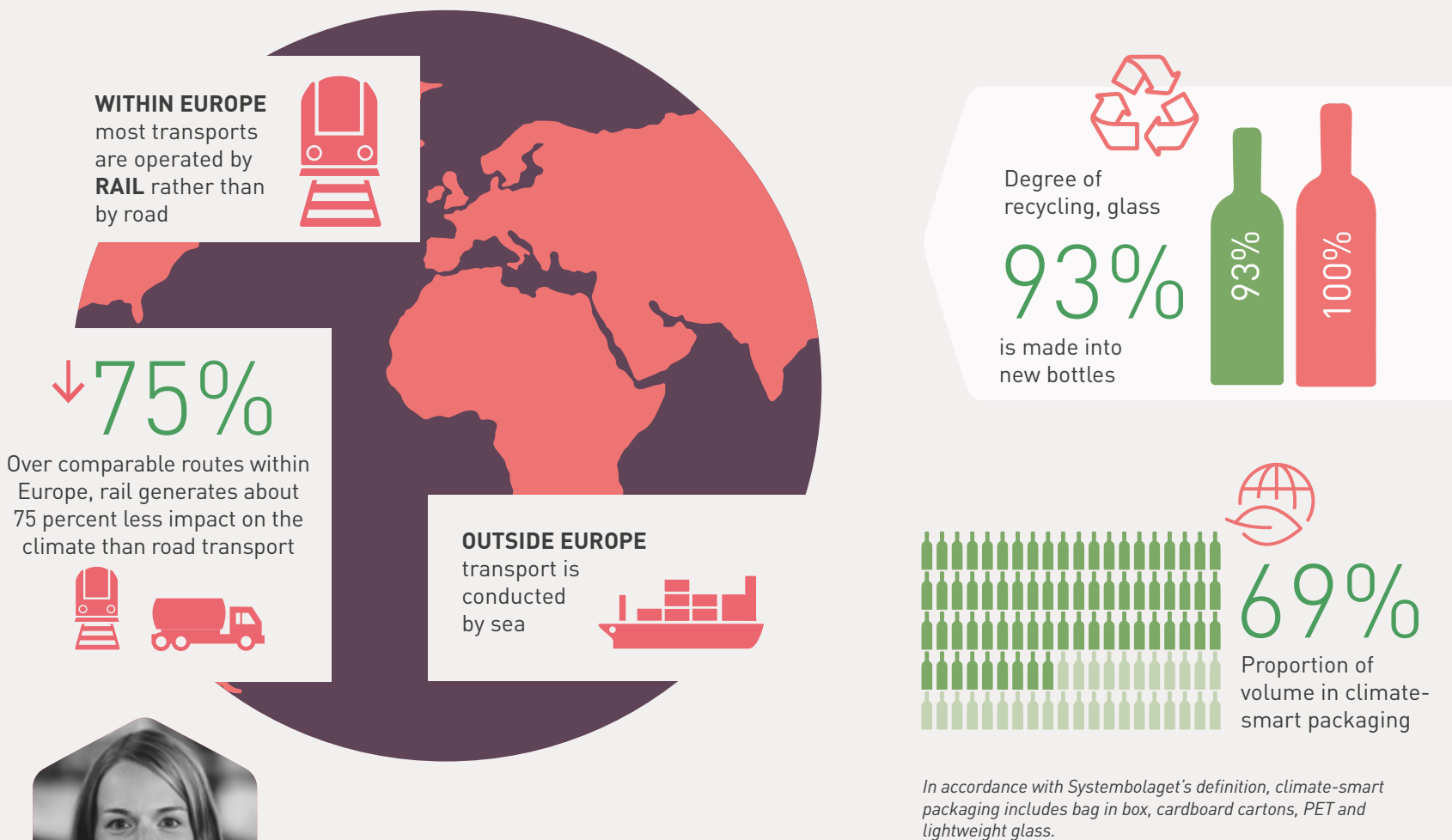
Alongside production and transport, packaging is the part of our business that causes the greatest impact on the climate. This is partly due to difference in packaging weight, and partly to the manufacturing process and the degree of recycling. We therefore take pride in prioritizing climate-smart packaging. Bag in box, cardboard cartons, lightweight glass and PET packaging solutions are all considered climate-efficient. Most of our big volume products are already offered in such packaging. In the future, we aim to offer even more items in lightweight glass. Remaining impact on the climate will be offset through Solvatten.

WORLD-LEADING RECYCLING

We assume an active producer responsibility for the recycling of our products through our financing and development of Swedish Glass Recycling (Svensk Glasåtervinning AB – SGÅ) and the Packaging and Newspaper Collection Service (Förpacknings- och tidningsinsamlingen – FTI). Sweden has the highest degree of recycling in the world, partly thanks to consumers' awareness and partly thanks to efficient collection systems and modern recycling facilities. Once the glass arrives, it is sorted, crushed and refined into new raw material. Of all the glass collected, 99% is recycled, 93% becomes new glass bottles and jars, while the rest is recycled in another way.

CLIMATE INITIATIVES IN THE BEVERAGE INDUSTRY

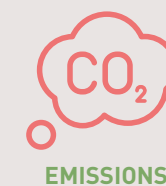
In 2017, the first steps were taken towards a common framework for the beverage industry. The initiators were the Swedish retail alcohol, monopoly Systembolaget, the Swedish Brewers Association and the Swedish Spirit and Wine Suppliers Association (SVL), where Viva Group companies are leading members.



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Thanks to smart partnerships, we have reduced our environmental impact and established highly efficient logistics

MARTINA NORDSTRÖM
Logistics Director



EMISSIONS

0.13
kg CO₂/liter

CLIMATE IMPACT
TRANSPORT

0.25
kg CO₂/liter

CLIMATE IMPACT,
PACKAGING

DRYCKESBRANSCHENS KLIMATINITIATIV



INDUSTRY PARTNERSHIP

Leading players in the beverage industry are working together to reduce their impact on the climate.



RECYCLING GLASS

93% of collected glass becomes new bottles!

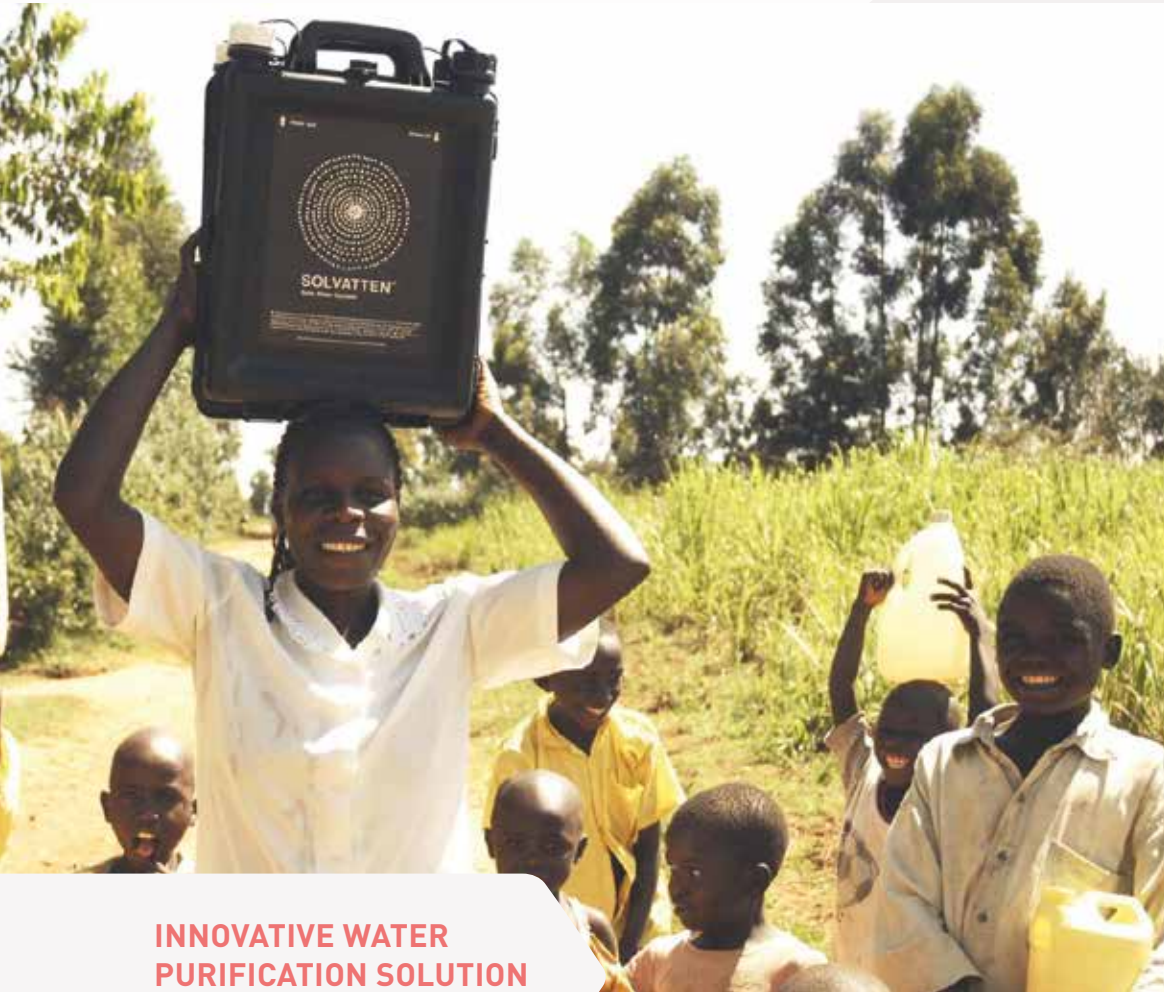


EFFICIENT LOGISTICS AND SMART WAREHOUSING

Together with Essinge Rail, we are optimizing beverages transports through Europe. Our partner DLP also combines its warehousing with a rail terminal. This allows rail cars to be brought directly into the warehouse.

Carbon offsetting and social projects

We offset our carbon emissions from the transport chain, as well as the climate impact from glass packaging. Our investments are made in collaboration with recognized organizations to reduce the global climate impact and generate social benefits locally.



INNOVATIVE WATER PURIFICATION SOLUTION Solvatten

Solvatten is an innovative water purification solution that helps improve health, increase equality and reduce the impact on the climate. This award winning invention has been developed by a Swedish family business and is used in several villages in Kenya in collaboration with International Aid Services.

The Solvatten unit is filled with water from nearby watersources. When placed in the sun, a process is activated that purifies the water from harmful bacteria and microorganisms, making it safe to drink. At the same time, the water is heated, simplifying

cooking, washing and personal hygiene. This reduces the need for fuel in the form of wood and pellets. Reducing the need for firewood avoids cutting trees that bind the soil, preventing desertification and binding carbon dioxide, thus benefiting the climate. A single Solvatten unit has been shown to provide environmental and health benefits for at least seven years.

Since commencing our collaboration in 2017, our investment in Solvatten has, to date, entailed confirmed climate compensation corresponding to 1,266 tonnes of carbon dioxide. In 2019, an additional 1,327 units will be distributed to

”
My children and I
can finally drink
clean water!
SADIA MAHAT

Collage of images – use
of Solvatten in Tharaka
and Bura, Kenya.



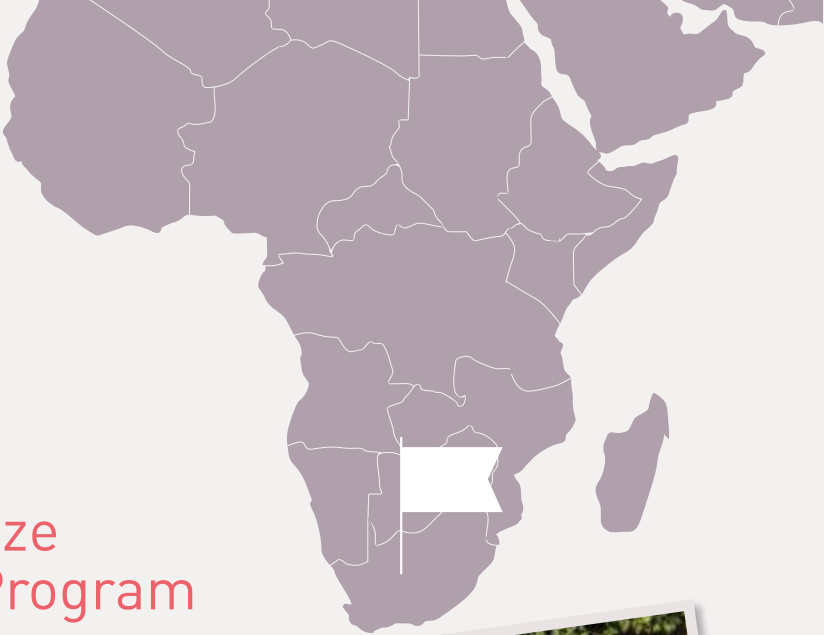
offset the climate impact of Viva products from transports and packaging in 2018, offsetting a total 19,322 tonnes of CO².

Over the upcoming years, we plan to invest in thousands more units, leading potentially, by 2030, to climate benefits from offsetting close to 100,000 tonnes of carbon dioxide, while producing 600,000 liters of clean water, saving 900,000 trees and improving the health of 80,000 people.

In addition to compensation through investment in Solvatten, investments in solar panels are also planned at our producers' facilities.

CREATE POSITIVE ROLE MODELS, PROMOTE EDUCATION AND ENTREPRENEURSHIP

Viva Group is a collection of entrepreneurial companies that are passionate about the capacity of individuals and communities to change large systems. In South Africa, there are significant socioeconomic challenges, which is why we engage in a number of ways.



Kleine Zalze Training Program

Together with its South African producer, Kleine Zalze, Winemarket has established a training fund aimed at financing higher education for the vineyard workers and their families. Each year, three or four people are given the opportunity to pursue an university education or equivalent. The objective is to provide role models in the local community, while granting the wine industry access to more highly educated employees.

The power of people's dreams is amazing. The scholarship allows us to help workers to reach their full potential while also becoming inspiring role models for others.

KOBUS BASSON, CEO Kleine Zalze



Thanks to the scholarship, more people gain the opportunity to pursue higher education regardless of their background, finances and family situation.

STAFFAN DAHLGREN, CEO Winemarket

Pebbles Project

The Pebbles Project is an organization founded by two sisters and focuses on vulnerable children of parents working in South African vineyards. Pebbles improves the children's situation by giving them access to elementary school, meals, health care and meaningful leisure activities.

For us, it is important to be able to contribute to the community in which we operate. We have chosen to support Pebbles, because its projects help children over the long term, contributing to both their well-being and personal development.

CAMILLA TAUBE, Deputy CEO Wineteam



Stadsmissionen

We also give back in Sweden, focusing on employee engagement. Among others, we support Stadsmissionen and Smaka på Stockholm's (Taste of Stockholm) Holiday initiatives. In addition to financial contributions to Stadsmissionen's activities, employees donate toiletries and clothing for homeless people and toys for children of economically vulnerable families.



STOCKHOLMS
STADSMISSION



Responsible consumption

At Viva, we care not only about how our products are produced, but also how they are consumed. Alcoholic beverages are part of our mealtime culture and, for many, part of a balanced life style.

We are, however, aware that inappropriate alcohol consumption can cause problems, for individuals, relatives and society in general. For this reason, we advocate moderate and responsible consumption.



THE NORDIC RETAIL MONOPOLIES

There is a strong support in Sweden, Finland and Norway to protect public health, why retail sales of alcohol are conducted through the state-owned companies Systembolaget, Alko and Vinmonopolet. The Viva Group's companies support the Nordic model with controlled sales and equal treatment of origins. This is beneficial both from a public health perspective, but also from a supplier perspective, since the same rules apply to all players in the market. We also perceive substantial benefits for consumers. The Nordic monopolies guarantee a product range with a breadth and depth that is, in many ways, unparalleled in the world.

SWEDISH ALCOHOL SUPPLIERS' SCRUTINEER (AGM)

There are numerous restrictions on marketing and communications regarding alcohol in Sweden. Although the Viva Group's companies carefully comply with the law, they have also taken the initiative in developing an ethical code within the trade association SVL, and establishing the Swedish Alcohol Suppliers' Scrutineer (AGM). The AGM has become the alcohol industry's self-regulation mechanism, assisting with education and support, but also intervening against companies that violate laws and ethical guidelines. Anyone can report advertising to the AGM, which investigates, scrutinizes and makes decisions on the matter.

DRINKWISE.SE

The Drinkwise.se website seeks to be a thought-provoking platform for information, debate and reflection on attitudes regarding alcohol and how alcohol should be consumed responsibly. Through this initiative, we and other companies in the industry seek to disseminate information, generate dialogue and work towards a more responsible approach to alcohol.

TALK ABOUT ALCOHOL PROGRAM

The educational initiative "Talk About Alcohol" was initiated with the aim of delaying young people's alcohol debut. The initiative was launched in 2006 by

companies within SVL and, since 2010, it has been run in collaboration with Sveriges Bryggerier (the Swedish Brewers Association). Talk About Alcohol's method builds on discourse-based teaching, focusing on teaching young people to resist social pressure, increase their self-esteem and understand their own responsibilities. All materials are free of charge and adapted for use in schools. Talk About Alcohol's method has been evaluated in a three-year scientific study conducted by Karolinska Institute, with the results showing that pupils who completed the program drank in a less risky manner than comparable pupils who did not participate in the program.

VIVA WINE CLUB

We believe that wine should primarily be consumed together with good food. The Viva Wine Club embodies this notion by distributing delicious recipes and tips on accompanying beverages to discerning consumers once a week. The Viva Wine Club can be accessed by e-mail, Facebook or Instagram and spreads an enjoyment of food and awareness of beverages.

We promote
**responsible
consumption**



Talk about alcohol
– education for schools

Focusing on teaching young people to resist social pressure, increase their self-esteem and understand their own responsibilities.

Read more at prataomalkohol.se



Cost-free,
customized
materials for
schools.



What does personally
sustainable alcohol
consumption entail?
How much alcohol is
OK to drink? And in
what contexts?

DRINKWISE

With many questions being asked regarding alcohol consumption, we seek to disseminate information and stimulate a dialogue, which we achieve through the Drinkwise initiative.

Read more at drinkwise.se

VIVA! Wine & Food

We write about food and wine every week. Read more at vivavinomat.se



Search for
recipes and
wines to suit!

The background image is a full-page photograph of a rural landscape. In the foreground, a large, dark green tree stands prominently. Behind it, a series of terraced fields, likely for vineyard cultivation, are visible, each bordered by rustic wooden fences. The fields are filled with green plants. In the far background, rolling hills are shrouded in a soft, golden mist or fog. The entire scene is bathed in a warm, golden light, suggesting either sunrise or sunset. A white, hexagonal-shaped text box is overlaid on the left side of the image, containing the company's vision statement.

VISION

We are to become an inspirational role model and the industry leader in sustainability. Sustainability will always be an integral part of our business, generating growth and added value for our producers, customers and consumers.

Emil Sallnäs, CEO

The 16 different origins of our beverages



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