

# VINGRUPPEN | NORDEN

VINUNIC  
Quality since 1992

WINEWORLD  
*Sweden*

the  
wine  
agency

VALID  
WINES

QUAFFABLE  
WINES

## Sustainability Report 2019

*From grape to glass*



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## Intro by the CEO

# At Vingruppen we are a purpose-driven company

IT HAS BEEN A YEAR since we, Vingruppen, formalized our sustainability work. We have developed previous work and created our own long-term sustainability strategy. One of the first things we had to define was what sustainability is for us.

We at Vingruppen agreed that being sustainable is the same as being responsible. Being responsible in relation to our suppliers, co-workers, owners, clients, society and the globe, through being predictable.

Showing exactly what and who we are, and that we have a clear vision what we want to become. Sustainability should be an integrated part of who we are and what we do.

### The 2019 highlights

We made progress on Vingruppen's 2021 Sustainability Goals, and exceeded our targets for carbon footprint reductions, sustainable assortment and climate friendly packaging.

- 8 % reduction of our carbon footprint compared to last year
- accelerated sales of certified wine – now reaching 55 % of sold volume

While Vingruppen now has a strong sustainability agenda we know that that we have the ability – and the responsibility – to do even more.

Going forward, we are focused on four priority areas where we can make an even greater impact;

- Sustainable production and farming
- Sustainable consumption
- Sustainable climate
- Sustainable workplace

Our priorities are also in line with Systembolaget's long-term sustainability agenda.

In 2019, we launched our strategy “From grape to glass”, drawn from the UN Sustainable Development Goals, where we demonstrate how we drive impact for the greater good and our long-term business.

Looking ahead, we cannot ignore the spread and impact of COVID-19 - a challenge we have never experienced before, affecting the whole world, companies and societies. I am confident that our long-term vision on sustainability will play an – even more – crucial role in tackling these challenges.

We are now, more than ever before, gathering together as one team, supporting each other and the communities around us as much as we can.



*Svante Selling,  
CEO.  
Vingruppen i Norden.*

“  
We at  
Vingruppen  
agreed that  
being  
sustainable is  
the same as  
being  
responsible

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Production and  
Farming**

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*Vision:  
Be a role model for sustainable  
and equal growth*

# A clear vision

## *Sustainable and equal growth*

OUR VISION IS TO BE a role model for sustainable and equal growth. So, what does this mean, and how can it be achieved? Our company consists of fifty individuals with different backgrounds and perspectives that contribute to the ongoing discussions about how we create value and achieve sustainable and equal growth. We figure that it all comes down to balancing short-term business activities with long-term sustainability goals – in order to find the most beneficial solutions for the business, our producers, business partners, society in general – and the planet.

There is a lot of work that needs to be done. This mindset allows us to improve, and step-by-step, introduce better solutions – or develop new ones. Supporting our vision, we always have something to explain, justify and most importantly – improve and develop. A lot of the work cannot be done in isolation. By engaging in close and constant dialogue with our producers, the industry, business partners, consumers, researchers, and society, we make sure that step-by-step we move towards our goals of: Sustainable production and farming, Sustainable consumption, Sustainable climate and A sustainable workplace.

### UN Sustainable Development Goals

Reaching a sustainable society for all, means we have to meet the designated SDGs. All 17 of them are important, but some are more important than others to us. We are focusing on the goals that we can contribute the most to:

- Goal 5: Gender equality
- Goal 6: Clean water and sanitation
- Goal 8: Decent work and economic growth
- Goal 12: Responsible consumption & production
- Goal 13: Climate action
- Goal 15: Life on land
- Goal 17: Partnerships to achieve the goal

### Governance

The Board of Directors has the overall responsibility for Vingruppens sustainability progress. At management level, the responsibility lies with our Sustainability Manager, and the Sustainability Committee, which includes members from each company in the group. The Board receives regular updates from the Sustainability Manager who is part of their monthly meetings. The whole organization has oversight of KPIs and targets related to our 2021 goals.



*Kim Forsberg,  
Sustainability manager.  
Vingruppen i Norden.*

“

*Reaching a  
sustainable  
society for all  
means we have  
to meet the  
designed  
Sustainable  
Development  
Goals*

### About this sustainability report

In this sustainability report, we provide a transparent account of our impact and our strategy to create a positive influence throughout our value chain. We have chosen to highlight the goals and Key Performance Indicators (KPI) that we consider to be most important in our various strategic areas to reach our long-term goals. This report is developed using the Global Reporting Initiatives guidelines (GRI) for corporate sustainability reporting.





# Who we are

**W**E CONSIST OF five wine importers namely: Vinunic, Wine World, The Wineagency, Quaffable Wines and Valid Wines.

Our history is deeply rooted in our passion for wine. This has led to a number of successful collaborations with some of the world's best-known wine producers and brands. The close ties to our producers have shaped a way of thinking that permeates through our entire business today; Success is built through strong relationships, care, and commitment. This applies to every aspect of our business approach.

## Equal growth

We strongly believe that our company culture is a big part of our success. We have an equal division of women and men in management positions. We share an entrepreneurial spirit and empower each other to grow and fulfill our full potential at work. We have different backgrounds and perspectives which add value to every decision we make and always keep in mind the balance of everyday business and our long-term sustainability goals.

## Ownership

All of our companies are partnership driven with the CEO as a shareholder and Arcus AS the majority owner. All companies within Vingruppen i Norden share the central functions such as logistic and financial department as well as our on-trade sales team.

## How we create sustainable value

Since 2018, we have developed our sustainability work in all areas.

### We have:

- hired a full-time Sustainability Manager
- created a strategy for achieving all of the UN Sustainable Development Goals (SDGs)
- empowered employees and business partners to move towards the SDG
- reduced our climate footprint with eight percent
- made our transports more sustainable by swishing from road to rail

This work is only part of our journey. Other steps we have taken so far include;

- starting projects for sustainable packaging
- empowering certification programs in our supply chain
- made our office more sustainable by converting to LED, recycle all materials and fairtrade and organic products
- adopted a sustainable car policy and gender equality policy for employees
- joining the Drinks Industry's Climate Initiative where we develop activities based on the UN Sustainable Development Goals

# VINGRUPPEN I NORDEN

**VINUNIC**  
Quality since 1992

**WINE WORLD**  
Sweden

the  
wine  
agency

**VALID WINES**

**QUAFFABLE WINES**

# Our world wine partners

*We work with wine producers from eighteen countries worldwide*



## Our company group 2019:

1 of 10 Swedes consumed our wines | 18 million liters in sold volume | 1.45 billion SEK in turnover | 55% of the sold volume was certified | 72% of sold volume was consumed in climate friendly packaging



# Market trends for sustainability

**M**EGATRENDS LIKE CLIMATE CHANGE, biodiversity, increased consumer awareness, the rise of sustainable technology and digitalization, are all strong drivers for our sustainability strategy. That is why we have made it our priority to deliver products made using sustainable farming and production methods. This helps us attract conscious consumers and deliver sustainable transport and packaging solutions.

## Increased consumer awareness

Today's strong conscious consumer movement is demanding sustainable and climate-friendly products, combined with transparency in environmental and social responsibility throughout the value chain. The demand for sustainable new and innovative products is on the rise. To a large extent, the success of sustainable wine is a matter of communication. It requires strong storytelling, a recognized quality stamp and clear communication of the sustainability values.

## Biodiversity and resource efficiency

The significant growth of organic wine is linked to the various conscious consumer movements and committed producers and retailers. Sustainable solutions are also becoming more significant throughout conventional farming – from water, waste and energy management to working conditions and package design. Minimizing the use of pesticides and fertilizers has become a more common requirement in modern farming practices. Around the world we see producers starting sustainable winegrowing programs to drive positive change and gain credibility for their work on sustainability.

## Climate change and sustainable technology

The worldwide energy sector is undergoing changes in technology, policy and market conditions in order to tackle climate change and transit to a low-carbon economy. This movement includes:

- greater demand for renewable energy
- climate-friendly production and packaging
- digitalization

## The Swedish market

Our largest customer - Systembolaget, are working within four sustainability areas. All affecting our operations and supply chain. 1) A sustainable supply chain 2) A carefully selected range 3) Ethics and anticorruption and 4) Increase awareness of the risk of alcohol. From 2020 onwards, Systembolaget will continue to monitor importer's sustainability work and boost regional and local sustainability work being done in the production of wine. This includes sustainability certifications, climate friendly packaging and consumer communications.



## The Drinks Industry's Climate Initiative

Vingruppen is member of the Drinks Industry's Climate Initiative. An important partnership for us that will pave the way to a climate neutral industry at 2045.



# Our strategy and goals

Our sustainability strategy and goals ensures that we tackle sustainability risks and opportunities, grow sustainably, remain competitive, and create value for our business partners and owners. We also continue to strengthen our appeal as an employer to develop and attract the best talent in the industry.



# From grape to glass

**O**UR COMPANY VISION is to be a role model for sustainable and equal growth. To support that aim, we have set up concrete goals across four strategic areas and we regularly check the Key Performance Indicators (KPI) to make sure we are moving in the right direction. This includes follow-ups, risk analyses as well as action plans.

## Risk assessment

We have utilized a number of established methods to define what matters the most to us. We interviewed our stakeholders, we have conducted multiple internal workshops, we benchmarked consumer trends globally and nationally, resulting in a materiality analysis with four strategic areas and action plans for each of them. Main risks for us are linked to; human rights, environmental degradation, climate change, product quality, responsible consumption, packaging, transports, gender equality, diversity and inclusiveness.

## Long-term goals

We call our strategy – From grape to glass, to simply highlight that improvements are needed throughout the entire value chain. This in order to reach our long-term sustainability goals and sustainability areas of;

- 1 Sustainable production and farming
- 2 Sustainable consumption
- 3 Sustainable climate:
- 4 Sustainable workplace

## Value creation and Agenda 2030

Here is how we will make a positive contribution, and tackle main risks through our commitments to Agenda 2030 and the UN Sustainable Development Goals.



### GOAL 5. Gender Equality

Achieved through establishing a culture where women and girls are given the same basic rights and opportunities via empowering change in issues, norms, and attitudes as well as developing frameworks that promote equality between genders.

**How we create value:** We have an equal division between women and men in management positions. We speak openly about gender equality which allows us to rethink norms and attitudes that negatively influence gender equality. We also have a gender equality policy.



### GOAL 6. Clean Water

Achieved through improved water quality, increased recycling and reuse, and efficient water management and secured water supply.

**How we create value:** Grapes needs water. Many of our producers are based in water-scarce areas such as; South Africa, Chile, and California. Many of them already work actively with sustainable water management. Our mission is to continuously empower all producers to establish and ensure a sustainable water management system.



### GOAL 8. Decent Work and Economic Growth

Achieved by protecting worker's rights and promoting a safe and secure workplace, and via higher economic productivity through sustainable innovation and resource efficiency in production.

**How we create value:** We promote sustainable innovation, resource efficiency, and secure supplier responsibility through the amfori BSCI Code of Conduct, internal policy documents and processes.



### GOAL 12. Responsible Consumption and Production

Achieved through solutions for responsible management of chemicals and waste, supporting producers in their sustainability practices and sustainability reporting. Also, by promoting a sustainable consumer lifestyle.



**How we create value:** We promote sustainable production; we evaluate sustainability performance in our supply chain, and we promote sustainable consumption in consumer communications.



### GOAL 13. Climate Action

Achieved through improved climate-smart business activities regarding production, transport, and policy.

**How we create value:** We have a climate strategy and drive projects to reduce our climate footprint from packaging and transportation. We have made transport more sustainable in partnership with our logistics partner and promote climate-smart packaging. Our goal is to become a climate-positive company by 2030.



### GOAL 15. Life on Land

Achieved by improved management of soil and land and protecting and restoring biodiversity and ecosystems.

**How we create value:** Wine production can strengthen biodiversity or contribute to the loss of

biodiversity. Our very existence depends upon a healthy environment and functional ecosystems. So, it is only natural that we care about farming practices. We encourage producers to have as little impact on ecosystems and biodiversity as possible. Our amfori BSCI process monitors farming practices. We have a large and growing assortment of organic and certified sustainable wines that guarantee none or less use of pesticides and fertilizers.



### GOAL 17. Partnerships

A successful sustainable development agenda requires partnerships between governments, the private sector, and civil society.

**How we create value:** Many of our sustainability goals are impossible to achieve without collaboration with our producers, business partners, and researchers that can provide sustainable wines, climate-smart packaging, and fossil-fuel-free transport. It is important for us to find and maintain partnerships in which we can collaborate on these issues to make a real difference and reach our goals.














*We call our strategy – From grape to glass, to simply highlight that improvements are needed throughout the entire value chain*



# Our results 2019

## Strategic framework 2018–2021

Sustainability areas and long-term goals	SDGs	Results in 2019	Targets for 2021
<b>Sustainable production and farming</b>	   	<p>All producers with fixed listings have signed the amfori BSCI Code of conduct</p> <p>All products in the fixed assortment have been evaluated for environmental and social risk</p> <p>Producers with high or medium risk have been asked for a corrective action plan</p>	<p>All producers have signed the amfori BSCI Code of conduct</p> <p>All products will be evaluated for environmental and social risk</p> <p>Products with high or medium risk will have a corrective action plan</p>
<b>Sustainable consumption</b>	 	<p>55% of our sold volume is certified (30% in 2018)</p> <p>72% of sold volume in climate friendly packaging (58% in 2018)</p> <p>We communicate sustainability values of our products</p>	<p>New targets</p> <p>70% of our sold volume at minimum is certified (previous target at 40%)</p> <p>80% of sold volume at minimum in climate friendly packaging (previous target at 64%)</p> <p>Increase the number of sustainability campaigns in order to bring more dimensions into consumer choice</p>
<b>Sustainable climate</b>	 	0.35 kg CO <sub>2</sub> e/ per sold liter	0.29 kg CO <sub>2</sub> e/ per sold liter
<b>Sustainable workplace</b>	  	<p>Equal division between women and men in management positions</p> <p>100% use of renewable energy</p> <p>Policies that ensure social and environmental responsibility</p> <p>New sustainable car policy</p>	<p>Equal division between women and men in management positions</p> <p>100% use of renewable energy</p> <p>Our policies have been reviewed and updated to ensure social and environmental responsibility</p>

**Methods:** Materiality analysis, The UN Sustainable Development Goals, Science-based targets, GHG protocol, Market trends and research.

*Our vision: Be a role model for sustainable and equal growth*

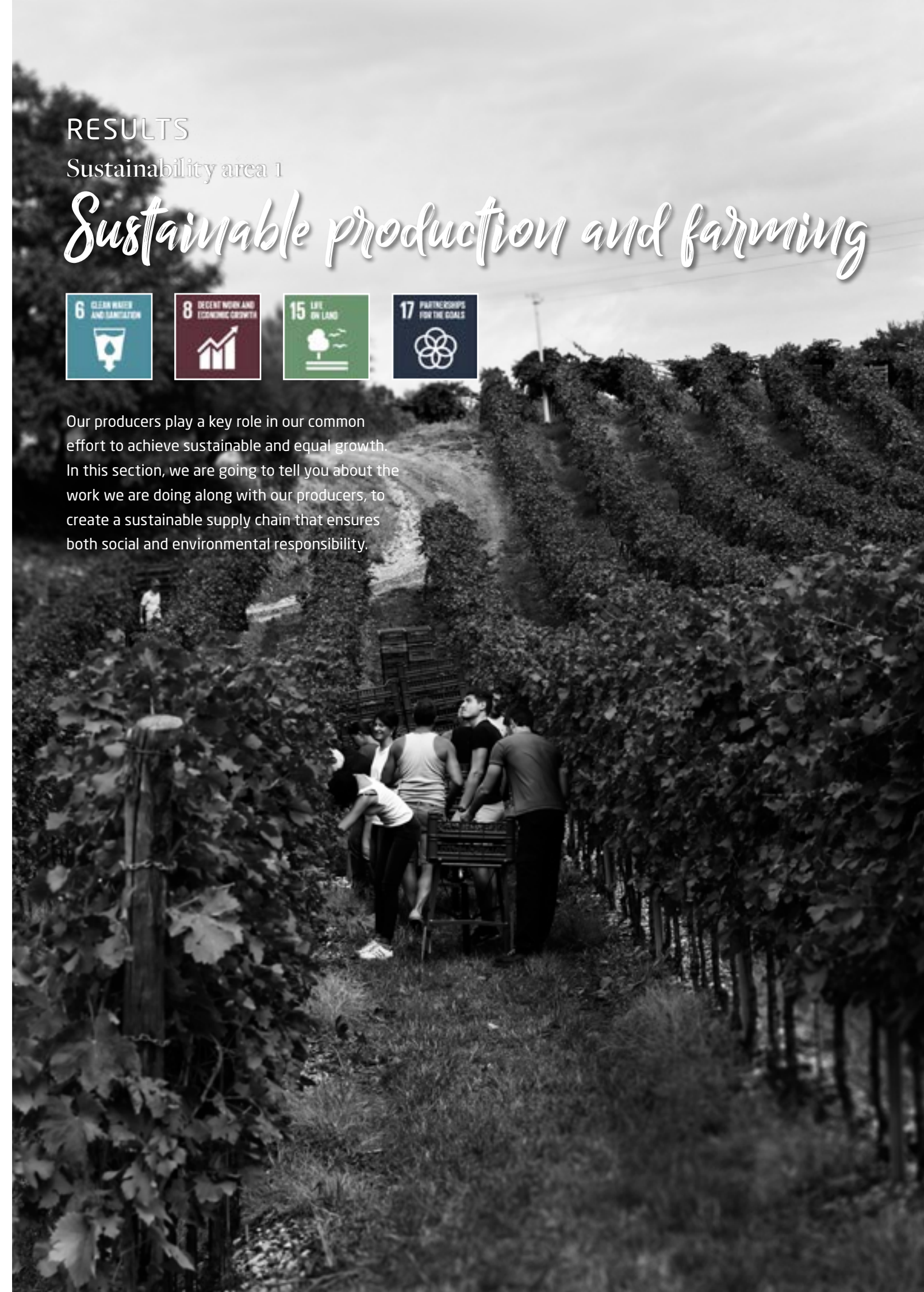
## RESULTS

### Sustainability area 1

## Sustainable production and farming



Our producers play a key role in our common effort to achieve sustainable and equal growth. In this section, we are going to tell you about the work we are doing along with our producers, to create a sustainable supply chain that ensures both social and environmental responsibility.









# Our mission

*Empower everyone in our value chain to reach the same high standards for social and environmental sustainability*



## Why is this important?

In order to achieve a sustainable society, we must farm and produce in a more sustainable way. Wine production is a fine craft that requires knowledge and commitment from the people in a complex value chain. It's very vulnerable changes in the weather and more recently – climate change. There are three basic approaches to growing wine grapes: conventional, organic and biodynamic. In recent years, a fourth method has emerged, known as sustainable farming.

## Organic and biodynamic farming

The organic farmer tackles fungi and pests using biological materials. Wild grass is removed by hand or with machinery. When farming biodynamic, the vineyard is viewed as one self-sustaining ecosystem and only natural matter are used. Both organic and biodynamic farming allows a richer variety of plants and animals in the vineyard, which boosts biodiversity and healthy ecosystems. Other benefits include reduced climate impact and that workers are not exposed to pesticides.

## Sustainable farming

In the late 1950's pesticides were introduced to farming and worked as an efficient and relatively cheap

method of handling unwanted elements. Today, the use of pesticides is commonly called conventional farming. Today, more and more conventional producers are joining sustainable grape growing programs that focus on both social aspects such as workers conditions, and environmental aspects such as water, energy and biodiversity.

## A sustainable supply chain

Our mission is to empower everyone in our value chain to reach the same high standards for social and environmental sustainability.

We know that our very existence depends upon a healthy environment and clean water. Violating basic human rights, especially the equality between men and women slows down sustainable development and growth. Therefore, we have to do everything we can to take better care of the environment and stand up for human rights and decent working conditions every step of the way.

Making a positive impact on our supply chain cannot be achieved without the cooperation of our producers. They are our most important asset. Therefore, it is important for us to follow our strategy in our long-term relationships. Because being sustainable should and will pay off!



## Human rights and decent working conditions

All workers in our supply chain – from the wine fields around the world to our office in Stockholm should have the right to be fairly paid, freedom to bargain, a safe working environment, no discrimination and legal working hours.

## Amfori BSCI framework

The values and principles of the amfori BSCI Code of Conduct are translated into 13 interconnected Performance Areas:

1. Social management system and cascade effect
2. Workers involvement and protection
3. The right of freedom of association and collective bargaining
4. No discrimination
5. Fair remuneration
6. Decent working hours
7. Occupational health and safety (OHS)
8. No child labor
9. Special protection for young workers
10. No precarious employment
11. No bonded labor
12. Protection of the environment
13. Ethical business behavior

**amfori BSCI**  
Trade with purpose

We use this framework to ensure social and environmental responsibility. Our employees are trained in the compliance process that is constantly being improved. All producers are informed and need to sign the amfori BSCI Code of Conduct. We do regular follow-ups on the framework with to make sure we are informed of any challenges.

In 2019, we began the process of making our entire supply chain traceable. This will help us to identify risks and opportunities throughout our supply chain. Data on our producer's sustainability work and certifications will be collected on the Worldfavor digital platform. Products will be evaluated using the amfori BSCI framework and potential risks will be handled by a corrective action plan.

**worldfavor**  
Digital Communication for a Sustainable Future

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*Amfori BSCI and Worldfavor are important elements for both Systembolaget and us to secure human rights and accelerate sustainable development in our supply chains.*



# Ethical trade develop communities

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*Our community can now afford scholarships for students to study abroad. One boy from in our rugby team now studies law in England. That would not have been possible 16 years ago*

*Ronel van Zyl  
Fairtrade Officer  
Piekenierskloof, Bergendal*

**S**WEDISH CONSUMERS spend more money than ever on wine and certified wines have been increased significantly in recent years. However, still not all consumers are aware of the increased supply of ethically labeled wines that make a difference for winegrowers in South Africa.

Fair for Life and Fairtrade focus on working conditions and human rights for those who work with the cultivation of raw materials and with the manufacture of the beverage. Both certifications make a premium payment to the workers' local communities. The certifications are voluntary, cost money for the producer and can be found on the bottle itself.

## Stellar Winery

Stellar Winery is the largest and leading producer of organic and fair trade-label wines in South Africa. It has its winery in scenic Namaqualand just outside the town of Vredendal. The unique thing about Stellar Winery is that it has created sustainable conditions for all workers, both the permanent full-time workers in the wineries and the winery and those who are hired seasonally for harvesting. Among other things, these workers have acquired a total ownership interest of 26 percent in the company through shares in Stellar Winery Empowerment Trust. Therefore, it has been possible to certify as IMO Fair for Life.

Stellar Organic's Foundation has been investing in the local school, medical services, and sports activities for their workers.

## Piekenierskloof Bergendal

Bergendal vinery, part of Piekenierskloof has been certified Fairtrade since 2003. It is situated on the Piekenierskloof Mountains, 650 m above sea level in the Western Cape of South Africa. Today 153 workers are share holders and obtain shares in the business. The fairtrade premium goes to leadership programmes, women empowerment forums and investments in the local school and scholarships for children and young adults.



## Sustainable farming in Italy

### Sustainable grape growing programs

Many of our Italian wine producers have been joining sustainable grape growing programs to minimize their environmental footprint. By combining tradition with innovative techniques for management of water, energy and biodiversity. This has resulted in a line up of new sustainability certifications, in which contributes to both environmental and social sustainability.



## Some of our producers work on sustainability



### Masi, Italy

By establishing the Masi Green program, all phases from farming, production, and storage are being monitored and improved with regard to the environment and human working conditions.



### Mezzacorona, Italy

Promoting sustainability since the 1980s, Mezzacorona is taking great responsibility for environmental and social compliance, all their great work is described in their 2018 sustainability report.



### Montes, Chile

Growing grapes without irrigation is a challenge, but for Montes, experimenting with dry farming has paid off. The wine is now developed with minimal use of water.



### Quercia al Poggio, Italy

Year after year, biodiversity is sustained and increased on Quercia al Poggio's property in Tuscany. It features a lake for birds, animals running free and a large variety of flora. Sustainability is a big part of Quercia Al Poggio's identity. Pesticides have never been used.



### Ricasoli, Italy

Ricasoli is sustainably managing its land to halt and reverse land degradation, halt biodiversity loss and sustain a healthy land that been kept in our family since 1141. From the oldest roots to the most recent innovations. Ricasoli is also a great example of social sustainability, with benefits to workers and the surrounding community.



# World-class premium brands pave the way for biodynamic farming



Louis Roederer has been practicing biodynamic farming in its vineyards for close to 10 years and so far has converted 50% of its holdings, while the other 50% is still organic. The latest Cristal 2012 was made with grapes from the biodynamic plots, but not yet certified because of the remaining organic vineyards that Roederer owns. Louis Roederer shows clearly that biodynamics provides quality. Another prestige producer taking biodynamic farming seriously is Domaine de la Romanée-Conti.

Biodynamic farming contribute to UN Sustainable Development goal 15. When farming biodynamic, the vineyard is viewed as one self-sustaining ecosystem that functions in partnership from the natural matter used to support the soil, to contain animals, promote biodiversity, and add plants for natural pest management, and aims to leave the land better off year after year for future. Biodynamic certified wines have been produced without the use of pesticides and herbicides.

**Other producers in Vingruppen practicing biodynamic farming includes;**  
Bodega Parra Jimenez, Spain (Certified biodynamic)  
Domaine Vacheron, France (Certified biodynamic)  
Valle Reale, Italy (Certified biodynamic)  
Weingut Zahel, Austria (Certified biodynamic)

Alpamanta, Argentina  
Antiyal, Chile  
Champagne Egly-Ouriet, France  
Domaine de la Romanée-Conti, France  
Domaine Zind-Humbrecht, France  
Fernand Engel, France  
Hacienda Araucano, Chile  
Koyle Family Vineyards, Chile  
Louis Roederer, France

## RESULTS

Sustainability area 2

# Sustainable consumption



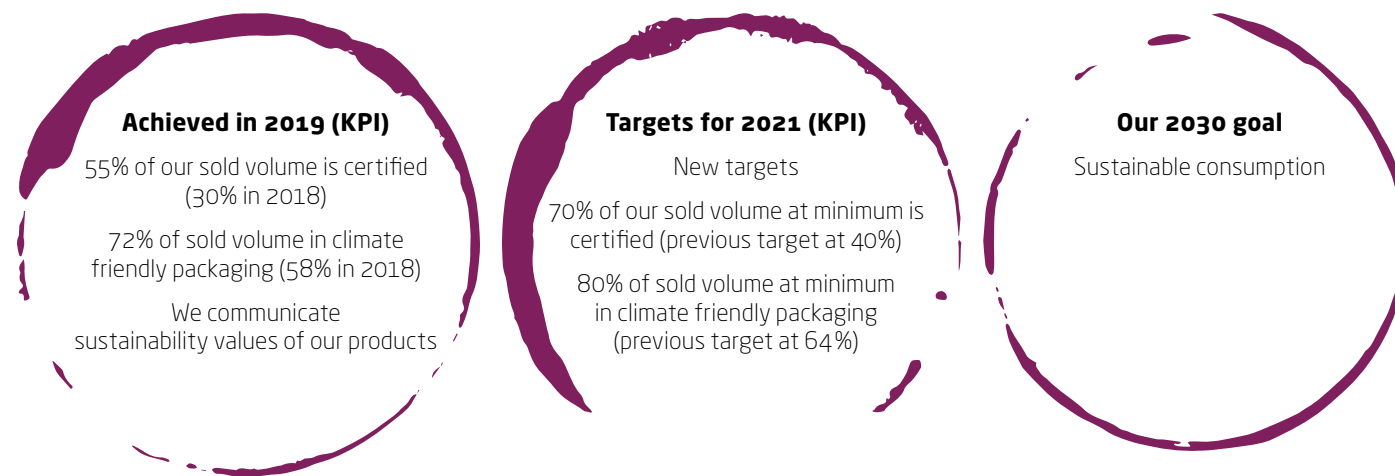
Consumer demands for sustainable products are on the rise. Success for us requires an increased assortment of sustainable products, certified products and strong story-telling to bring more dimensions into consumer choice. We are dedicated to successfully deliver this to ensure sustainable growth for us and our producers while meeting the expectations from conscious consumers. In this section, we tell you about our work to achieve sustainable consumption.





# Our mission

*Increase our assortment of sustainable products and build recognition for sustainable wine*

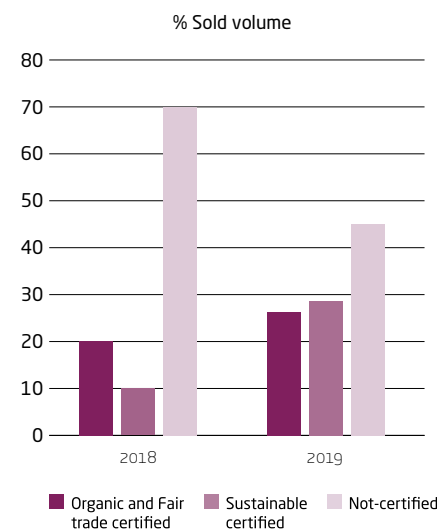


## Why is this important?

Consumers buying patterns affect people and the planet in different ways. Sustainable consumption will impact the next generation's potential for a better future. Therefore, we need to contribute to better consumption.

## A new lifestyle is emerging

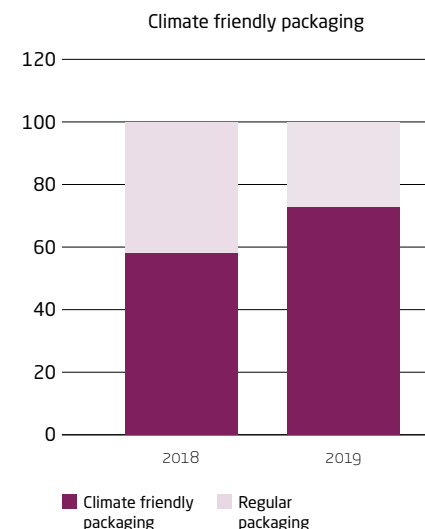
In 2019, 74% of Swedish consumers stated that sustainability affects their buying behavior when purchasing wine at Systembolaget (Systembolaget consumer survey). The main reasons are increased awareness regarding environmental issues, health and the will to make a difference. It's also linked to a new lifestyle among conscious consumers.



## Certifications make a difference

Organic certification has been a top purchasing priority for Systembolaget during the past decade. This as a way of educate consumer's and grow an environmental friendly assortment. Today buying organic wine has become a natural choice for many consumers. We have a broad range of organic, fair trade, biodynamic and certified sustainable wines.

Most consumers are aware of organic and biodynamic certifications. However, many of our producers have been working with sustainable grape growing and production for generations to protect their soil and water resources. Many of which are now certified through sustainable certification programmes.



## Bringing more dimensions into consumer choice

### Sustainable packaging and innovation

The most important sustainability issue for Swedish consumers is climate-friendly packaging, according to Systembolaget's consumer survey conducted in 2019. By developing packaging solutions with a lower impact on the planet we meet the needs of conscious Swedish consumers. We also empower product and packaging innovation. According to Systembolaget's definition, there are currently four types of climate-friendly packaging; Bag-in-box, lightweight bottles, PET and tetra pack.

### Recycling for a circular system

Recycling is important for creating a sustainable and circular system for products while increasing resource efficiency and reducing the impact on the climate. Approximately 93 % of glass packaging that is recycled in Sweden becomes new glass bottles. Plastic packaging is more difficult. Here it is important for us to deliver products that are best suited

from a sustainable and circular point of view.

### Promoting responsible consumption

Systembolaget's mission is to minimize the negative effects of alcohol among Swedish consumers. At Vingruppen, we endeavor to promote more sustainable consumption of wine. We encourage research on responsible consumption and highlight responsible drinking in marketing advertisements for our products. We also offer low alcohol and alcohol-free wines. Furthermore, we support and help sharing information about responsible consumption.

### A sustainable concept!

Our mission is to increase our assortment of sustainable products. In cooperation with Systembolaget and the wine industry, we aim to increase awareness of wines produced using sustainable methods. By 2030 at minimum we want our wine portfolio to be sustainable, with wines that meet future consumer

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*74 % of Swedish consumers stated that sustainability affects their buying behavior*



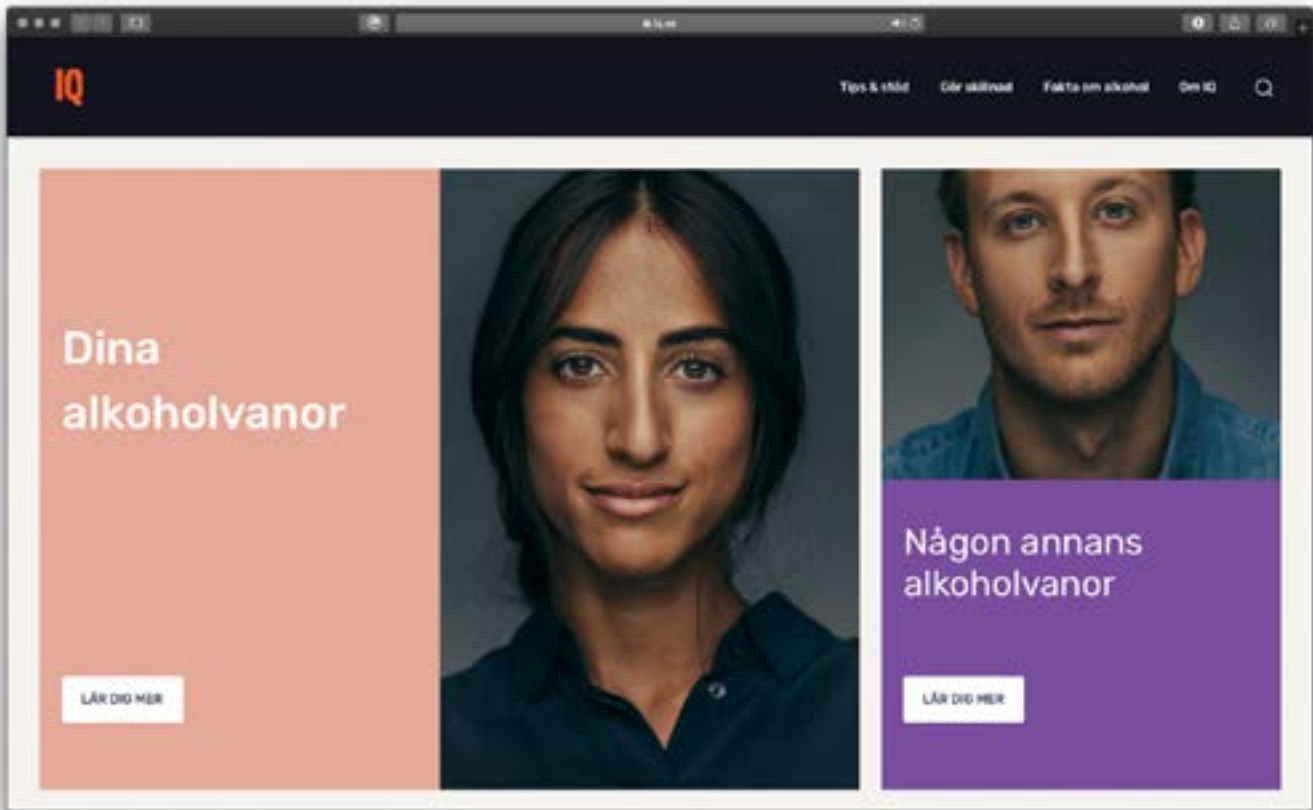
## Wine with us!

Wine with us! - wine knowledge for all.

Vingruppen launched Wine with us! to promote our wines and the sustainability values they create. It's digital tastings with some of Sweden's most experienced wine journalists on selected themes. A lot of focus is put on interaction, where we answer questions from taste profile to certification matters.



Responsible consumption



Systembolaget’s mission is to minimize the negative effects of alcohol among Swedish consumers. As suppliers to Systembolaget, we endeavor to promote more sustainable consumption of wine. Vingruppen, in line with our vision of sustainability and responsible consumption, will participate in an educational lecture by Trygga Barnen on August 27, 2020. Safe Kids is a children’s rights organization that, through its support activities, helps children and young people who grow up in families with abuse.

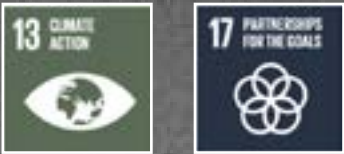
Our communication channels



RESULTS

Sustainability area 3

Sustainable climate

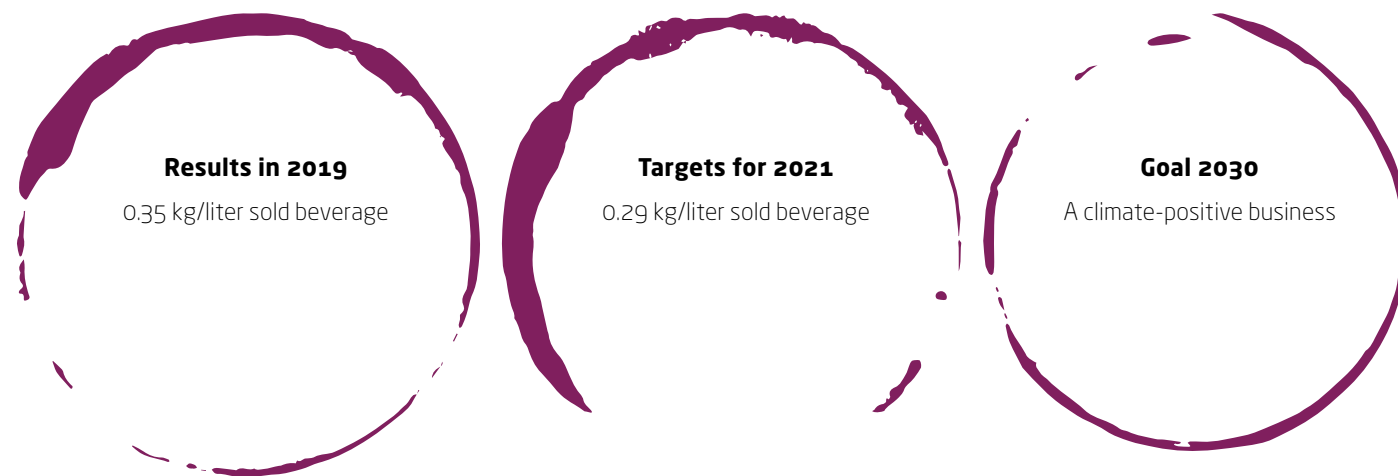


The more we grow as a business, the more important it becomes to keep track of how our products affect the planet. By understanding what is behind our carbon footprint, we can set goals, make improvements and step-by-step reduce our footprint. This is not an option for us. It is a necessity. Without a sustainable climate, there is no wine. Without wine, there is no business. Together we have to do the best we can to let go of fossil fuels and transit to a low-carbon economy.



# Our mission

*Step by step reduce our carbon footprint to become a climate positive business 2030*



## Why is this important?

Transiting to low-carbon solutions is investing in the future. The price on carbon is likely to increase further, and stronger selection criteria by purchasing institutions will benefit the businesses that choose to transit now. If we look further, we know that climate change is a serious risk to our business activities and the future of wine in general. Most of our wine producers are experiencing the effects of climate change. As a result, the 2018 Porto Protocol was established, where wine producers made an agreement to take common action to tackle climate change. The same year in Sweden a climate initiative was initialized between importers and Systembolaget. The goal is to drive activities in line with the UN Sustainable Development Goals to become a climate-neutral

industry by 2045. We are active members and supporters of this initiative.

## Our method

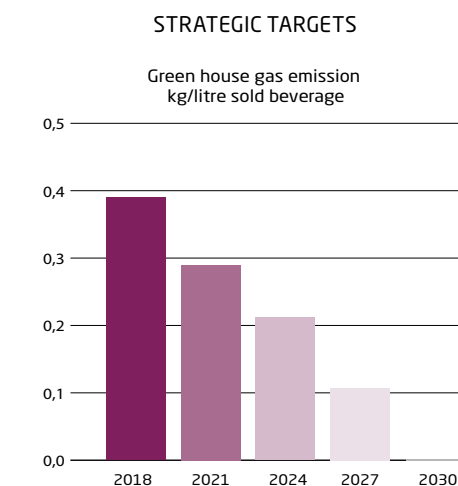
We measure our carbon emissions on a yearly basis, using the GHG-protocol. During the year we evaluate resource efficiency and renewable energy solutions throughout our value chain. This work is undertaken by all departments. Our goals and strategy are based on the Science Based Targets initiative.



# Our climate strategy

## Becoming a climate positive business

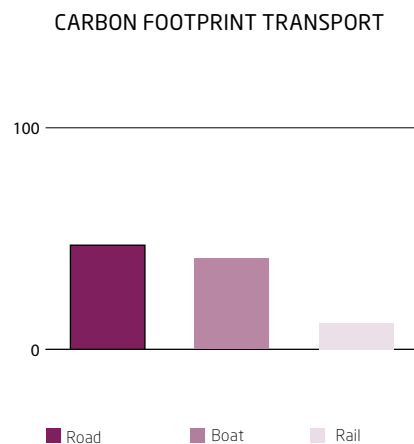
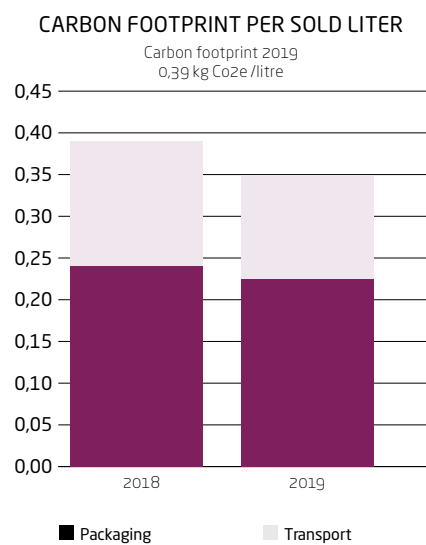
By stating this, we are determined to, step-by-step, reduce our carbon footprint, promote renewable, recycleble and resource efficient solutions and moving towards a circular economy. The emissions we are not able to reach will be compensated for. Our strategy allows us to take the climate into consideration when making all of our decisions. To become a climate-positive business, we have to reduce our carbon footprint/liter by 8% on a yearly basis.



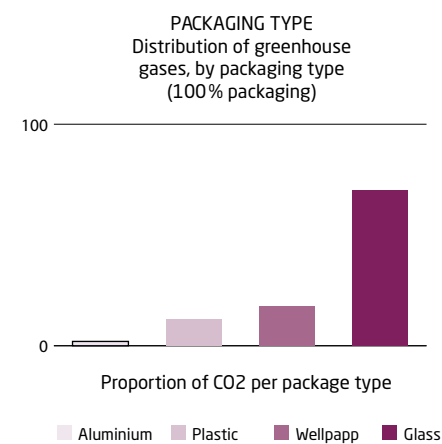


# Our climate footprint

*We have reduced our carbon footprint from transportation with 14 % by swiching from road to rail and use of renewables. Our overall carbon footprint has been reduced with 8 % meaning the yearly targets has been met.*



**Packaging is our biggest climate related challenge**  
Packaging accounts for 62% of our carbon footprint. The main reason is packaging weight, the production method and the possibility of recycling. Since we sell most wine in glass bottles, it is not surprising that it has the greatest footprint. However, the heavier the glass is, the greater the climate impact. A more positive impact can be achieved by choosing resource-efficient and recycled packaging solutions, such as lightweight bottles, recycled glass, plastic and cardboard cases and efficient use of materials for shipping.



*By 2019, 22% of our wine was delivered using renewable transportation*

IN SWEDEN we started using 100% renewable trucks for wine coming from our Norwegian distillery

IN EUROPE most of our wine is transported by TRAIN instead of trucks

OUTSIDE EUROPE the wine is transported by boat

## Transport and distribution

Fossil-free alternatives for road transports are available. The operating cost of fossil-free transport by road and rail is often nearly cheaper than fossil-driven transports. Logistics companies are already investing heavily in low carbon. We are working closely with our logistic partners to achieve a sustainable transportation chain. One challenging area is shipping by boat; the clean technology movement here is slower than for trucks. This is where partnerships for change become even more important. Our distribution in Sweden accounts for 6% of our total climate emissions. We are fully committed to bringing this number down to zero. We believe this will not only make our cities cleaner but also our customers happier. To accelerate towards renewables we have also adopted a sustainable car policy at the office.



*“Moving towards sustainable transports help us future proof our logistics”*

Åsa Lindahl, COO Logistics.





# “ Solvatten

*If your child gets sick from dirty water, then there is a risk that the cost of medication must go before school fees. The project is really a great relief, both for children, parents and us teachers!*

*Maiga, teacher in the province of Yatenga, Burkina Faso*

## A sustainable innovation

Solvatten is an innovative and sustainable solution that cleans water through solar heating. This improves health, empowers women and lowers greenhouse emissions. As suppliers of Nores, Vingruppen has over the years supported Solvatten in countries where the lack of clean water causes serious socio-economic and environmental problems. Solar water is sent to areas where the majority of the population retrieves their water in sources that risk causing waterborne diseases, such as cholera and typhoid.

Last year, our support went to schools in Burkina Faso, and through this year's donation with Nores we reach some of the most vulnerable families in Uganda.

## Investments in clean energy

Climate compensation projects, such as Solvatten, will likely be necessary in order to achieve the UN Sustainable Development Goals and Sweden's 2045 climate goal. We need investments in clean energy and sustainable solutions to reach a low-carbon economy.

## RESULTS

Sustainability area 4

# A sustainable workplace



Our employees, together with our producers, are the most important assets. We believe in promoting and respecting a sustainable workplace with equal opportunity. Social and environmental responsibility forms the foundation of a successful business. In this section, we describe the work we are doing at our office in Stockholm.





# Our mission

*Providing a sustainable work environment that attracts and sustains people with the right skills and capabilities to meet current and future business requirements*



## A sustainable workplace

We are a team of committed, knowledgeable and entrepreneurial people with a passion for wine and meaningful partnerships.

## Role models for sustainable and equal growth

We believe that in order to be a good colleague and business partner, we have to be good role models. We give everyone the same opportunity to grow, we strive for knowledge, innovation, and development and we show respect for people and the environment. Our organizational culture is inclusive and open to the exchange of ideas. These values permeate through our business operations and enable growth.

## Supporting restaurants

To support our clients during the COVID-19 crisis Vingruppen started the initiative #Krögarhjälpen. During the spring of 2020 our sales team has; Built eight restaurant outdoor seatings, cleaned outdoor floors, had wine tastings, worked as guest sommeliers, invested in wine cellars, invented wine racks, photographed, held ten wine trainings, acted as relocation assistance.

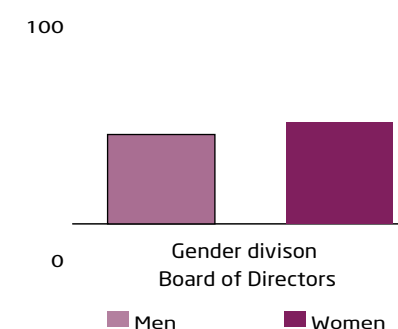


## Our environmental and social work

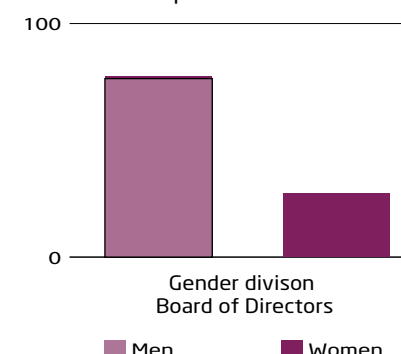
### Gender equality is part of our success

Our work is based on building meaningful and respectful relationships across different countries and cultures. We cannot do this without a strong commitment to equality, diversity, and inclusion. We value an equal division between men and women, different backgrounds, ages, and perspectives. Equality, diversity, and inclusion help us make better business decisions.

Vingruppen Board of Director positions



Industry's Board of Director positions



### In brief - our environmental and social work

- Our office is powered by 100% renewable energy.
- We recycle all used materials.
- We have converted to LED-light
- We only purchase organic, fairtrade and sustainably sourced products when possible.
- We use no single-use plastic spittoons during tastings.
- We have adopted a sustainable car policy
- We contribute 5,000 SEK annually to our employees to spend on health activities.
- We have conducted an CSR-policy including anti-corruption and gender equality policies.
- We encourage our employees to invest in sustainable pension funds.
- Our sales team and employees are trained in sustainability matters



## Our climate challenge

Deedster is the climate app that helps us challenge each other to reduce our daily carbon footprint and gain knowledge about sustainability issues. Vingruppen took part of the Earth Hour Challenge and together we reduced our carbon footprint with 1800 kg during april.





Interview with our female CEOs

# Equal growth

*Vingruppen has succeeded like few other companies in putting gender equality at heart of everything we do*

The Wineagency's CEO Ann Burgaz and Vinunic's CEO Linn Ljungkvist caught up with Vingruppens Sustainability Manager Kim Forsberg to discuss their view of female leadership development and the value it adds to a company.

**Kim:** The gender equality debate has been a hot topic for over a decade, despite this only 24 percent of board members at Swedish wine importers are women. What are your views on the development in the wine industry - looking at your own careers?

**Ann:** I would say a lot has happened. I began my career in a very male-dominated industry. I was elected into The Swedish Sommelier Association in the 80s, the first woman in the Association. But it came with a compromise - being the cashier. Today, a woman holds the position as President of the Association.

The milestone came when I was offered my first managing position. A generation shift with a male manager who believed in me, despite the fact that I was a woman. I was in the right place at the right time, and became the first woman to hold a managing position in the company's history. It was one of the largest wine importers in Sweden at the time, and I hope it paved the way for other women in the industry.

**Linn:** I came into the industry when the tide had started to turn, and I have always had female managers who believed in me and supported me. I believe good leadership comes with experience. Ann, was my manager early in my career and has been a role model for me and many others.

In the wine business the generation shift also opened up for female winemakers to take over family businesses, which had previously been handed over to the sons of the family. Today we work with many talented female winemakers.

**Kim:** What was the Turning Point?

**Ann:** I would say the big change came when Systembolaget appointed their first female general director in 1999. Anitra Steen valued talented leaders and supported women who she believed in. She became a symbol for equal opportunities. I believe it trickled down and became part of the culture; the ball was in motion and then things started happening by themselves

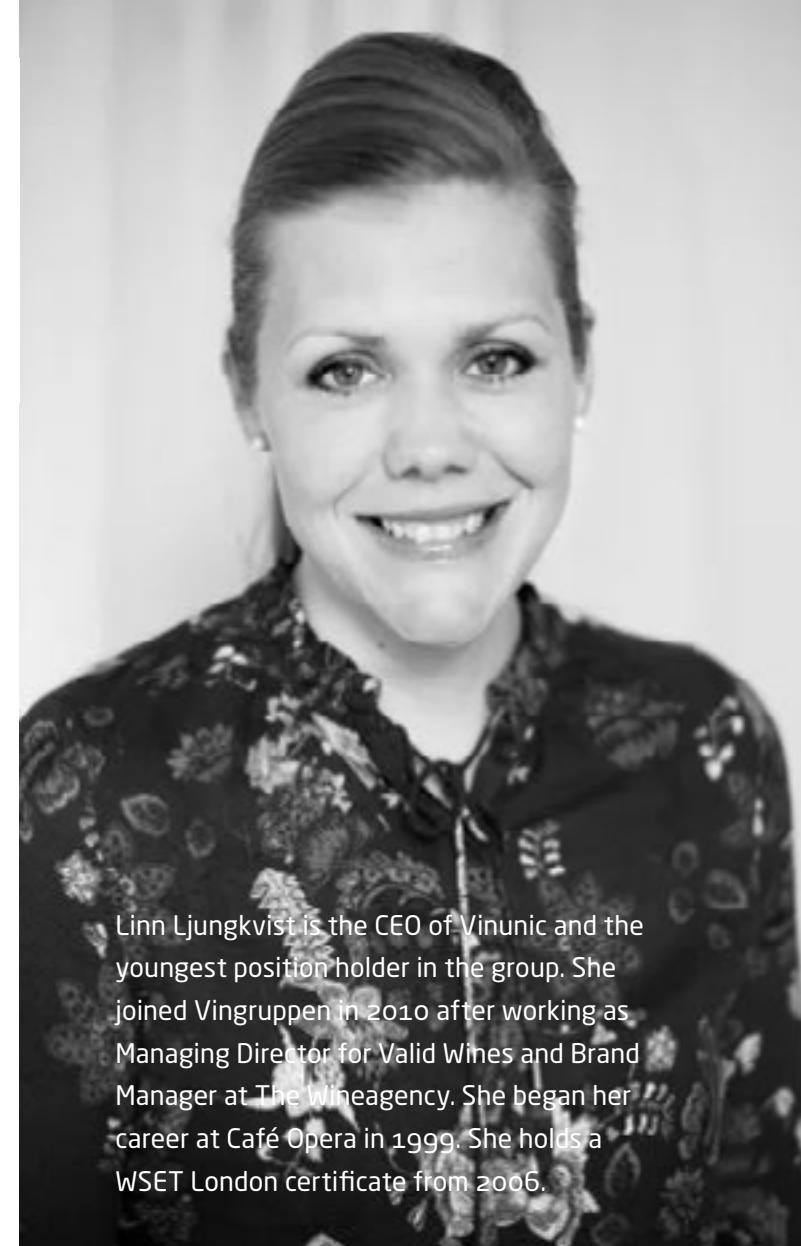
**Linn:** I agree, but women are still underrepresented in the industry's leadership positions. That's why equal growth is one of Vingruppens priorities. To recognise female leaders — and to put the spotlight on their accomplishments, their journeys, and their perspectives. As an example we sponsor the STELLA gala every year — a forum for women accomplishments in the industry.

## Profit and Gender Equality

**Kim:** Research shows that gender equality has a direct positive impact on the bottom line and contributes to a more attractive workplace. How do you think gender equality affects a workplace?

**Ann:** We work in a business where we need to deliver and generate profit. From my experience, I am convinced that equality promotes profitability. Diversity gives us broader perspectives and creates a better understanding for the market. An open and inclusive workplace make people more comfortable with sharing their ideas. Having a purpose make people work harder.

**Linn:** There are many ways to drive a successful business. I believe in equal growth. Diversity is strength, the broader perspectives makes the business more intelligent. Women are extremely talented and bring skills and experiences that are unique and valuable. Not having female leaders limits the talent pool.



Linn Ljungkvist is the CEO of Vinunic and the youngest position holder in the group. She joined Vingruppen in 2010 after working as Managing Director for Valid Wines and Brand Manager at The Wineagency. She began her career at Café Opera in 1999. She holds a WSET London certificate from 2006.



Ann Burgaz is the Founder and CEO of The Wineagency, and previously held the position of Purchasing Director at Systembolaget 2003-2007 and as General Manager Wine and Spirits at a large wine division in Sweden 1995-2002. She holds a WSET London certificate from 1992.

”

*The milestone came when I was offered my first managing position. A generation shift with a male manager who believed in me, despite the fact that I was a woman.*

”

*I am convinced that equality promotes profitability*

## Advice for Building a Gender-Equal Workplace

1. Zero tolerance towards discrimination
2. Equal pay for equal work
3. Openness & communication
4. Role models and ambassadors

**Ann:** Well, just look at Systembolaget. In 1999 we started to see a larger focus on the target groups. The assortment bloomed out in the direction of where it is today. Diversity provides necessary perspectives to an organisation's ability to grow.

**Kim:** What is the biggest trap for women in the industry?

**Ann and Linn:** Worklife balance - fitting in both career and kids.

**Ann:** Life comes with sacrifice. I have seen women who may think they're in an equal relationship. Then the kids come - so does the responsibility, and sacrifices. Women still take a greater share of the childcare responsibility.

**Linn:** I've been lucky to have great support from my husband. But it hasn't always been easy to juggle with a double career, being successful as a professional and at the same time being a great mother.

**Linn:** There is also the gender pay gap. Women are still payed less in many organisations.

**Ann:** I am proud that Vingruppen created a gender equality policy with focus on maternity leave and recruiting processes early on.





## Some of our female winemakers



1. Cecilia Leoneschi - Castiglion del Bosco
2. Samantha O'Keefe - Lismore
3. Piera Martellozzo - Piera Martellozzo
4. Caroline Lestimé - Jean-Noël Gagnard
5. Susana Rodríguez Vasquez - Peltier Wines
6. Theresa Breuer - Georg Breuer
7. Nathalie Longefay - Mirabeau en Provence
8. Ruth Rodríguez - Izadi & Orben

9. Isabelle Diebolt - Diebolt-Vallois,
10. Virginia Willcock - Vasse Felix
11. Louisa Rose - Yalumba
12. Dorli Muhr - Dorli Muhr wines
13. Susana Balbo - Susana Balbo

## Results in brief

- We have made our transportation chain more sustainable by shifting large volumes to trains instead of trucks - reducing our carbon footprint from transportation with 14 %.
- More sustainable solutions are on their way
- 72 % of sold volume for 2019 in climate-friendly packaging
- 55 % of sold volume for 2019 was certified
- We are active members of The Swedish Climate Initiative for the Beverage Industry
- Our producers from risk countries have signed the amfori BSCI Code of Conduct.
- Our office is powered by 100% renewable energy
- Women occupy 58 % of top management positions



# My notes





# VINGRUPPEN I NORDEN

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**VINUNIC**  
Quality since 1992

**WINEWORLD**  
*Sweden*

the  
wine  
agency

**VALID**  
WINES

**QUAFFABLE**  
WINES



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