

Doing Business with the



April 24, 2025



Agenda

1.



2.

**Role of Category Management and the 5 P's:
products, place, promo, personalization, price**

3.

Communication and discussion tools

1.



2.

Role of Category Management and the 5 P's:
products, place, promo, personalization, price

3.

Communication and discussion tools

The SAQ



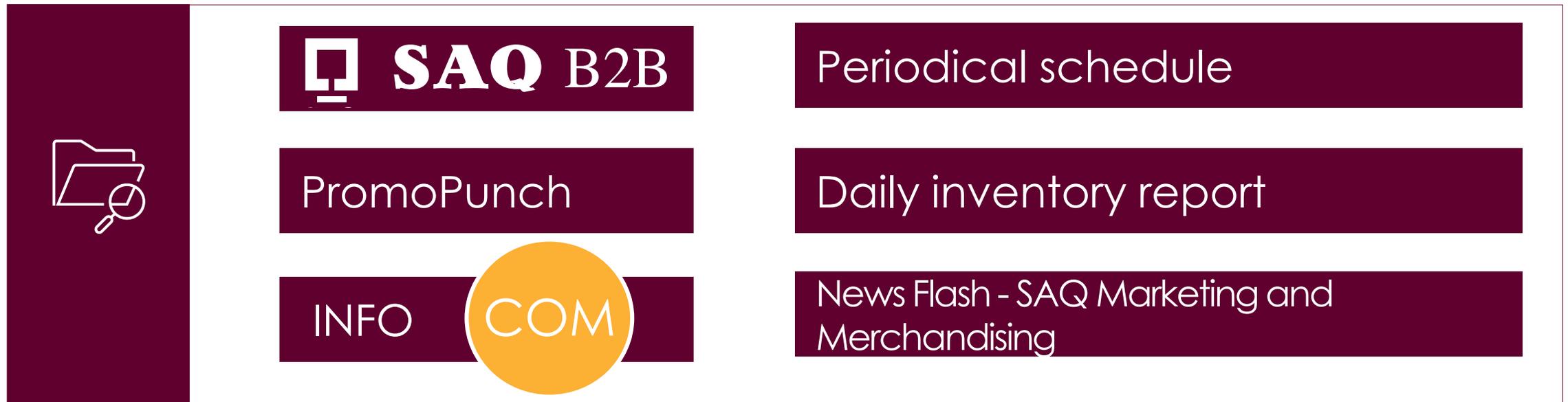
3,800
SUPPLIERS

330
AGENTS

113
Exclusive PI
AGENTS

33
TRADE
ASSOCIATIONS

7
MAJOR
ASSOCIATIONS



[SAQB2B:](#)
[PromoPunch :](#)
[InfoCom](#)
Accounting periods calendar: [2025-2026](#) / [2026-2027](#)
[Sign un for Flash info](#)

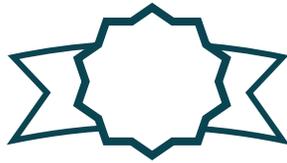
PMP Purchasing and Merchandising Policy

 The **PMP** is a document that sets **guidelines** to ensure our dealings with partners are **managed fairly**

Criteria and product selection



Qualitative



Reputational



Potential



Sustainability

Purchasing



Purchase price
Price changes

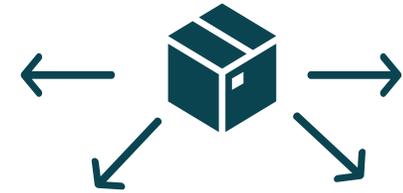


Currencies



Purchase order

Merchandising



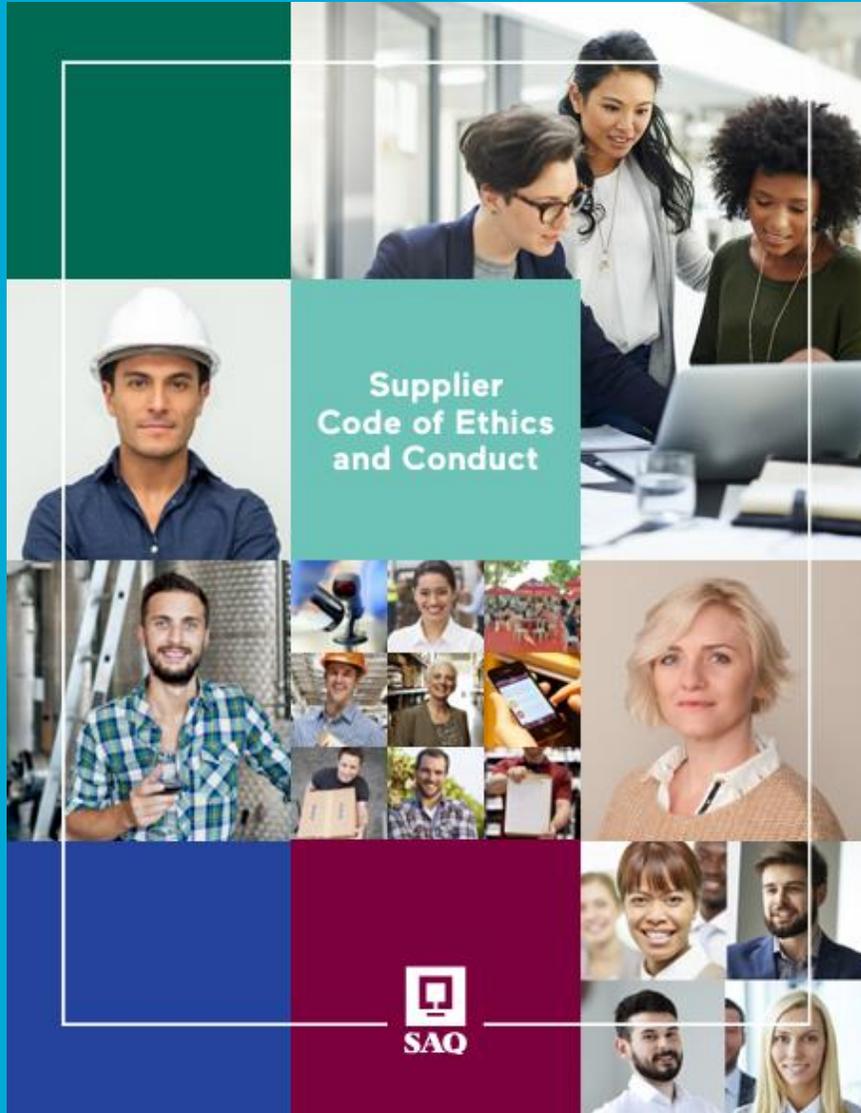
Distribution



Promotions



Renewals



- 1. Ethics are a key part of our business relationships**
- 2. Code of Ethics and Conduct**
- 3. Applying the code**

1.



2.

**Role of Category Management and the 5 P's:
products, place, promo, personalization, price**

3.

Communication and discussion tools

Meet customer needs

Maximize each category's performance



Group similar products into defined **categories** in order to manage their performance **more effectively**

Manage:

- **assortments** and **catalogues**
- relations with **suppliers** and **agents**
- **promotions**
- **pricing**

Implement strategies and tactics for reaching targets

Plan marketing through the various sales channels

Americas - New World

Other wine formats - SAQ Dépôt

Marc-Olivier Rail
Sabrina Boucher
Julie Lacoursière
Cécile Rocher

France - Rosé wine - Value picks

Gilles Goulet
Maxime Desjardins
Simon Paillé/Audrey Thibault
Justin Rouette

Europe

Pierre Bidon
Patrick Duplessis
François Fortier
Katrina Quesnel

Spirits - Celebrations - Quebec - Low-alcohol

Simon Bourbeau
Marie-France Gauvreau/Gilbert Hayek
Sébastien Leblanc
Éloïse Michaud
Stéphanie Taschereau

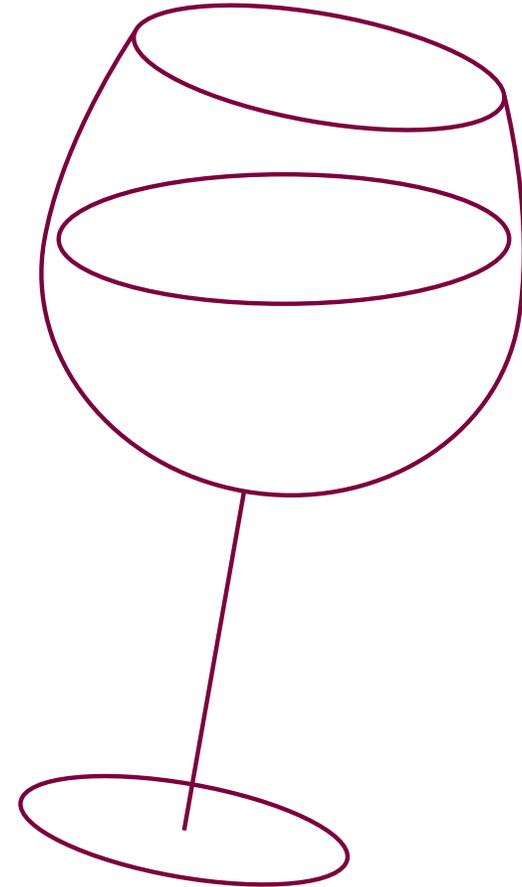
Products

Assortment management

Catalogues

Introduction channels

Introductions and withdrawals



Products

Three catalogues



<p>RA REGULAR CONTINUOUS REPLENISHMENT</p>	<p>Core offering Generates traffic 1st level of recruitment High availability and broad reach</p>			<p>1,102 products</p>
<p>AVAILABLE YEAR ROUND</p>				
<p>SA SPECIALTY CONTINUOUS REPLENISHMENT</p>	<p>Transition zone between regular and specialty products (“gateway”) Complementary to RA</p>			<p>2,195 products</p>
<p>OCCASIONAL AVAILABILITY</p>				
<p>SL BATCH ORDER SPECIALTY</p>	<p>Discovery zone for customers Depth of selection Encourage the interest of passionates and connoisseurs Limited volume - allocations - rarity</p>			<p>13,112 products</p>

Several introduction channels

Assortment plan

Guides our partners on **specific needs** in the various categories

- Annual update
- Quarterly review of categories
- Analysis period directly linked to assortment plan

Private agreement

Increased business agility

- Take advantage of trends
- Drawn from discoveries:



- 10 to 20% of annual RA introductions
- Specialty: frequent

Calls for tenders

- Gift boxes
- Summer campaign

Risk sharing - contract

- Applies to all SA products
- Quantities determined by the agent via a replenishment agreement
- Established performance targets (SAQ/Agent)
- Storage fees in cases of under-performance

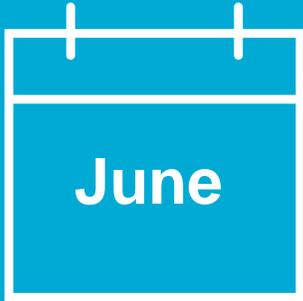
Change of catalogue

Products in a **category** may be selected for a change of catalogue

Factors

- Space in the category
- Available volume
- Sales volume and velocity
- Price relative to catalogue

Assortment plan



June

SAQ B2B



Quarterly review



January

Publication of needs

	All submitted products will be tasted and replies sent.
	Products will be preselected based on the specifics of each requirement. If your offer is preselected, you will receive a request for samples. If your offer is not preselected, no request for samples will be sent.
	No requirement specified. If an offer is submitted, it will not be analyzed.

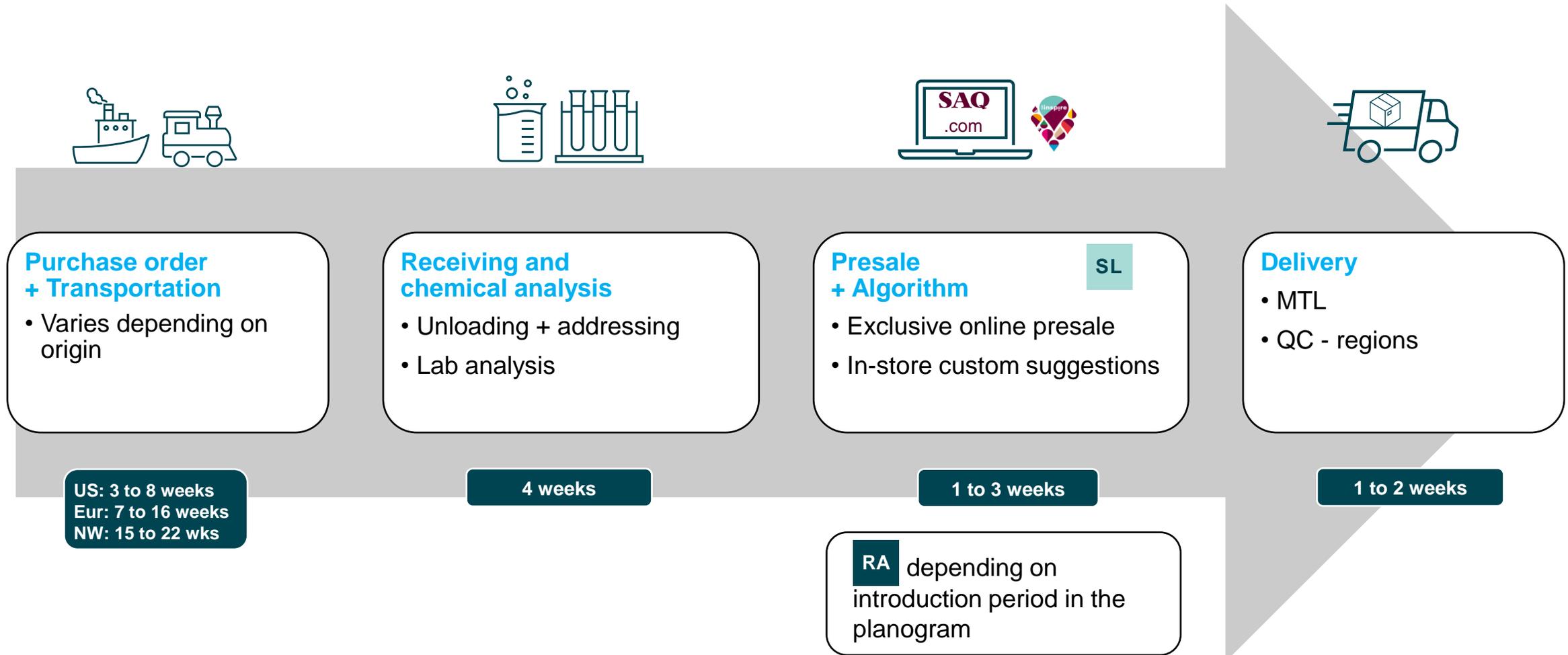
CM Universe	Category	Catalogue	Required characteristics	Assets				Quarter*	Analysis status
				Organic	Natural	Fair trade/ sustainable Development**	Other		
White wine	White wine South Africa	Regular products	Entry-level and mid-range. Dry, fresh, fruit-driven. New brands, new emerging players not present on the Quebec market. With a sustainability certification recognized in Quebec.	✓				Q4 2024-2025	Completed
	White wine South Africa	Specialty products	Mid-range. From the Agulhas, Elgin, Stellenbosch and Swartland regions. With a sustainability certification recognized in Quebec.	✓	✓			Q1 2025-2026	Underway
	White wine Australia	Regular products	No requirement specified.						
	White wine Australia	Specialty products	Mid-range and high-end from cool regions. From Tasmania, Riverland, Yarra Valley, Adelaide Hills, Victoria, Margaret River With a sustainability certification recognized in Quebec	✓	✓	✓	Volumes for positioning as a continuous replenishment product (SA).	Q2 2025-2026	Upcoming

Source [2024-2025 / 2025-2026 Assortment Plan](#)

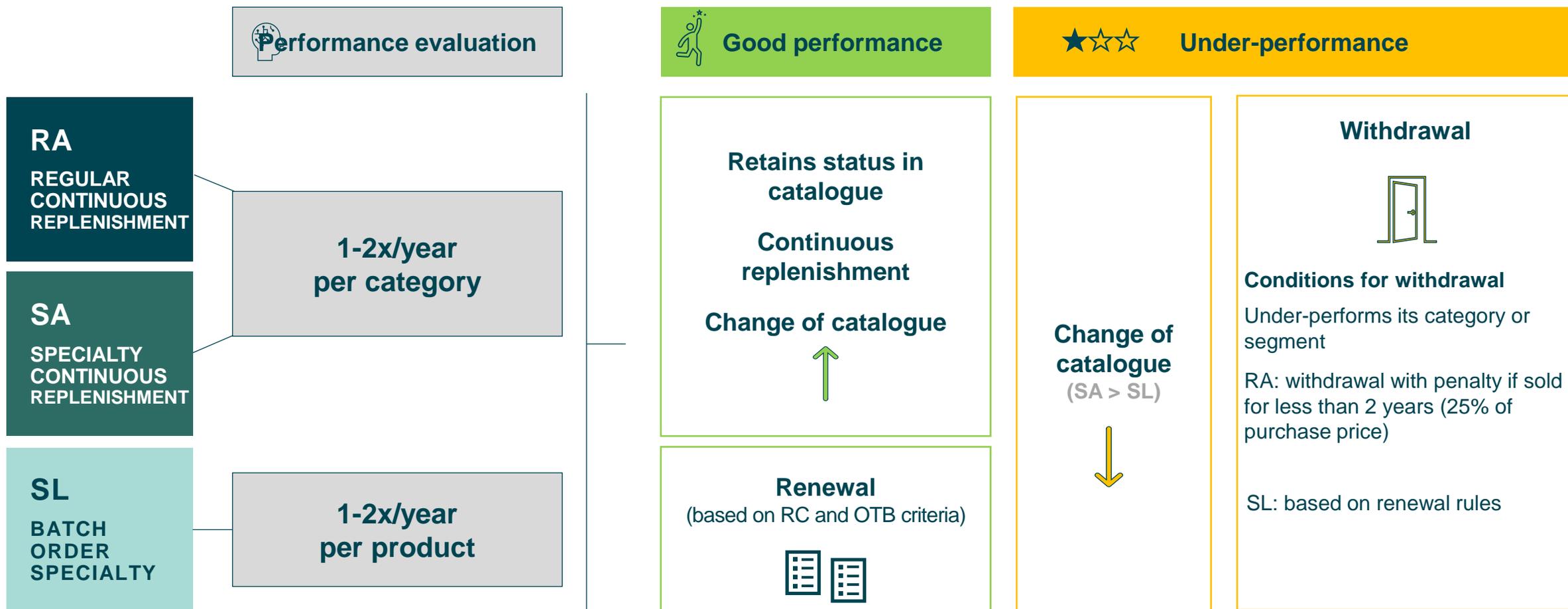
Product Selection process



Selected product Introduction process and timeline

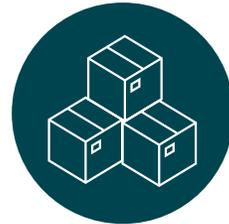


Products Performance evaluation and withdrawal

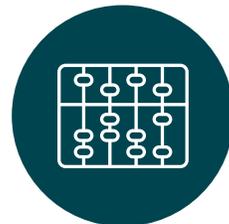




Continuously determine and adjust purchases based on sales forecasts



Account for **current inventory** (warehouse, stores) and **orders in process**



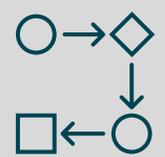
Apply the principles of **category management** to cover needs and **trends** (regions, price bands, appellations. etc.)

SL performance evaluation – Renewal rules

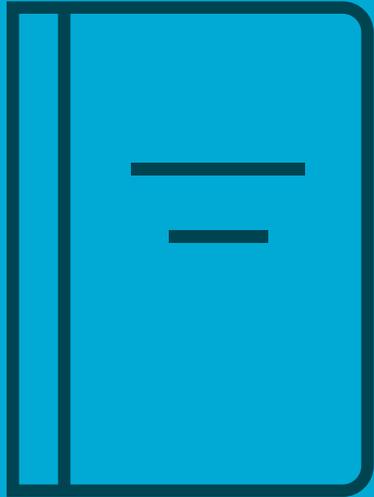
(excluding seasonal and allocated/elite)

	 % sold	 No. of weeks marketed *	\$ Terms	 Scenario
Automatic renewal	80% +	8 weeks	Same purchase terms, same price	Intra-year renewal Quantities determined based on velocity and category needs
Renewal managed via OTB	80% +	12 weeks		Quantity may change ↓
Analysis based on OTB needs	25% to 80%			No renewal guarantee Best performers analysed first If renewed, quantity may change ↓
Danger zone	Under 25%			Withdrawal
Withdrawal	After 2 years without renewal (8 consecutive quarters), the product is withdrawn from the catalogue			

* No. of weeks calculated from the start of the online presale



- Decision whether to renew is based on **velocity**, as a function of **needs by category**, and based on **indicated analysis period**
- Ensure a renewal rate
- The rules may be adjusted depending on the performance context



Guide to come
(June 2025)

Certifications



**Lightweight
glass and
overpackaging**



Human rights



**Alternative
containers**



Local bottling



Place

Distribution channels

Planogramming

Merchandising of SL products



Distribution channels



Evolving planogramming

Different zones in the customer journey

RA

REGULAR
CONTINUOUS
REPLENISHMENT

- Nearly 15,000 planograms
- Representing 73 different categories

PROMO

- Entry zone where customers find products on **promotion** and **seasonal campaigns by corporate agreement**

CELLIER SA-SL

- Linear feet for this zone based on store sales
- Includes the Nouvel Arrivage (New Arrivals) and Incontournables (Must-Try Selections) tables



Renewal

Tests – pilot stores



RA and SA
together



Evolution of zones

- **Moderation**
- **Discovery**

Planogram is updated continuously

PRODUCT CHOICE

- Assortment determined by portfolios
- Unit sales by store and assortments

POSITIONING

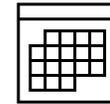
- **1st criterion = consumer sales:**
 - Better seller = better shelf
- Grouped by origin
- New products have the best shelves for one year



Dynamic positioning without relation to retail price



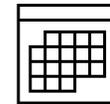
7-day exclusive
presale on SAQ.com



1 per week

+

1 theme banner per month



1 per month

Rare and prestigious products

Allocated by lottery

Promotion and personalization

Promotional guide

Types of promotional packages

Customer experience personalization



Commercial Program Guide 2025-2026

SAO inspire

the spirit of sharing

Introduction

As a committed retailer, being close to all our customers and serving them according to their needs is our top priority. To do this, we have offers for our partners that are geared to their needs, whether it's to build a brand, promote it to customers, or capture their interest by personalizing our inspire offers. This commercial program guide has been designed to support you in the annual planning of your product visibility and promotional plan.

We are publishing this new version of the 2025-2026 guide with the addition of digital packages, as agreed. You may notice that a number of new packages are making their official debut in this year's guide, including "Experience Truck Wrap" and "In-House Radio," to name but a few. These new packages will give you even more tools to showcase your products and engage customers.

As the number of packages is limited for certain programs, products must participate in the "SAO Inspire Exclusive Offers (PSM)" package in order to be selected; this applies to all offers unless otherwise indicated. If this rule applies, the information will be indicated by a red location pin icon.

SAO Inspire

Personalization is at the heart of the SAO's marketing strategy.

SAO Inspire is our core program that provides members with targeted offers tailored to their needs.

Enthusiastic customer

- 64% of transactions
- 74% of sales are in-store

1.8 million active members

Several tools are at medium and long term over time to ensure visibility.

SAO Inspire

mass market packages flyer

For regular products (RA) and continuous replenishment specialty products (SA).

MISSION

- Star
- Major
- Spirits

HOW IT WORKS

An online flyer, offered every period in the store network. There are two types of flyer:

- Flyer: 10 per year
- Spirits (plus) flyer: 2 per year - Product execution takes place to the duration of the flyer (11, 12 or 13 weeks)

Products must be part of the "SAO Inspire Exclusive Offers"

VISIBILITY

- Execution across the network
- SAO internal media (SAO.CC)

FLYER - STAR MAJOR SPIRITS

PACKAGES

EXECUTION

Star

- Product with the most visibility
- 2 products per flyer

Major

- 6 products per flyer

Spirits

- 6 products per flyer

HOW ARE THE PRODUCTS?

Twice a year, our agencies select the products for the duration of the cycle. Products are not included in its selection if:

- Customer sales are low
- Low purchase history
- Market share is low
- Sales performance is low

WHAT HAPPENS ONCE IT'S LAUNCHED?

- All the products are sold by email.

DISCOUNT LEVELS

- 0% - 7% or 10%
- A discount of 0% is not allowed
- A promotional price is for low-volume products
- A discount of 0% is not allowed
- Summer campaign - Stocking time per product \$12 and
- Points are rounded up

For the selected products, 2 periods with the offer are applied. The offer is applied for 2 periods.

mass market packages personalized store layout

For regular products (RA) and continuous replenishment specialty products (SA).

MISSION

- Star
- Major
- Spirits

HOW IT WORKS

During each period, displays are placed in the store network. The products that are placed are automatically shipped to the store.

In stores where products are in the form of spirits are automatically shipped to the store.

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targeted packages exclusive SAO Inspire offers (PSM)

For regular products (RA) and continuous replenishment specialty products (SA).

MISSION

- Star
- Major
- Spirits

HOW IT WORKS

Every week, each customer receives two to four targeted offers (product with bonus points) based on their taste profile and purchase history.

- Targeted offers feature products that the customer has previously purchased (building loyalty)
- SAO Inspire card at checkout. They can do so more than once during the promotion period.

All eligible products are automatically accepted!

VISIBILITY

Targeted offers are promoted via the following inspire tools:

- The SAO Inspire newsletter sent on Thursdays
- The mobile app
- SAO.COM (My Inspire offers)
- The in-store terminal, employee device and QR reader, tools our employees use to better advise customers

WHAT DOES THE PACKAGE INCLUDE?

The Targeted Offer package requires a six- or seven-period commitment (POI to POT and P16 to P17) and includes the following:

- Creation of a visual featuring your product and a bonus points offer
- Visibility of your product to a target group of customers on all inspire tools; the targeted offers are re-evaluated every week to ensure product visibility, based on the products' respective market share
- A product performance report at the end of every cycle

Our customers enjoy targeted offers!

- 78% find these offers relevant
- 91% find they correspond to their taste

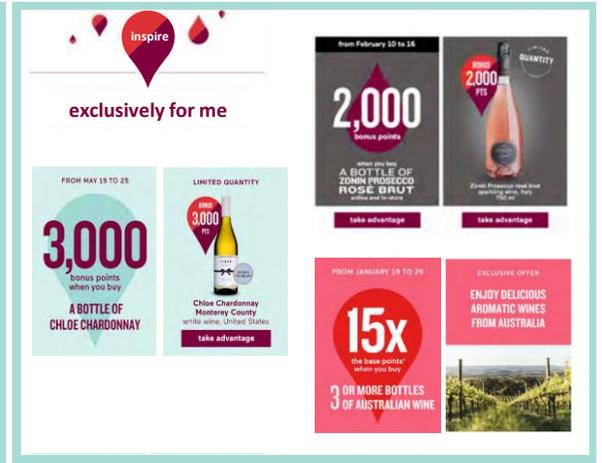
targeted packages 21

Several types of promotional packages

MASS MARKET
All stores



PERSONALIZED
for each
customer



CUSTOMIZED
for each store



Brand /
Recognition





Personalizing the customer experience

2M Inspire member-customers

Reports available

Price

Negotiation of FOB prices

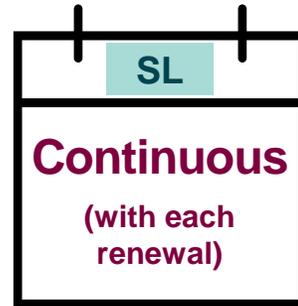
Setting of retail prices



Price adjustment periods*



New price effective dates



* **Price cuts can happen up to 8 times a year**
(no price changes in P02, P05, P08, P10, P11)

Price monitoring



Canadian market



International markets

Main points

- The SAQ negotiates **fair** and **competitive** prices
- The product must be marketed for **more than 1 year** before a price increase can be requested
- The agent must **complete the increase request form**, on an allowed date, with **justifications**
- Elements considered include:
 - Market context (supply and demand)
 - Cost of raw materials
 - Inflation rate in the country of origin
 - History of price changes

1.



2.

Role of Category Management and the 5 P's:
products, place, promo, personalization, price

3.

Communication and discussion tools

In close partnership with our industry



Ongoing discussions

Inform partners
Address your questions
Share our vision



Collaboration on changes

Define shared priorities
Work in **partnership**
Work in **working groups**

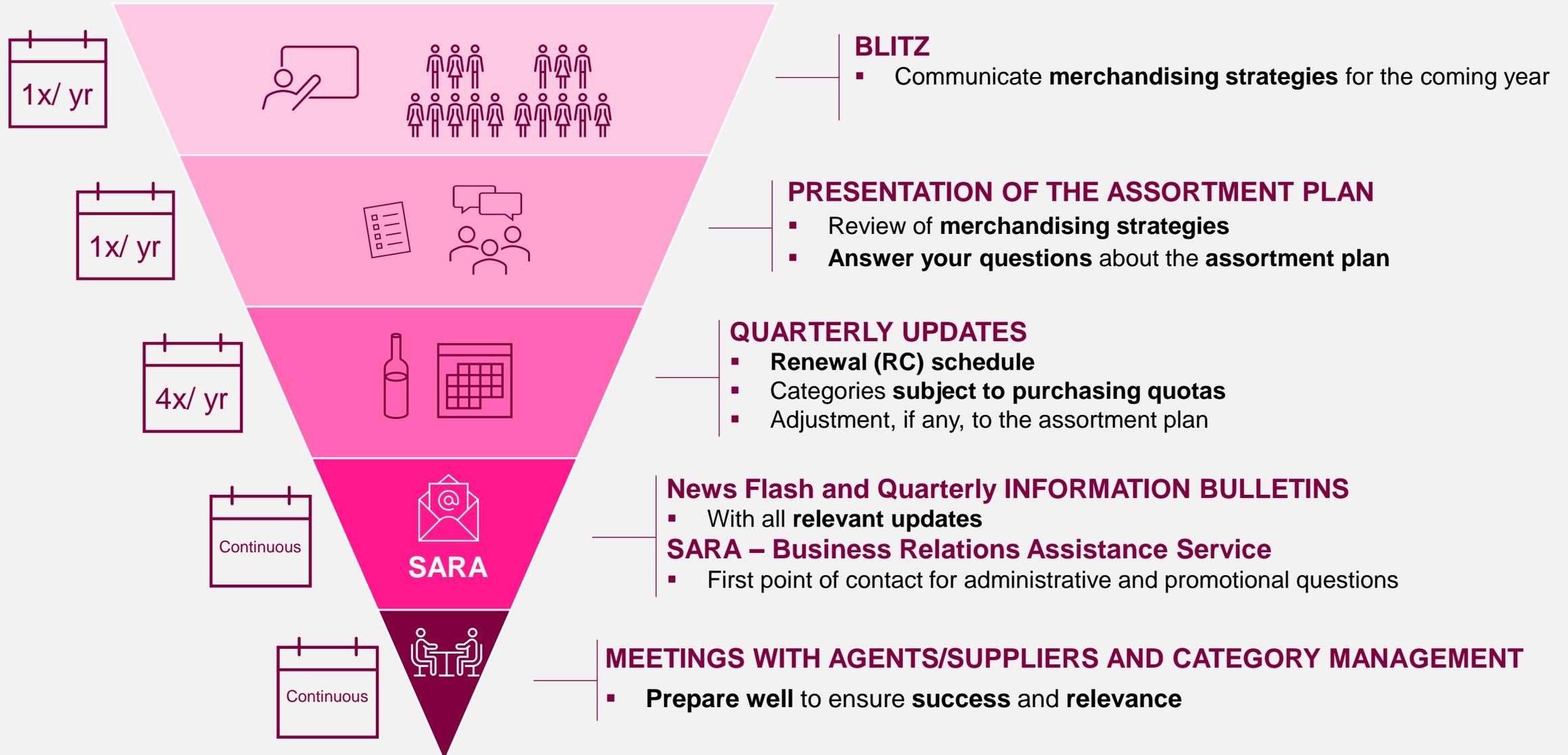


Consultation

Annual **survey**
Discussion group
Influence on the strategic plan

+ Quarterly executive meetings with the associations

Several opportunities for discussion and information sharing



Planning a meeting with Category Management



Whether you're meeting in person or virtually, good practices matter!

1.



- Clearly define the meeting's objectives
- Determine attendees

2.



- Complete the meeting request form



3.



- Send your presentation to one of the SAQ employees who will attend





Managing time effectively

BUSINESS REVIEW

- Product performance
- Growth strategies
- Withdrawal risk/exit strategies
- Promotions (opportunities, performance)

PRESENTATION OF NEW PRODUCTS

- Top opportunities in relation to published needs and trends
- Establish an exit strategy (in case of under-performance)

ANNUAL PLANNING

- Volume
- Promotional investments and plans
- Upcoming events
- Allocations, production

VARIOUS

- Market data
- Production data
- Trends (producer, region, country...)
- Price/performance by vintage



Request concerning a product

- ★ Be sure to include the product code (or OS/RC#)

Request for price increase (RC)

- ★ Submit a fair request
Certain products are substitutable

Request for RC if less than 25% sold in 12 weeks

- ★ Focus on products approaching 80% sold in 12 weeks



?

Thank you!

