



Quarterly Trade Update

April 30, 2025

LCBO

Content presented in this meeting is the property of LCBO, for this audience only, and may not be shared, reproduced, or distributed in any form.

Agenda

01 Welcome & Business update with President & CEO
George Soleas

02 Forecasting

03 Marketing update

04 Future State Modernization (FSM) next steps

05 Q&A

Quarterly Trade Update - Ask a
Question





Business update

George Soleas
President & CEO

US products removed from LCBO



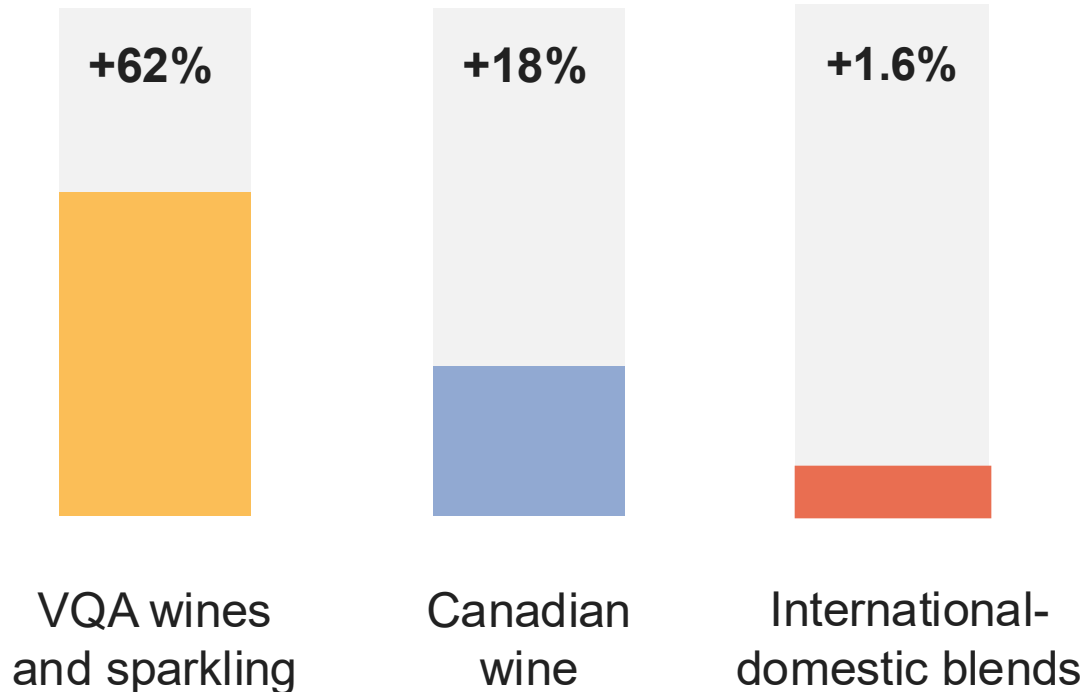
LCBO

Content presented in this meeting is the property of LCBO, for this audience only, and may not be shared, reproduced, or distributed in any form.

Shifts in buying trends

ONTARIO- AND CANADIAN-MADE WINE

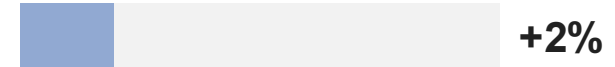
Post Tariffs TY vs. LY



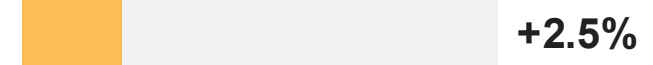
GROWTH IN CANADIAN SPIRITS

YoY Growth

CANADIAN SPIRITS



CANADIAN WHISKY



BY COUNTRY

Post Tariffs (since implementation)



Note: Post Tariffs (weeks 46-52 F24-25)

LCBO's EH List

LCBO is proud to promote and support products from local producers year-round.



LCBO

Content presented in this meeting is the property of LCBO, for this audience only, and may not be shared, reproduced, or distributed in any form.

LCBO to increase support for local

LCBO is **collaborating** with OCW and other craft associations to focus on **four key areas**



Try new initiatives on a pilot basis
Introduce new initiatives to promote Ontario products to test and evaluate



Review existing LCBO supports
Review existing LCBO supports and engage local producers to support sales

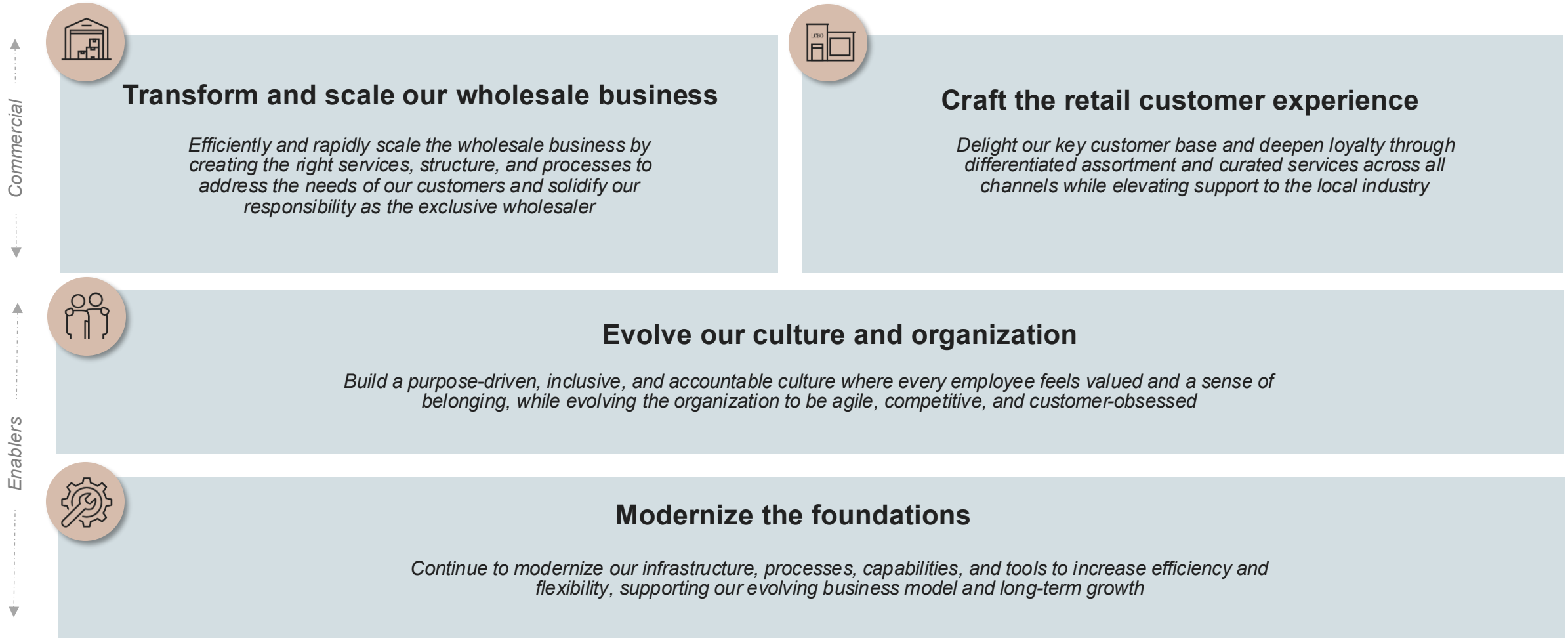


Develop Local Strategy
Develop strategy with regular reporting on activities and outcomes



Leverage LCBO Data & Expertise
Establish partnerships with industry to share data and expertise on trends

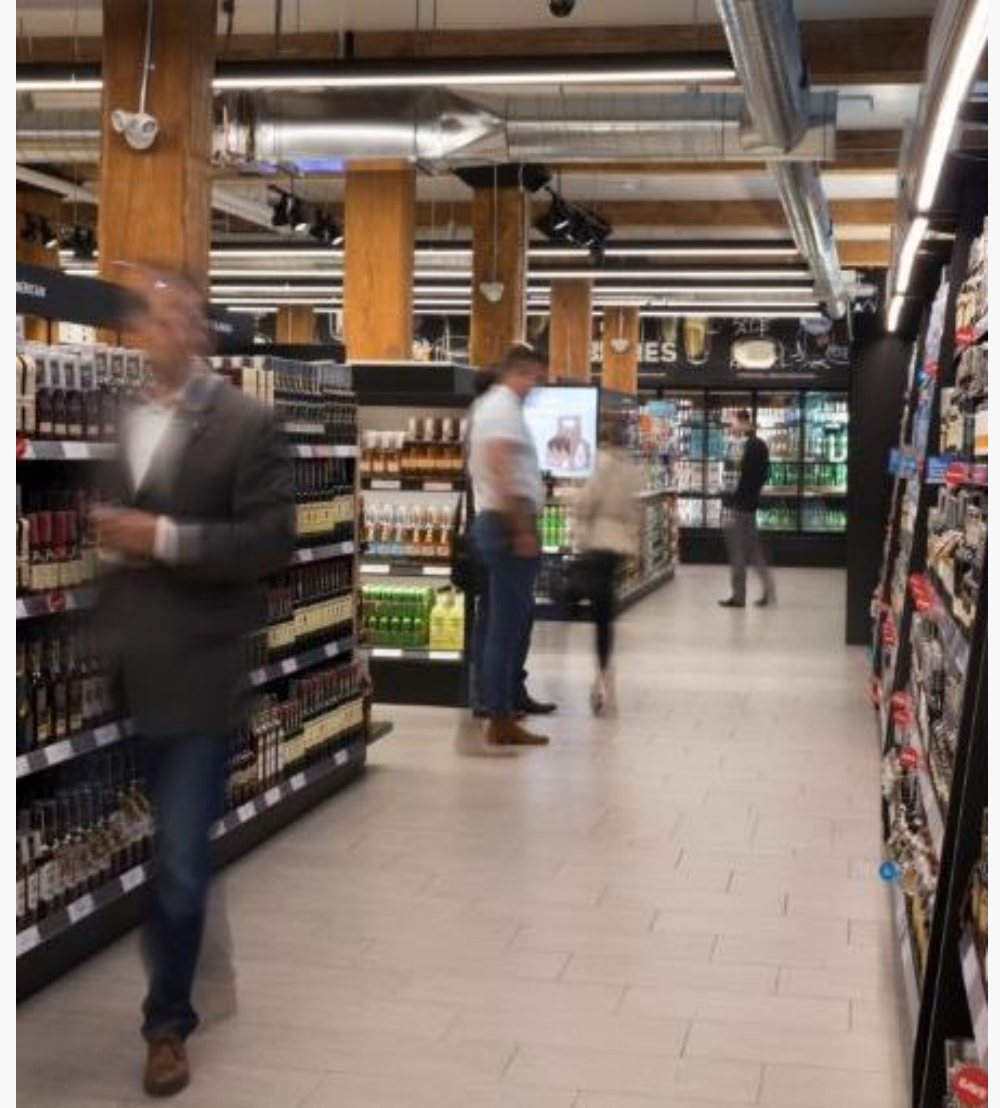
2025 - 2028 Strategic Priorities



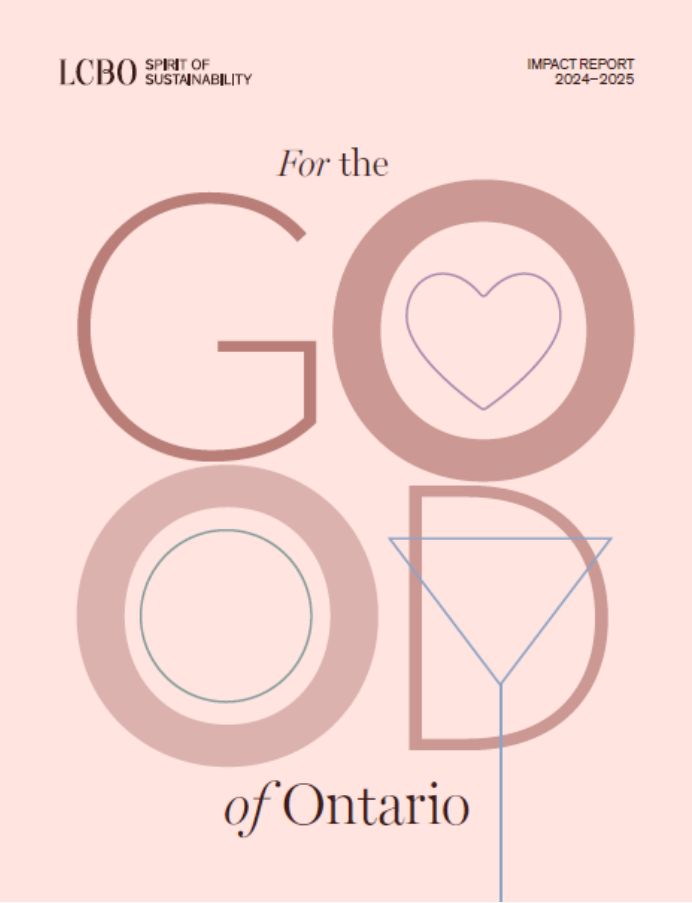
Marketplace modernization

Supporting government policy and regulatory changes governing marketplace.

- Review of taxes and fees on beer, wine and spirits
- Revised Wholesale discounts



24.25 Impact Report



SUMMARY & SCORECARD

TOASTING

a Year of Doing Good

As one of the world's largest retailers and wholesalers of beverage alcohol, LCBO is committed to providing meaningful contributions to the Government of Ontario and the people of our province. Through our annual multi-billion dollar financial dividend, we continue to support public programs and services including healthcare, education, and infrastructure across Ontario.

LCBO uses our Spirit of Sustainability platform to focus our collective energy on our key commitments and drive forward the meaning of being a purpose-led organization. This work is brought to life in our three pillars: Good People, Good Planet, and Good Partnerships. We are proud to lead by example, as we help create a strong, sustainable future for Ontario.

We know that our positive impact would not be possible without our generous customers, dedicated employees, and industry partners. In this year's Impact Report, we are honoured to showcase some of our shared accomplishments. We are also introducing our evolved sustainability strategy following our Environmental, Social, and Governance (ESG) principles for the years to come.

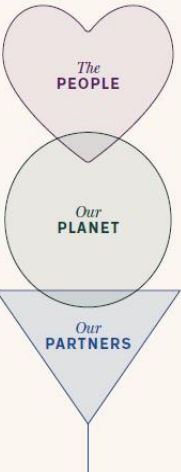
LCBO is For the Good of Ontario.

LCBOs have never. All In. For the Good of Ontario.

Impact Report 2024-2025

SPIRIT OF SUSTAINABILITY'S STRATEGIC PILLARS

Each of these three pillars includes LCBO-wide targets that allow us to measure our impact and ensure our efforts are driving positive change within the beverage alcohol industry and the province.



GOOD PEOPLE

Improving the well-being of our customers, employees, and communities across Ontario.

MODERATION MANDATE

ENGAGED EMPLOYEES

THRIVING COMMUNITIES

GOOD PLANET

Advancing practices that minimize the environmental impacts created by our business.

WASTE AND ENERGY REDUCTION

RESPONSIBLE SUPPLY CHAINS

GOOD PARTNERSHIPS

Catalyzing positive change within our industry by working with like-minded key players.

INFLUENCING INDUSTRY STANDARDS

RECOGNIZING GOOD PARTNERS

ENHANCING INDUSTRY DIVERSITY

GOOD PLANET

GROWING BETTER PLACES TO LIVE



Tree Canada is the only national non-profit organization dedicated to planting and nurturing trees in rural and urban environments across the country. Our partnership has contributed to the planting of over 400,000+ trees across the province. These trees have helped to green communities in need, re-establish urban and rural forests, increase the number of schoolyard trees, and build a more sustainable future. We are delighted to continue our support with this year's campaign.

\$875K
raised in April 2024

\$2.3M
raised since 2022



planted across Ontario to date



Community Tree Grant Spotlight

In Eganville, Ontario – just west of Ottawa – the **Echo Centre** is currently developing a community walkway to connect the Centre and the adjacent Fairfields retirement complex. Managed by the Eganville and District Senior Needs Association, the project is transforming a vacant grassy area into an accessible space featuring benches, raised bed gardens, and outdoor exercise equipment. With funding from Tree Canada and LCBO, the project will showcase 12 apple and pear trees, creating a natural fruit orchard that enhances community ties and promotes food stability. The harvested fruit will be shared with the local school, cooking programs, and Fairfields residents.

Impact Report 2024-2025

GOOD PARTNERSHIPS

RECOGNIZING GOOD PARTNERS

94%
of customers are confident in their ability to find Ontario-based beverage alcohol products at LCBO

19
Good Partners celebrated on social channels and LCBO.com for supporting social impact and sustainability initiatives

ENHANCING INDUSTRY DIVERSITY

46
diverse women have been awarded the Spirit of Inclusion Initiative scholarship to date

85%
of customers believe LCBO is taking action to increase diversity and representation within the beverage alcohol industry

Impact Report 2024-2025



LOVE PAIRS

With Everything

LCBO has been a longtime supporter of this celebration in Ontario. Since we began sponsoring our in-store Pride campaigns in 2017, we've continued our commitment to the LGBTQ+ community. In 2024, we celebrated our 10th anniversary of supporting the event. The LGBTQ+ community is a vital part of our province, and we're proud to support their visibility and well-being. **LCBO is For the Good of Ontario.**

Impact Report 2024-2025

INITIATIVES SUPPORTED:

RAINBOW RAILROAD
Expanded employee volunteer and support programs to support the LGBTQ+ community.

SPACE FOR CHANGE
Provided new to Canada services for 200,000+ newcomers. General volunteer support for the organization, including food and clothing drives, and support for the Community Food Bank Program.

CANADIAN CANCER SOCIETY
Expanded awareness initiatives and enhanced access to HIV testing and health services across the province through health fair initiatives, mobile health clinics, and outreach programs.

Egale
Developed education, resources, and tools for their Rainbow Alliance to combat anti-LGBTQ+ hate across Ontario.

STATE OF MIND
Delivered care to an increasing number of patients, with growth in adolescent care, bipolar services, and peer program coaching – all supporting a growing team of community members.

MARCH OF DIMES CANADA

At LCBO, we are committed to building and fostering an employee and customer experience that is rooted in diversity, equity, and inclusion. In December 2024, we were pleased to announce our new partnership with **March of Dimes Canada**, a charitable organization dedicated to enhancing the independence and community participation of individuals with disabilities. Our \$100K donation was made in honour of the **International Day of People with Disabilities**, observed annually on December 3.

Paving the Path to Accessibility and Inclusion

Through our partnership with March of Dimes Canada, we are championing accessibility and inclusion through the **Paving the Path to Work** program, an important initiative that empowers individuals with disabilities to explore career opportunities and build essential work skills. This partnership aligns with LCBO's Multi-Year Accessibility Plan by addressing workplace barriers and promoting an inclusive environment for all. It also aligns with LCBO's **Being Here** employment initiative, which has successfully hired over 100 employees with disabilities since 2023, including 10 participants from March of Dimes. Together, these programs highlight LCBO's commitment to creating opportunities that reflect the diverse communities where we operate.

\$100K
donation to March of Dimes Canada

500+ people
supported annually by Paving the Path to Work in Hamilton, Niagara, London, Peel, and Toronto

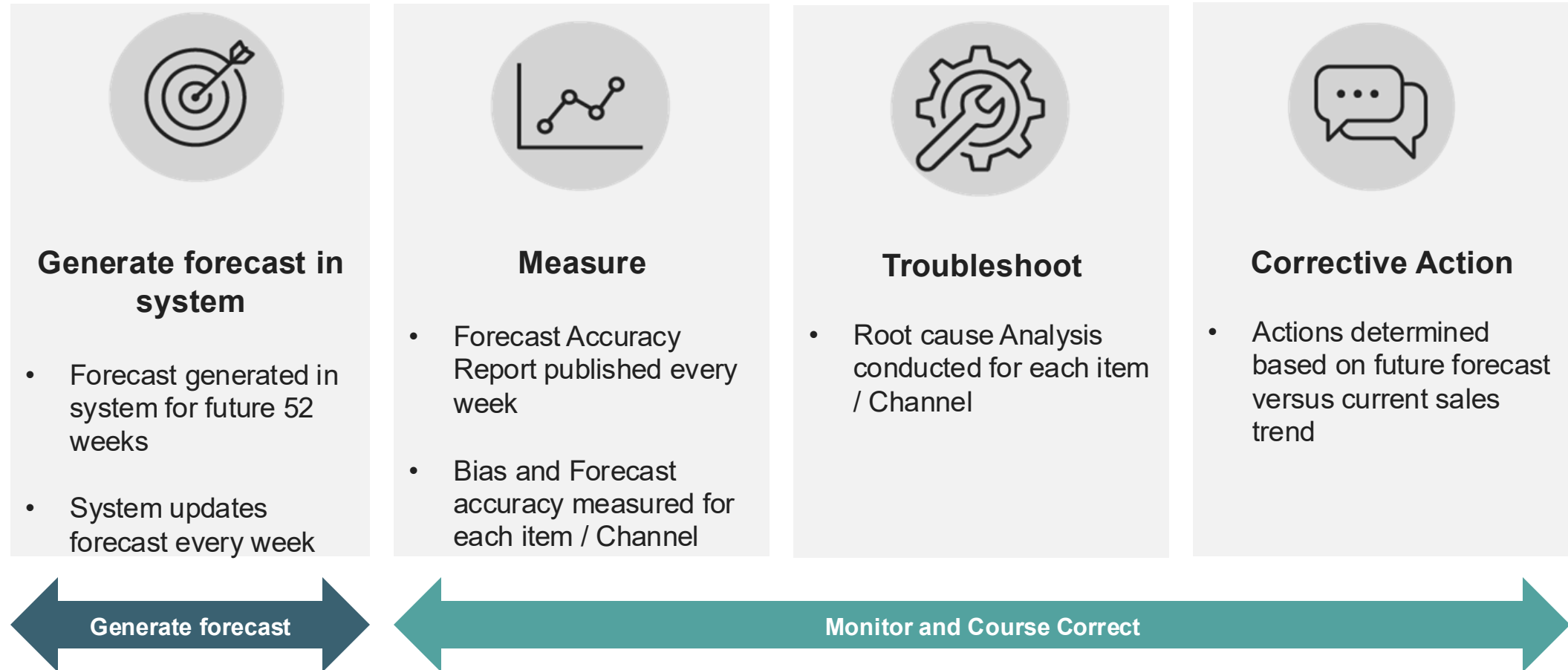


Forecasting

Andaleeb Dobson

Lead, Inventory & Supply Chain Strategy

Demand planning process overview



The forecast is made up of 4 components



LCBO store regular sales forecast

Based on POS sales

Driven by history, trend, seasonal curve

Supplied by the system and the forecasting team with validation from the Inventory team



LCBO store promotional forecast

Supplied by the Category Management team



Grocery/Convenience set up forecast

One-time shipments for new stores

Grocery category team resets for existing stores (one time)



Grocery/convenience replenishment forecasts

Based on history, trend, seasonality

Supplied by the system as well as the grocery/convenience partners



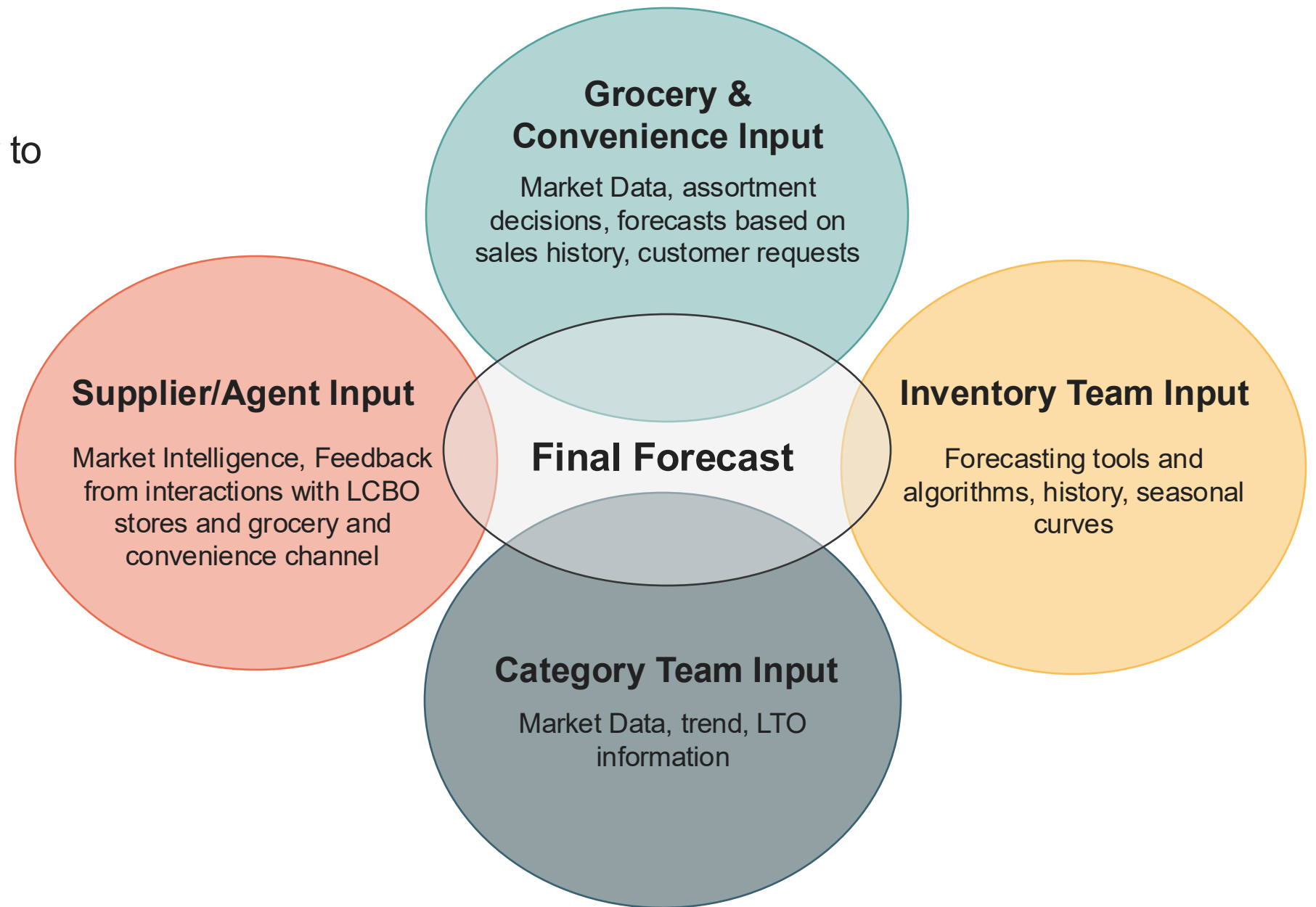
Grocery and Convenience Forecasting Process*

- Grocery and Convenience Forecasts consist of a combination of existing customers as well as new entrants to the marketplace expansion program
- Planned future assortments and forecasts are gathered from the top volume G&C partners
- Forecasts are combined with LCBO regular and promotional forecasts to create a single forecast for review with agents/suppliers

*LCBO Supplied product only – vendor supplied product is not part of the forecast

CPFR Inputs

All parties come together to create the forecast





Marketing update

Vanda Provato
Chief Marketing & Digital Officer

Heather Andrew
Director, Loyalty & CRM

The background is a soft-focus photograph of a social gathering. On the left, there are out-of-focus bokeh lights in shades of blue, white, and yellow. In the center-right, a hand holds a coupe glass filled with a golden liquid and a thick white foam, topped with small, colorful edible decorations. The overall atmosphere is warm and celebratory.

EVOLVING THE LCBO BRAND

Vanda Provato, Chief Marketing & Digital Officer

**WE'RE ALL IN
ON  HELPING
EVERYBODY WIN**

A photograph of a person wearing a yellow puffer jacket and a blue sweater, reaching for a green beer bottle on a shelf in a store aisle. The shelves are stocked with various beer bottles, and price tags are visible. The background is slightly blurred, showing more of the store's interior.

CHOICE CONVENIENCE

GROWTH BETTERMENT



**CORPORATE
BRAND PROMISE**

**FOR THE GOOD
OF ONTARIO**

We use our know-how, scale and revenues to champion opportunity, responsibility and inclusivity, whether you're an employee, supplier, agent, B2B partner, or anyone who calls Ontario home. So whatever your 'it' is, We're All In on making it as good as it can be.

**WE'RE
ALL IN**

LCBO



LCBO
Canada

TRAILBLAZING FEMALE
VINTNERS CRAFTING
EXCEPTIONAL NEW WINES?



LCBO

WE'RE ALL IN







FUNCTION




**WE'RE A
CATEGORY
THAT PACKS
FEELING**



**WE'RE IN THE
BUSINESS
OF ENJOYMENT**

LCBO





"A friendly staff member helped us choose a Riesling that fit the meal that we were cooking to meet my partner's parents. I wanted it to be local. They took what we were serving and the region into consideration."

"We always go to a certain location because one of the staff members is so engaging and always helps us find something we haven't tried. We love trying her recommendations!"

"I was looking for a beverage that my husband enjoyed on the golf course. I gave the associate some terrible direction on what it looked like and they somehow still helped me find it!"



**WE'RE
ALL IN**

LCBO

We've got the products, ideas and solutions to curate it, elevate it and make it easier to pull off, allowing you to better enjoy the moment you're in. Whatever 'it' is, WE'RE ALL IN.

200+ NEW
PRODUCTS

LCBO

PLEASE DRINK RESPONSIBLY



WE'RE
ALL IN ON
WHAT'S NEW

LCBO

PLEASE DRINK RESPONSIBLY





**WE'RE
ALL IN**
ON WHAT'S NEW
— 200+ NEW PRODUCTS —

LCBO



**NEW AND
LOCAL**
— WE'RE ALL IN —



**FRAGRANT
GARNISH**
— WE'RE ALL IN —



**STARTING
BBQ SZN,
NO MATTER
THE FORECAST**
WE'RE ALL IN

GET SPICY WITH
NEW CAESARS

**Mat Street
Caesar**
HOT • Spicy

CHECK OUT NEW TWISTS



200+ NEW PRODUCTS
**WE'RE
ALL IN ON
WHAT'S NEW**
LCBO
PLEASE DRINK RESPONSIBLY



**GREAT
VINTAGES
FOR GREAT
VINTAGES**

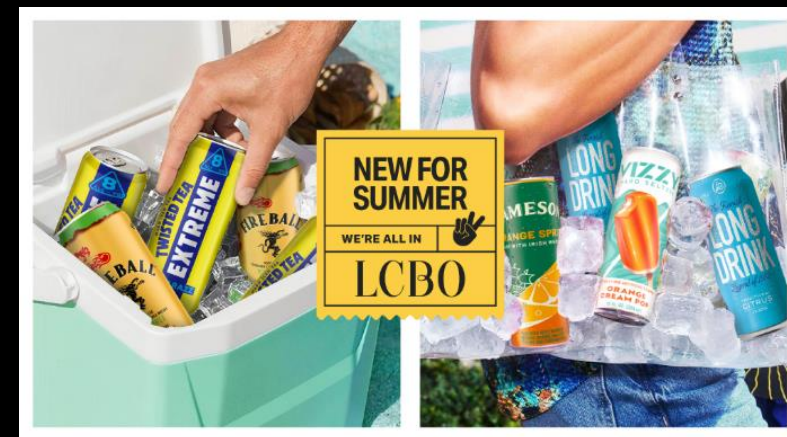
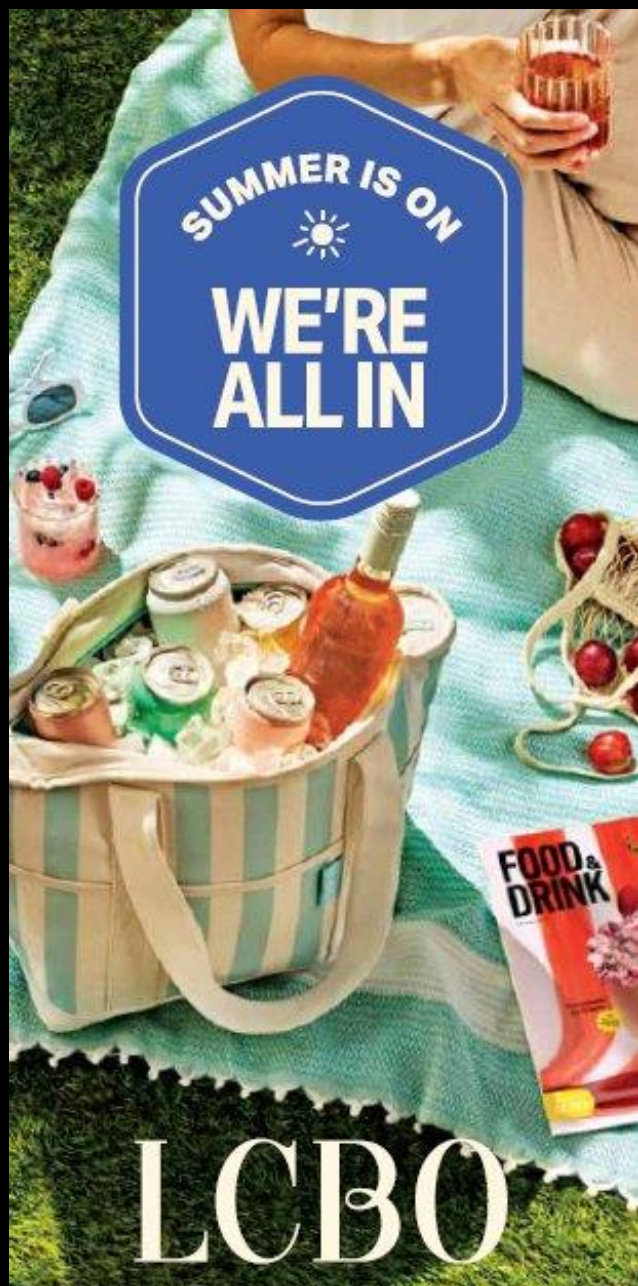
WE'RE ALL IN



EXPLORE THE WORLD'S MOST
INTERESTING WINES



LCBO



A composite image featuring two LCBO employees. On the left, a man named Gaspar, a Black man with a goatee, is smiling and wearing a dark polo shirt with an LCBO name tag. On the right, a woman with long dark hair is working behind a liquor counter, wearing a black shirt and a black glove. The background shows shelves stocked with various bottles of alcohol.

YOU ARE THE BRAND

LCBO
I'M GASPAR.
I'M ALL IN ON
BIG BOLD REDS

I'M **GASPAR**.
I'M **ALL IN ON**
BIG BOLD REDS

LCBO



Aeroplan Update

Heather Andrew

Director, Loyalty & CRM

FY24/25 Aeroplan Results



26%

1st time LCBO Earners



200K

New Aeroplan members



65%

**of members earned on
product bonuses**



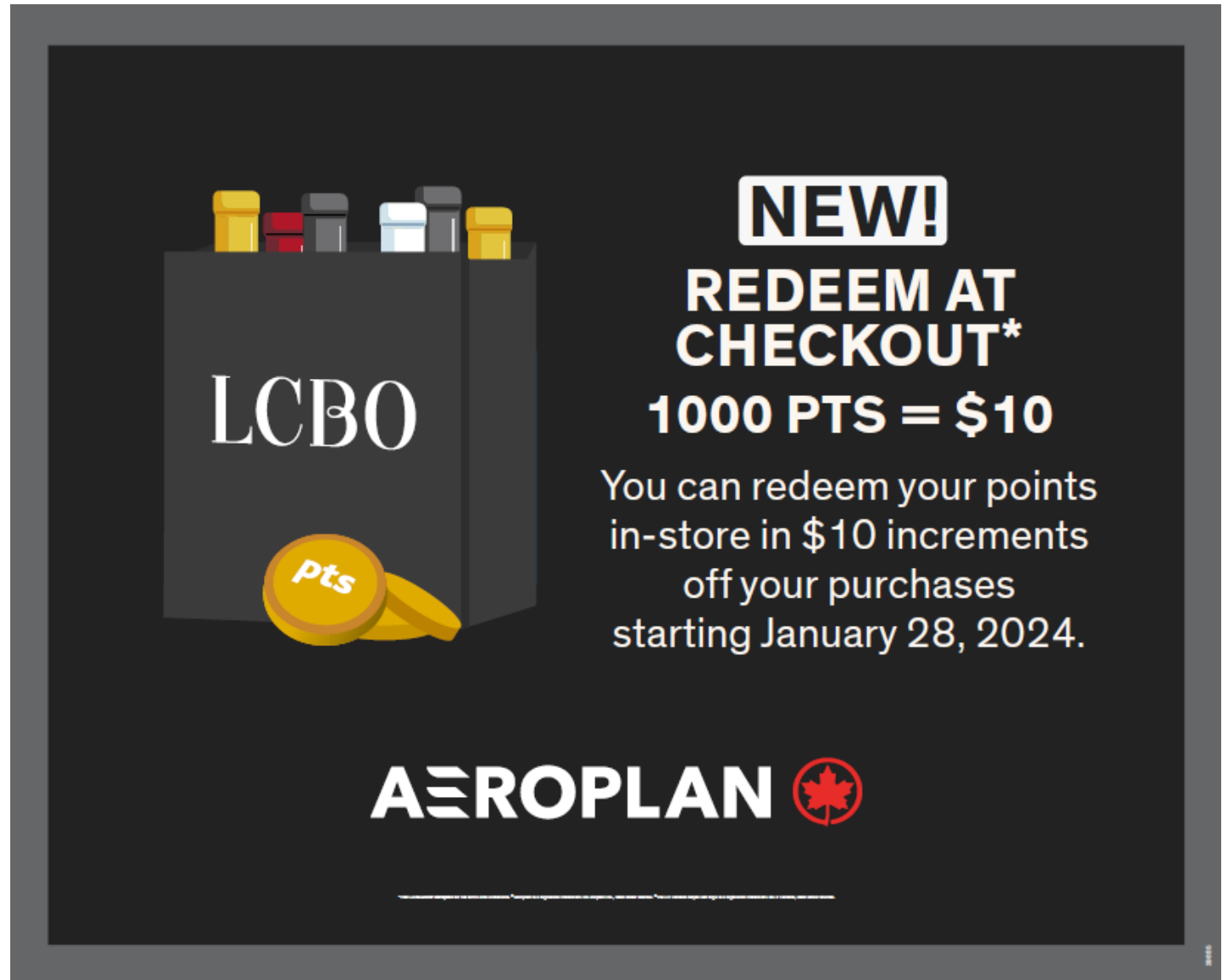
2.8X

**Avg # of LCBO txn by
earners**

The journey to real-time redemption



Customer
engagement in
real-time
redemption is
strong

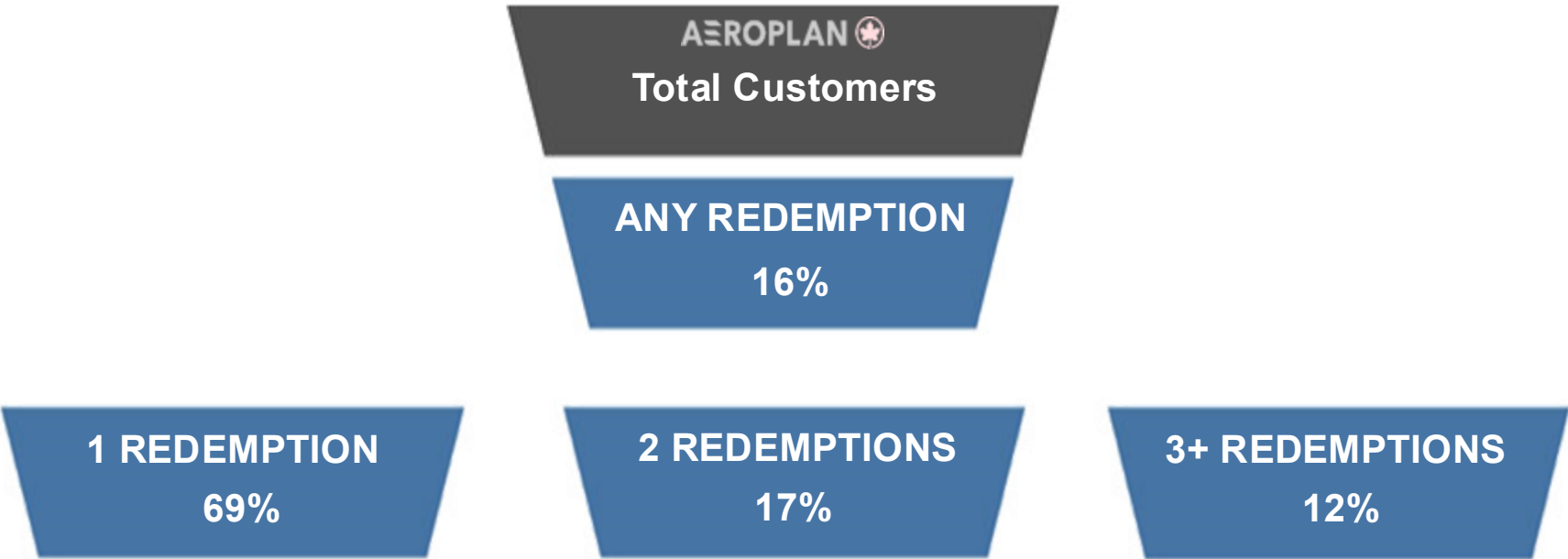


LCBO

Content presented in this meeting is the property of LCBO, for this audience only, and may not be shared, reproduced, or distributed in any form.

Timeframe: November 24th, 2024 to April 22nd, 2025 (150 Days)
In-store redemption started Jan 29, 2025

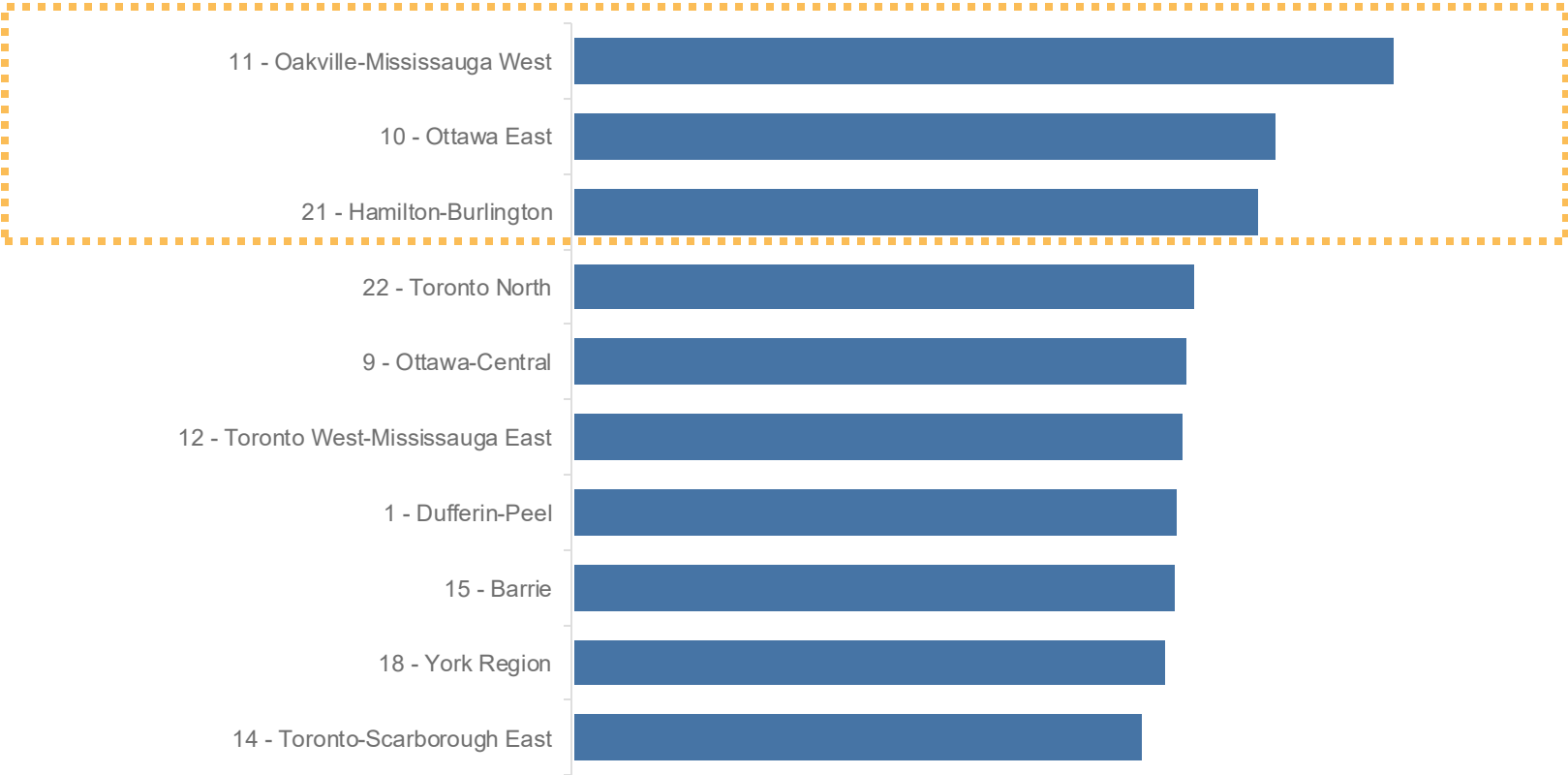
Customer redemption frequency is growing



Source: MicroStrategy Data Tables
Timeframe: November 24th, 2024 to April 22nd, 2025 (150 Days)
Target: Transactions w/ Loyalty Redemption

Redemption is happening across the Province

Redemptions – Top 10 Districts

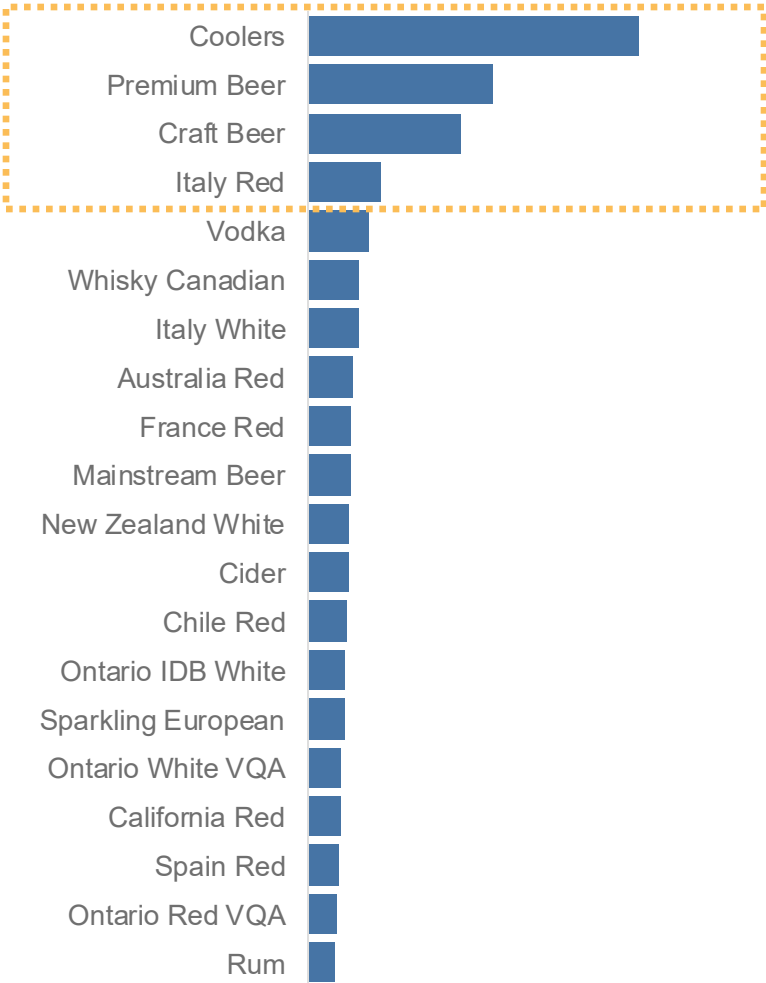


Source: MicroStrategy Data Tables
Timeframe: January 29th, 2025 to April 22nd, 2025 (84 Days)
Target: Transactions w/ Loyalty Redemption

Top Sets purchased in redemption transactions

Redemptions across
all categories

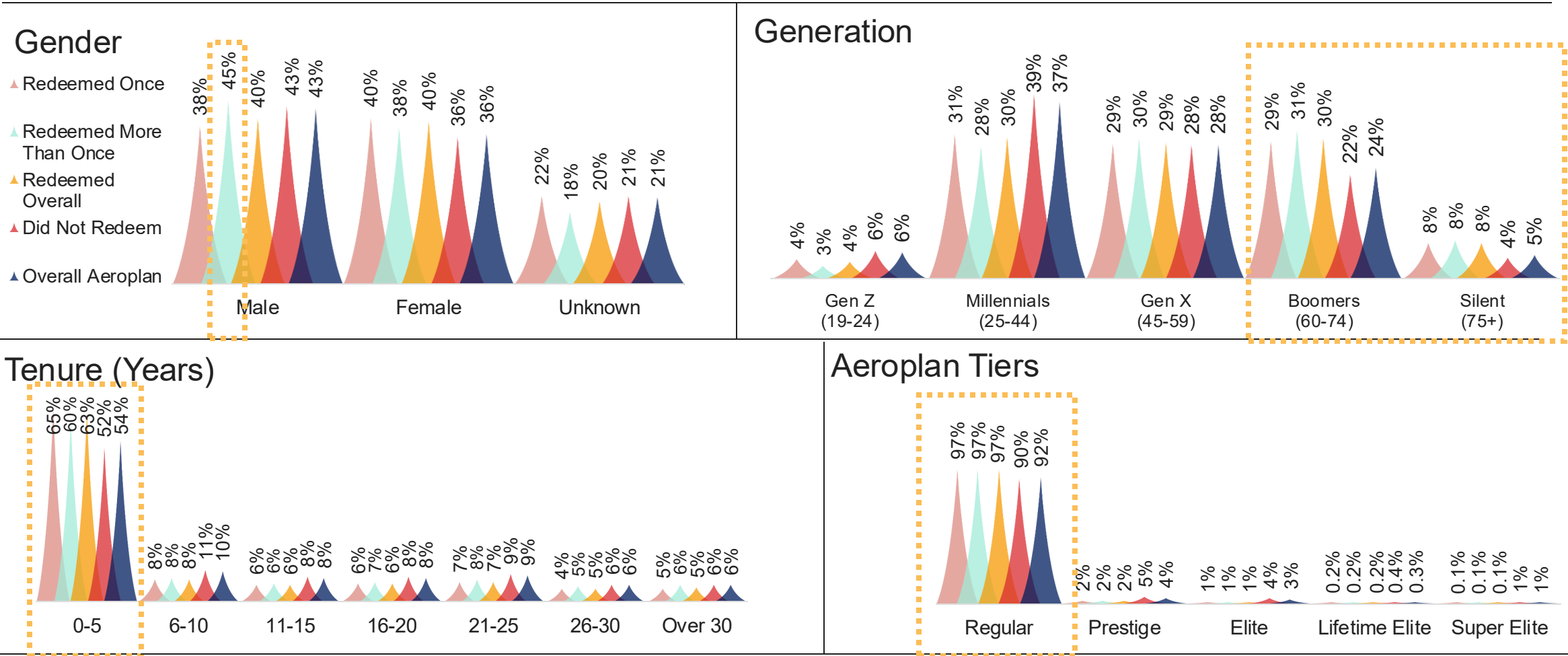
Top 20 Sets
By Units



Source: MicroStrategy Data Tables
Timeframe: January 29th, 2025 to April 22nd, 2025 (84 Days)
Target: Transactions w/ Loyalty Redemption

Demographics of redeemers

Reviewing the total % distribution of Aeroplan customers who have made a Loyalty Redemption, males tend to over-index with 2+ redemptions within older generations, such as Boomers and Silent. These customers tend to be newly registered with the Aeroplan program (0-5 years) and lean more towards Regular Aeroplan status.



Trade opportunities

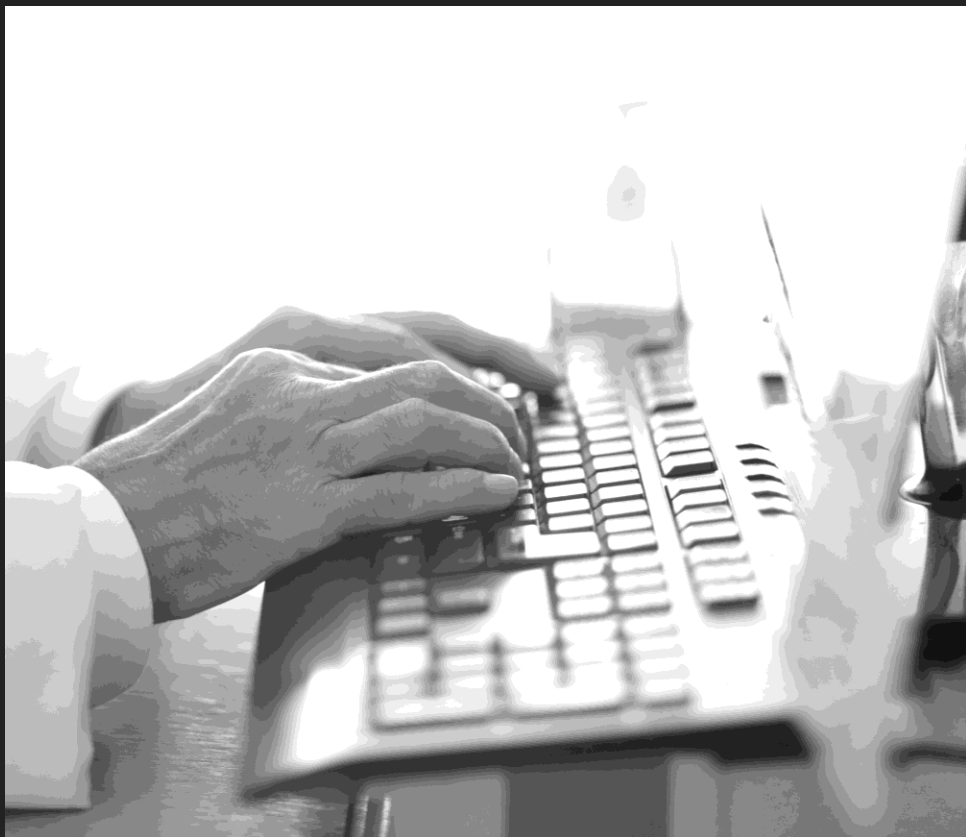
Offer Positioning



Redemption Offer



Buy 6 bottles from the featured list (avg price \$25)
Redeem a minimum of \$50
Get 1000 Bonus points



FSM Update

Next Steps

Musonda Kidd

FSM Vendor Portal Business Lead



What is FSM?

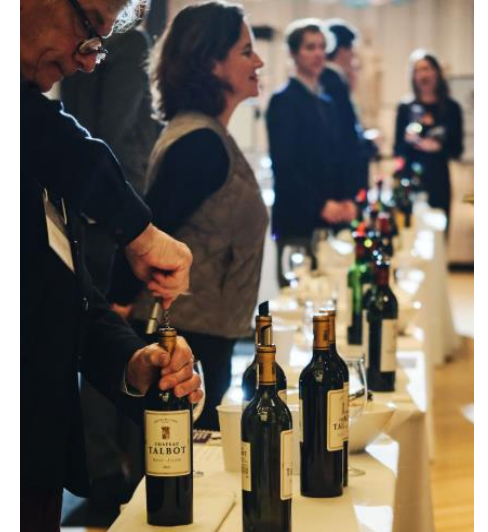
A multi-year program to re-envision the way we operate.

Benefits for LCBO and our stakeholders

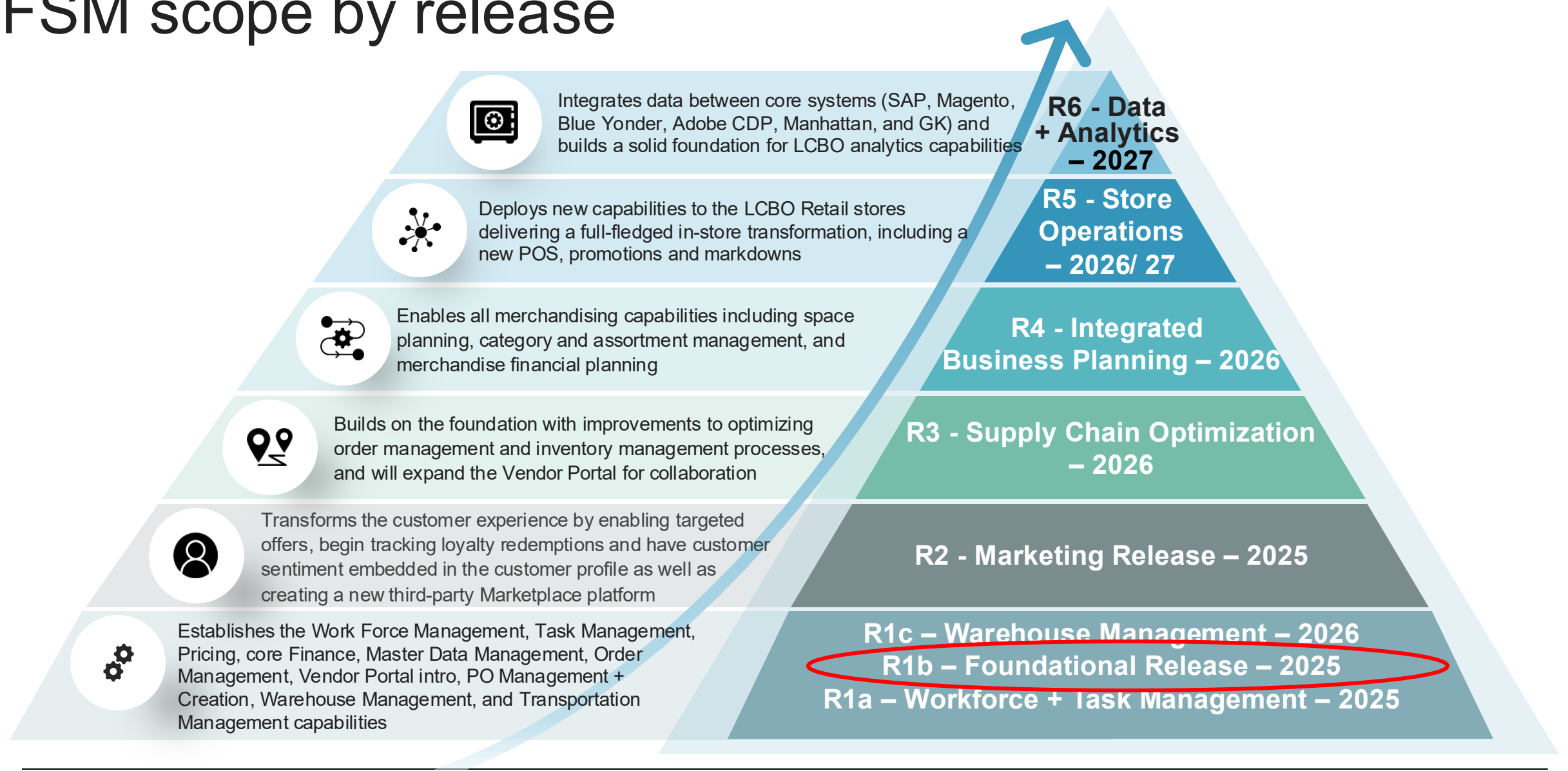
- Enable the standardization of processes across the business
- Support effective inventory management
- Automate and optimize scheduling
- Strengthen data governance
- More seamless LCBO Business Partner and customer experiences
- Maximize performance of digital properties and improved overall responsiveness

How this benefits you?

- New **centralized portal** for collaboration, sales, promotions, financial information and order management. Create a seamless, self-serve experience for LCBO business partners
- Centralized **pricing system** with more automation and ability to execute price changes quickly
- **Wholesale.lcbo.com platform** enhancements will make it easier for more wholesale customers to seamlessly complete orders and view current inventory
- Improved **inventory planning and forecasting** processes means getting the right products in the right locations at the right time, while improving inventory visibility
- Standardized **warehouse management** systems and integration with transportation management to optimize routes and loads to get products to shelves faster



FSM scope by release



Next steps

Summer 2025

Testing/Update

- Targeted testing for select vendor(s)
- Quarterly Trade Update
- Launch of dedicated page on Doing Business with LCBO website

Early fall 2025

Training

- Webinar / recording
- Demos, guides and FAQs

Late fall 2025

Go Live

- Quarterly Trade Update
- Pre-go live communication; Support as required
- Post go-live support, including in-app support ticket functionality

Late fall onwards

Prep for future releases

- Updates as future releases approach



Q&A

Where can I get these slides?



[HOME](#) > MERCHANDISING & MARKETING

Merchandising & Marketing

PROMOTIONAL CALENDAR

PROMOTIONAL PROGRAMS



FOOD & DRINK

GIFTING & CORPORATE GIFTING

PARTICIPATING STORE LISTS & WORKBOOKS



SUPPLIER ASSET REQUIREMENTS



LCBO ADVERTISING OPPORTUNITIES



AEROPLAN LOYALTY PROGRAM



SOS GOOD BUSINESS

QUARTERLY TRADE UPDATES

Welcome to Merchandising & Marketing information hub. Here you will find our brand guidelines, promotional calendars and an overview of our promotional programs, including details on new digital opportunities that deliver a truly integrated experience for our customers. These programs are designed with our valued trade partners in mind to ensure we provide flexible and relevant opportunities to promote the vast products we carry. Programming includes instore and online merchandising opportunities, virtual events, programs specific to Vintages, and within FOOD & DRINK content-forward advertorials, integrated social and digital opportunities.

NEW! Brand Promise & Updated Brand Guidelines

As the beverage alcohol market changes and customer expectations evolve, the LCBO remains committed to being a best-in-class, responsible retailer and wholesaler, by putting the customer first, building strong relationships with our partners, supporting our communities, and delivering value to Ontarians.

We are pleased to share we are evolving our brand promise "Perfect choices made easy. Moments made great," supported by five brand pillars as well as our new brand personality. The brand refresh influences everything we do across the business, guiding how we interact with customers, our colleagues, and our valued partners.

We are also introducing LCBO's refreshed brand guidelines, aimed at simplification, accessibility, and overall easier application to reflect not only our brand promise, but the tone and quality that the LCBO is known for.

Click here to visit our [Brand Guidelines site](#).



Thank you