

CEO Foreword



For nearly 150 years the values that guide the way that we conduct business have remained consistent. Our nearly 70,000 employees in 71 countries around the world are driven by a passion for quality, the enjoyment of life, a respect for people and respect for our planet. By living these values each and every day we have the opportunity to create a sustainable business that we will be able to pass on to future generations of employees so that they are able to write their own chapter in the history of HEINEKEN. This is a significant responsibility. It is one that we do not take lightly.

While the process for brewing beer has changed little since Gerard Adriaan Heineken acquired a small brewery in the heart of Amsterdam in 1864, the world in which we produce, distribute and sell our more than 250 brands has changed beyond all recognition.

2011 was a year that truly highlighted this. It was the year of the 'Arab Spring', when communities gained a voice that was so strong it was able to bring about political change. We saw the social media revolution continue to break down barriers to information access, making 'genuine transparency' the new political and corporate reality. Once again we witnessed the power and devastation that can be caused by natural disasters. The economic contagion affecting parts of Europe showed little sign of abating. And the challenges of population growth and the environment were on the global agenda of both political and societal leaders. With a growing world population and climate change, we have to find ways both to ensure a supply of high quality raw materials and to optimise or reduce the amount we use in our brewing and production processes.

It was against this backdrop that in 2011, we continued to address the issues that impact the way we manage our business; finding new ways to reduce the quantities of scarce natural resources, such as water, empowering communities where we operate by increasing the quantity of ingredients that we source locally; continuing to reduce our carbon footprint. And increasing our efforts to help reduce the impact of the misuse of alcohol.

I am pleased to say that we have made a positive step forward in each of these areas during the year. We have done this by engaging and listening to our key stakeholders, and where appropriate by acting based on their inputs. Examples of what has been achieved in each area can be found throughout this Sustainability Report.

And we have done it by following the sustainability roadmap that we created in 2010, 'Brewing a Better Future', our renewed, ten year approach to sustainability.

During 2011 'Brewing a Better Future' has been embedded further into every aspect of how we think

CEO Foreword

continued

about and conduct our business. We integrated measurement and tracking into our business management processes, to ensure we are delivering on our commitments and that they are making the desired impact.

Whilst we took big steps forward last year, we must also acknowledge—but not accept—where we failed to meet our expectations or those of others. Unacceptable were the 27 fatal accidents amongst our employees and contractors. We grieve with the family, friends and colleagues of those we lost. Clearly, the security situation in Mexico played the biggest part in these fatal accidents. We are in constant contact with the relevant authorities to ensure their assistance in addressing the violence against our employees and their places of work. We continue to focus on accident prevention through education and ever more stringent health and safety policies. Constant improvement against this most basic—and yet most important—target, is non-negotiable.

As we look ahead, we know 2012 will be a testing year for HEINEKEN. We will undoubtedly be challenged to meet our ambitious targets by year end, but will continue to put the collective energy of tens of thousands of employees behind achieving them.

Alongside this, we will also make new commitments to guide our actions through 2015. We will make these commitments in dialogue with our stakeholders. We want it to better reflect what is important to you, what you think we should be doing differently and how you think we can work better together. It is only with your input, our commitment and a shared responsibility to improve the world around us that we will Brew a Better Future. As always, I look forward to continuing the journey with you.

Jean-François van Boxmeer
Chairman of the Executive Board/CEO
Amsterdam, 3 April 2012

HEINEKEN in Society

An interview with Sean O'Neill, Chief Corporate Relations Officer



“Ultimately our stakeholders will judge whether we are creating genuine value.”

How much progress are you making against your sustainability aspirations?

This is our tenth Sustainability Report and is a useful milestone to both assess and illustrate how far we have come on our journey. It is clear that we have made and continue to make significant progress in operational efficiency and our environmental impacts. These are areas we have addressed consistently over the years. With the introduction of Brewing a Better Future we have really begun to deliver an integrated and embedded approach that extends far beyond the brewery, through the supply chain and into the communities where we operate and the society in which we live.

Our whole approach to sustainability is based upon the concept of interdependence: that we are only a part of a bigger whole and to be successful, we have to be a relevant and value-adding part of the communities of which we are part. Being sustainable is just as much about giving farmers the tools, know-how and financing to farm better in the long term, as it is about calculating CO₂ emissions. It is about providing access to healthcare when governments don't; it is about mobilising our people to support local groups and projects. And it's about working in partnership to reduce the impact that harmful drinking has on those communities and societies.

So, when we look at progress, it is against all of these things that we need to measure. Certainly we are on track to reach most of our environmental targets in relation to carbon, energy and water set for 2012. To help us in this, we introduced a new distribution policy, a new Supplier Code and a new packaging policy that supports a more sustainable way of designing, purchasing and developing packaging. We continue on our journey to make our refrigeration more sustainable and introduced an enhanced health and safety policy. You can read about the detail of all these later in the report.

HEINEKEN in Society

An interview with Sean O'Neill, Chief Corporate Relations Officer

continued

But there were things that went less well and we have to recognise these. In some areas, progress is not as fast as we hoped or had promised: our renewed policy on Employees' & Human Rights is complete and will be implemented in 2012 – around eight months later than we originally envisaged. We had also committed to test and roll-out a programme to promote responsible consumption within bars and restaurants. Whilst we have done many other things in this area, we have yet to deliver on that specific commitment.

My honest belief is that we are certainly heading in the right direction. We remain on track to deliver by 2020 the environmental, community and social targets that we published two years ago.

Ultimately, though, it is up to our stakeholders to judge whether we are creating genuine value. I hope that this report will help them to make that judgement.

How do new investments fit in the sustainability journey?

In 2011 we completed the acquisitions of the Bedele and Harar breweries in Ethiopia, giving HEINEKEN a footprint in one of Africa's most promising beer markets. Given the water scarcity in the Eastern part of the country, we will focus on ways to use less water in the brewing process. We will also introduce practices to ensure that water returned to the ecosystem is clean and work on a water treatment plant. Furthermore we are committed to working closely with farmers to help build their understanding of sustainable agricultural practices to increase crop yields.

In 2011 we also increased our shareholding in Brasserie Nationale d'Haiti S.A. ('Braná'), Haiti's leading brewer, from 22.5 per cent to 95 per cent. By investing in the country, HEINEKEN will create further opportunities for the people of Haiti as the nation continues to rebuild after the devastating earthquake in 2010.

What do you think is the main sustainability challenge for HEINEKEN?

It is difficult to prioritise a single challenge when so much is important. However, in my view, the need to address the harmful consumption of alcohol is a clear priority. Beer is, can and should be a normal part of a healthy and balanced lifestyle. However, we know that a small number of consumers drink alcohol in ways that can be of danger to themselves or others. It is obvious but worth re-stating that it cannot possibly be in any company's or individual's interest to ignore harmful drinking, whatever form it takes.

That's why we have built the idea of creating a more positive impact for beer in society into our Brewing a Better Future approach. For us, the goal is to make moderate consumption and responsible consumption aspirational.

We know that when brands communicate directly, the message resonates far more strongly with consumers. So, since 2004, we have been visible and active with our brand-led 'Enjoy Heineken Responsibly' campaign. That's also why in December 2011 we launched 'Sunrise', a bold new global responsible drinking advert for the Heineken brand. This advert, made for both online and offline use, is fully integrated into the Heineken brand's global 'Open your World' campaign.

To complement this brand approach, we have reviewed the current rules on responsible commercial communication and agreed a new compliance process which will cover how we market and advertise our brands. Our global online partnerships will also allow us, through the technology on which they are built, to better target our messages to those of legal drinking age and above and to prevent access to those who do not meet the age criteria.

HEINEKEN in Society

An interview with Sean O'Neill, Chief Corporate Relations Officer

continued

However, for what is a complex social problem, it requires more than producers simply taking action. It demands a concerted approach from multiple players. For that reason, in many of our responsible drinking activities we work closely with partners to combat harmful drinking. We now have 34 partnerships in our markets around the world that do just this.

How do you see Brewing a Better Future progressing in 2012 and beyond?

We continue to ask ourselves and our stakeholders where we can better direct our efforts in order to realise our aim of genuine value creation for all our stakeholders. To find answers, we need to improve our dialogue with stakeholders to better understand their needs. In 2012 we will be reaching out to a great many stakeholders in order to ask for their view on our progress and to help us set new, focused targets for 2015. During 2012 and beyond we also plan to have developed a more sophisticated, accurate and timely way of measuring the total impact of what we do, brand by brand, unit by unit.

Measuring our impact better, knowing what our stakeholders want and addressing their needs more effectively will help us accelerate our journey towards Brewing a Better Future. What's more, if we can act as a catalyst for other companies, communities and individuals to think and act more sustainably, through our engagement at a global policy and practice level, HEINEKEN will be making not just brewing, but also the world, more sustainable.

What we said and what we've done

What we said we will do by 2012 ¹	What we've done in 2011
Green Brewer	
Specific energy consumption < 155 MJ/hl	We achieved 159 MJ/hl and are on target
Average greenhouse gas emission < 8.5 kg CO ₂ -eq/hl for breweries in scope	We achieved 8.8 kg/CO ₂ -eq/hl and are on target
Energy-efficient brewery designed	Blueprint completed in 2011 and the application of this blueprint will take place in 2012 and beyond
Specific water consumption < 4.3 hl/hl	We achieved 4.3 hl/hl and are on target
Water footprint studies performed	Completed water footprint studies for HEINEKEN Netherlands and Cuauhtémoc Moctezuma (HEINEKEN Operating Company in Mexico) and two water footprint studies related to barley
First water neutrality pilot conducted	Completed a risk assessment of all HEINEKEN water-scarce and water-stressed areas: 18 sites identified for possible neutrality plan
Inventorise the environmental performance for offices, warehouses and brewery building offices, including studies for improving energy and water efficiency	Developed an online benchmark system with the International Sustainability Alliance to monitor the environmental performance of our existing buildings
Green Commerce – By 2012	
Design and adopt a new packaging policy with agreed targets for carbon reduction	A new packaging policy was approved
Starting 2010, all new purchased fridges to be based on green technology, if legally and technically possible	A new green fridge policy was approved. Over 85 per cent of the branded fridges that HEINEKEN purchased in 2011 had one or more green measures (the use of hydrocarbon refrigerant, LED illumination and an energy management system), 20 per cent even had all three
15 per cent energy reduction of fridges in cooling against Index ²	Target was surpassed on newly purchased fridges– the fridges purchased in 2011 consume on average 30 per cent less energy than fridges currently in the market
Distribution efficiency standards defined for owned and outsourced operations	We joined several sector organisation platforms to map and share data, e.g. Clean Cargo Working Group and Green Freight Europe
Evaluation criteria for new product innovations introduced in all regions	Environmental criteria were introduced into the decision-making process for new product launches. An ecodesign methodology is included into the Global Innovation and Renovation process. Masterclasses explaining how to apply the ecodesign methodology and how to use related tools were given

What we said and what we've done continued

What we said we will do by 2012 ¹	What we've done in 2011
Continuous roll-out of guidelines on Life Cycle Assessment and carbon footprint for cooling equipment to suppliers	Specifications for development of green cooling equipment have been defined and deployed to our suppliers. Furthermore a specific test protocol to measure energy consumption has been developed
Develop and execute a baseline carbon footprint model	A global model based on the entire, comprehensive value chain was created
Carbon reduction opportunities in distribution identified through footprint reviews for top 20 markets	25 of our markets were measured and reported and 15 were validated
Engaging Employees – By 2012	
Accident frequency target for supply chain <1.2 accidents/100 FTEs	We achieved 1.3 accidents/100 FTEs and are on target
Safety targets set for non-production related activities	In 2012 non-production related safety targets will be established at Operating Company-level
Training modules for employees in high and medium safety risk functions rolled out	Four safety training modules were piloted and finalised and are being translated. They will be rolled out in 2012. More modules are being developed
Employees' & Human Rights Policy adopted, implemented and audited	A new Employees' & Human Right policy was approved. Implementation in 2012
Integrity included in employee surveys and followed up	This was achieved in 2011
Day of Giving programme and volunteering scheme implemented in ten Operating Companies	Employee volunteering activities took place in 19 Operating Companies
HEINEKEN Cares – By 2012	
Evaluate all local sourcing activities and set regional targets by 2015	Local sourcing programmes in place in Brazil, Ireland, Mexico and various African markets
Evaluate reporting and monitoring system for agriculture; define an action plan to improve compliance	We are working closely with the SAI (Sustainable Agriculture Initiative) to develop a food industry-wide sustainable agriculture monitoring and reporting system. We are also evaluating French sustainable agriculture schemes to assess their fit with SAI principles and practices
Standards for sustainable agriculture are aligned with and verified by stakeholders	By adopting the SAI standards we achieved this target
All operations that do not meet our defined standard of healthcare to include improvement plans by 2012	All operations were inventorised. All Operating Companies in Western Europe, the Americas and Asia were found fully or almost fully compliant. Some identified gaps remain in CEE and AME regions and will be addressed in 2012

What we said and what we've done continued

What we said we will do by 2012 ¹	What we've done in 2011
In 2010: double funding for the Heineken Africa Foundation to EUR20 million	We achieved this target in 2010
Inventory of possible partnerships with NGOs in the area of Corporate Social Investment (CSI)	We inventorised our Operating Companies and benchmarked CSI activities against competitors and peers in the beer, beverage and FMCG industry
Perform 12 Economic Impact Assessments	Completed five assessments, in Mexico, Surinam, Burundi, the UK and the USA, bringing the total number of reports to date to eight since 2010
Responsible Consumption – By 2012	
Develop 'Enjoy Heineken® Responsibly' (EHR) to include on-trade execution; further extend the online programme; application of EHR in Heineken® communication materials and primary merchandise; Migrate EHR website to consumer website Heineken.com	Delivered and completed
Horeca Server Programme and Retail Programme developed and tested	A responsible consumption toolkit for events and brand experiences was completed. A comprehensive on-trade/off-trade programme was envisaged but has not yet been delivered
Develop and deliver a workshop to 100 per cent of commerce/marketing employees that supports our Rules on Responsible Commercial Communication (RCC)	The new annual RCC module was integrated into the Global Commerce University and online in December
Develop a specific alcohol and work plan for contractors	Contractors are now included in the Cool@Work annual implementation guidelines
Partnerships for Progress – By 2012	
At least 50 HEINEKEN markets have a partnership with a third party to address alcohol abuse	In 2011, 34 Operating Companies had a relevant partnership. In 2012 we aim to meet this target and also focus on increasing the value and impact of existing partnerships
Criteria for successful partnerships developed and existing partnerships reviewed	Partnership criteria were reviewed and more clearly defined. The criteria are used to measure the quality of all partnerships
Global Actions on Harmful Drinking projects have been implemented in key markets	Activities took place in the 33 countries where we have partnerships with NGOs that address harmful drinking
Industry/government partnership projects in Ireland and UK implemented and evaluated	New partnerships were implemented. In Ireland, a review of MEAS/Drinkaware took place. In the UK, progress is evaluated on an annual basis. Industry remains committed to promoting awareness of the social aspects of alcohol for the foreseeable future

What we said and what we've done continued

What we said we will do by 2012 ¹	What we've done in 2011
Enablers	
Executive level governance model as of launch of Brewing a Better Future (April 2010)	The Global Steering Committee consists of five Executive Committee members. Each market has a local Steering Committee reporting to the General Manager
From 2010: every Operating Company to have a three-year sustainability plan	As of 2011, all Operating Companies have a plan. All new markets will be incorporated in 2012
Renewed Supplier Code based on new approach by mid-2010	As at the end of 2011, 98 per cent of global suppliers and close to 12,000 local suppliers had signed the new Supplier Code
In 2010, introduce incentives for all senior managers on sustainability target	In 2011, 79 per cent of all senior managers had an incentive on sustainability

¹ Unless stated differently.

² Index calculated with an average lifetime of a fridge of five years, new installed fridges are equal to replacement.

Brewing a Better Future

Introduction

In 2011 our business leaders undertook a significant strategic review in order to reframe our business priorities based on our unique assets and core competencies. The result of this process are five business priorities:

- Grow the Heineken® brand
- Consumer-inspired, customer-oriented and brand-led
- Capture the opportunity in emerging markets
- Leverage the benefits of HEINEKEN's global scale
- Drive personal leadership.

Integral to enabling HEINEKEN to achieve its business objectives is its approach to sustainability. Brewing a Better Future was born out of close discussion with our stakeholders in 2010 and is HEINEKEN's long-term integrated approach to creating real value for all our stakeholders. Our long-term aspiration is to be the world's greenest brewer – an aspiration that we view as a continuous journey which we will continue to measure as we progress. It is based on three strategic imperatives around which we have built our commitments and programmes:

1. To continuously IMPROVE the environmental impact of our brands and business
2. To EMPOWER our people and the communities in which we operate
3. To positively IMPACT the role of beer in society.

Brewing a Better Future

continued



We have created 23 programme areas to bring our words Brewing a Better Future to life with our people and our stakeholders. They cover our material impacts as well as our value-based approach to people and society.

Brewing a Better Future

continued

Our value chain: from barley to bar



From barley to bar we target improvements throughout the value chain

Through our three imperatives we cover the full value chain of our products:

Through the IMPROVE imperative we continuously improve the environmental impact of our brands and business. We take into account the full value chain, from crop to consumer, barley to bar. In each of the steps, starting with agriculture, we assess our impact on the environment on parameters such as energy, water and CO₂. We do this for our own breweries and also upstream with suppliers and downstream for the outlets and points of consumption. At each point in the value chain we are identifying the actions we need to take in order to improve our performance.

Through the EMPOWER imperative we aim to empower our employees and the communities in which we operate. From the farmers we work with, or the dependants or our employees, to the people living around the brewery and the consumers who consume our beer.

Through the IMPACT imperative we aim to positively impact the role of beer in society. We do that in the channels through which our products are sold, in on-trade and off-trade, and through the activation of our brands. Our employees are ambassadors of the responsible consumption agenda. We work with partners in society in addressing issues around alcohol-related harm.

Governance structure of Brewing a Better Future

Brewing a Better Future is governed by an Executive-level Steering Committee that meets each quarter. The committee comprises:

- Chief Corporate Relations Officer (chair)
- Regional President Africa and Middle East
- Chief Supply Chain Officer
- Chief Commercial Officer
- Chief Human Resources Officer.

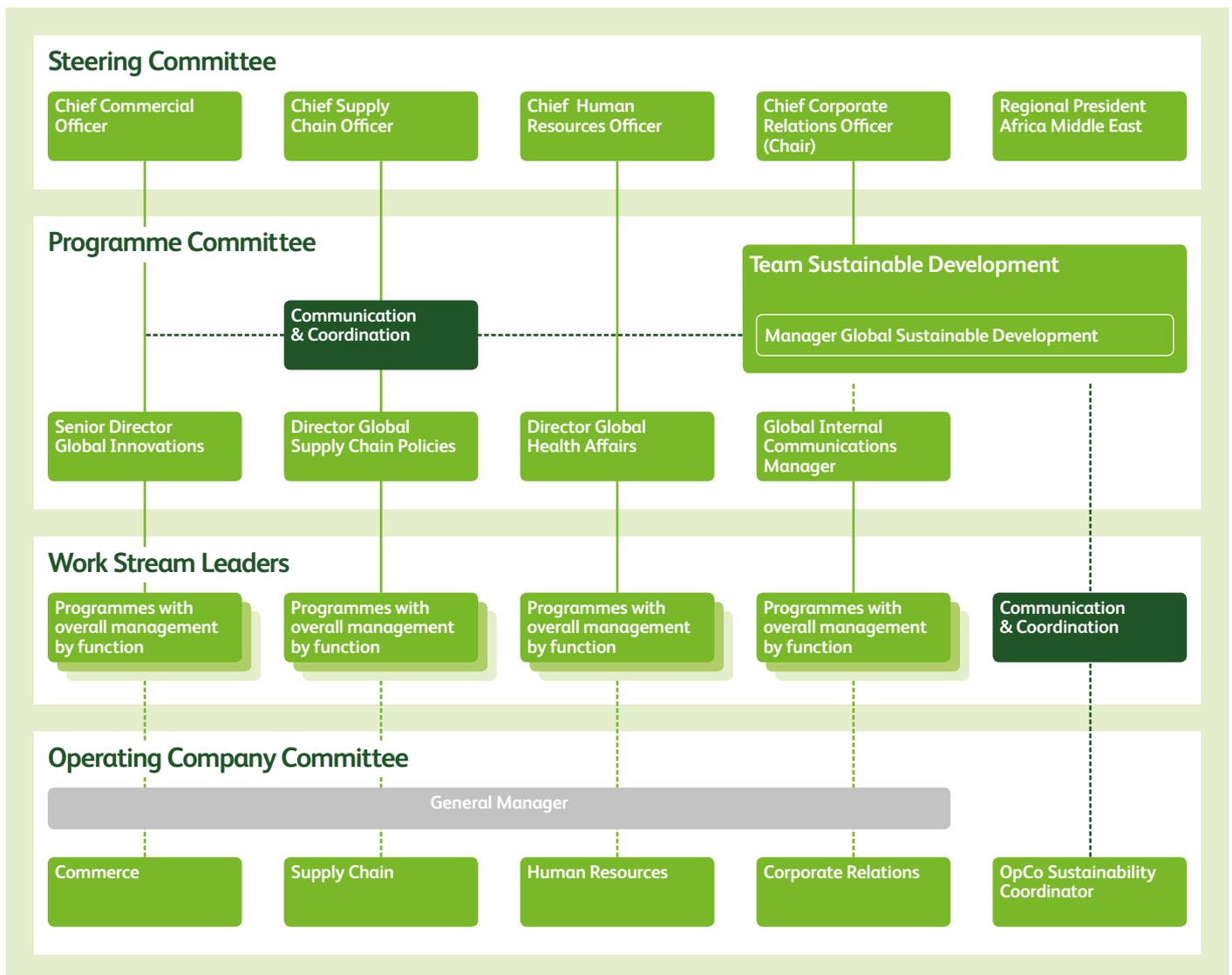
On a day-to-day basis, Brewing a Better Future is governed by a team of representatives from the Supply Chain, Commerce, HR, Control & Accounting and Corporate Relations functions. The team is

Brewing a Better Future

continued

chaired by the Manager Global Sustainable Development. Each individual programme is led by a manager from one of our global functions. Progress and issues relating to Brewing a Better Future are regularly on the agendas of the Executive Committee and on the agenda of every management team in our operating businesses.

It is this market-based approach that we believe is fundamental to success and in 2011 our businesses within the scope of Brewing a Better Future took even greater responsibility for delivery of the agenda. Each has its own sustainability committee, and three-year sustainability plan integrated within the strategy of the business unit.



Enablers

Introduction

Brewing a Better Future is a comprehensive, integrated strategy for creating a more sustainable company and future. Considering that HEINEKEN has more than 250 brands and 140 breweries in 71 countries, this is a challenging task. That’s why we are making sure that our culture and organisation can support our ambitions.

What we said we will do by 2012 ³	What we’ve done in 2011
Executive-level governance model as of launch of Brewing a Better Future (April 2010)	The Global Steering Committee consists of five Executive Committee members. Each market has a local Steering Committee reporting to the General Manager
From 2010: every market to have a three-year sustainability plan	As of 2011, all Operating Companies have a plan. All new markets will be incorporated in 2012
Renewed Supplier Code based on new approach by mid-2010	As at the end of 2011, 98 per cent of global suppliers and close to 12,000 local suppliers had signed the new Supplier Code
In 2010, introduce incentives for all senior management on sustainability target	In 2011, 79 per cent of all senior managers had an incentive on sustainability

³ Unless stated differently.

Global governance in place

As explained in the Brewing a Better Future section of this report, a governance model is in place at the global and local level. Each Operating Company has its own three-year plan in place and a local sustainability committee responsible for its execution.

Worldwide implementation of our Supplier Code

Given that much of our impact is outside of our direct oversight, our [Supplier Code](#) is a very important tool. In 2011 our new Supplier Code was further rolled out and sets out the expectations we have of our suppliers in the areas of integrity, human rights and the environment. It requires compliance with the relevant International Labour Organisation standards.

So in signing the new document, suppliers agree, for example, to minimise their own impact on the environment and to develop environmentally friendly technologies. This significantly increases the potential influence that HEINEKEN can have and the value we can create. At the end of 2011, 98 per cent of global suppliers and close to 12,000 local suppliers had signed the new Supplier Code. We aspire to only do business with suppliers who share our values on CSR issues.

In 2011, HEINEKEN decided to reinforce this policy through a collaborative platform allowing the evaluation and improvement of Environmental and Social performance of its key suppliers and selected the EcoVadis platform for this purpose. This platform allows companies to assess the environmental and social performance of their suppliers on a global basis.

After a successful pilot programme covering approximately 150 strategic suppliers, this solution will be rolled out on a global basis as from 2012.

Enablers

continued



The platform allows HEINEKEN to monitor risks within the supplier base spanning more than 120 countries providing objective Sustainability Ratings, covering 21 environmental and social criteria, measuring compliance with the key elements of HEINEKEN's Supplier Code.

Building Sustainability into performance plans

For the last two years, sustainability criteria have been built into our senior managers' performance plans. In 2011, 632 (79 per cent) of HEINEKEN senior managers had CSR targets included in their short-term bonus-related performance objectives. For the Executive Board, an element of their discretionary incentive, decided by the Supervisory Board, was also linked to the success of Brewing a Better Future and progress on sustainability.

Having built strong foundations in the last two years as an organisation, we now want to spread responsibility and accountability for Brewing a Better Future throughout all levels of the Company. In 2012 we will take the first step towards that goal by making sustainability one of the five merit areas for senior managers in their annual performance appraisal. In practical terms this means that sustainability becomes expected behaviour and not an ad-hoc activity linked to a short-term cash bonus.

Enablers

continued

Measurement and transparency: the Green Gauge Scorecard

In 2010 we made our commitments to sustainability public. In 2011, to better track and communicate our performance, we developed the Green Gauge, a scorecard that allows us to monitor quarterly progress on the various initiatives at a local, regional, global and functional level. The Green Gauge uses a simple traffic light approach to indicate performance against 16 key areas, showing managers at a glance whether they are on target, near target or not on target. The tool was launched in all Operating Companies covered by the Brewing a Better Future programme in July 2011. To improve efficiency and reporting quality, a more integrated reporting solution called Green Gauge 2.0 is being developed and will be rolled out, supported by training, in 2012.

Local Sustainability Reports

Demonstrating our commitment towards greater transparency in reporting across all geographies, in 2011 a total of 27 HEINEKEN Operating Companies published a 2010 local sustainability report based on the global approach. These reports can be viewed on our website www.theHEINEKENcompany.com.

Stakeholder Engagement and Dialogue

Introduction

Stakeholders are a vital part of our Brewing a Better Future journey. They help us to stay focused on what matters and tell us when they feel we are moving off-track.

Reputation research

An important platform for stakeholder engagement and dialogue is HEINEKEN's biannual Reputation Research. Started in 2010, this survey is held among a wide range of our stakeholders: employees, customers, governmental and political stakeholders, media, NGOs and trade associations. The study is a combination of personal interviews by phone and an online survey, and focuses on seven key dimensions, of which one is 'responsible and sustainable'. In 2010, 12 key markets participated in this study including HEINEKEN Head Office. In 2011 we added another nine markets, and we continued to track our performance in a selection of our 2010 key markets. Over 1,500 stakeholders participated in the 2011 Reputation Research. Since the start a total of more than 3,000 stakeholders have been involved. Outcomes are used for a 'gap analysis' and related action planning, at a global level as well as in participating markets.

Global dialogue

In 2011 we conducted a dialogue with many stakeholders, including:

Employees

In the last quarter of 2010 and the first quarter of 2011 we conducted the HEINEKEN Climate Survey in 13 Operating Companies, and the Americas Regional Office. These surveys assess HEINEKEN's employee working climate on 11 different dimensions, including personal development, direction and alignment, the relationship between employees and their managers and customer orientation. The results are used for action planning on a local level and shared with employees through 'TeamTalk' dialogue sessions. In 2012, the HEINEKEN Climate Survey will be widened to include more than 50 Operating Companies, Head Office and regional offices.

Employee representatives

We maintain strong links with employee representatives through regular European and local Works Councils of HEINEKEN, as well as meetings and discussions with European unions such as the EFFAT (European Federation of Food, Agriculture & Tourism Trade Unions) and local trade unions such as the Dutch FNV. Subjects discussed in 2011 included progress on Brewing a Better Future in general and specific CSR themes like Employees' & Human Rights and Environmental issues.

Investors

Brewing a Better Future is embedded in our regular communications with investors, such as road show events, results presentations and financial market conferences.

In 2011 we had focused discussions about our sustainability reporting and more specific Brewing a Better Future themes such as responsible consumption, sustainable packaging and carbon footprint, with representatives from Allianz Global Investors, the Guilé Foundation, Financier de l'Echiquier, Baillie Gifford and Métropole Gestion. As a listed company we maintain regular dialogue with shareholder groups and regulators, including the Dutch Association of Investors for Sustainable Development (VBDO), through a combination of meetings, correspondence, the Annual General Meeting (AGM) and discussions on specific topics or issues.

Stakeholder Engagement and Dialogue continued

NGOs and International Organisations

We met, corresponded or consulted with many NGOs such as Amnesty International, the International Labour Organisation (ILO) and the Institute for Human Rights & Business and Alcohol related NGOs through the European Alcohol and Health Forum. We also corresponded with the International Labour Organisation (ILO). We substantially expanded our contacts and work with relevant international organisations: we became a founding member of the UN Global Compact LEAD, increased our participation level with the World Economic Forum and joined the Clinton Global Initiative. You can read more about our partnerships in the Working with partners section of this report.

Industry Associations

We expanded our contacts and activities with industry associations whose interests we share. We became a founding member of Green Freight Europe, with links to some 25 companies that are striving to reduce CO₂ emissions on European roads. HEINEKEN became a steering group member of the Beverage Industry Environmental Round Table (BIER).

Suppliers

We have had regular meetings with our most important global suppliers.

On 18 May 2011, we organised, together with Beverage Forum/Interpartner from Denmark, a Suppliers Day in Zoeterwoude.

In France, HEINEKEN took part in the agricultural conference of farmers working for the Champagne Céréales cooperation that takes place every other year. We participated in the Journée de la Terre stakeholder day, which provided an opportunity for HEINEKEN to bring around 800 farmers up to date on the approach to sustainable agriculture.

Market-based dialogue

In addition to the direct stakeholder dialogue as described above, we have also been active in our markets. Our local sustainability reports provide us with a strong basis for discussions with local stakeholders. Some markets, such as Poland, actively involved stakeholders in local communities in structured dialogue sessions. Read more in the Case Studies section of this report.

Stakeholder Engagement and Dialogue continued

What our stakeholders told us and what we've done in response

The 2011 Reputation Research results show a continued and positive overall reputation for the HEINEKEN Company. Stakeholders have a high level of trust in the company; they perceive HEINEKEN as a passionate company with a strong brewing heritage, committed to a long-term relationship and delivering on its promises.

The research and ongoing dialogue with our stakeholders has also identified issues and areas for improvement. This is what we heard and did in response:

Feedback: “More communication and transparency on our sustainability journey”

- 27 of our markets published local sustainability reports
- We issued three significant corporate announcements relating to sustainability initiatives
- We set up a new corporate Twitter initiative – @HEINEKENCorp. and issued 52 tweets about Company-wide sustainability efforts
- We facilitated five senior level media interviews around our sustainability efforts
- On 31 March 2011 we organised our own HIV/AIDS Symposium – a symposium on the role that business needs to play to address the ongoing HIV/AIDS epidemic in Africa
- We introduced the Green Gauge, a scorecard for all participating markets tracking quarterly performance of the business against our sustainability targets
- We participated in additional external assessments and measurements such as the Carbon Disclosure Project on Water and the Global Compact Communication on Progress ‘advanced level’.

Feedback: “More, and more visible Responsible Consumption programmes”

- 34 markets now have a partnership relating to responsible consumption
- Our Chief Corporate Relations Officer, Sean O’Neill, became Chairman of the International Centre for Alcohol Policies (ICAP), a global think tank focused on effective alcohol policy and science
- We launched a bold, new approach under the Heineken® brand called Sunrise that aims to make the message of moderate consumption aspirational.

Feedback: “More attention to human rights”

- A new Employees’ & Human Rights policy was approved by our Executive Board in December 2011 and will be implemented and audited in 2012
- We developed an E-learning module on Employees’ & Human Rights, which will be implemented in the first half of 2012
- We actively engaged in dialogue with our external stakeholders on several Employees’ & Human rights issues, for example, freedom of association in Mexico, the labour and health conditions of beer promoters in Cambodia and the labour conditions of third-party employees in Russia
- We were present at the Human Rights Watch Fund Raising Dinner in Amsterdam.

Feedback: “More work through customers, distributors and suppliers”

- We further implemented our new Supplier Code, 98 per cent of global suppliers and close to 12,000 local suppliers signed the new Supplier Code
- We continued to roll out more environmentally efficient fridges
- We started educational programmes on green cooling for our customers in a number of markets
- We started sustainability discussions with customers in both on-trade and off-trade.

Balancing business needs with the expectations and requests of our stakeholders is not easy and means we can never deliver 100 per cent of every stakeholder’s expectations. However, our commitment is to do whatever we can, wherever we can, to balance these competing needs and increase the value we add.

Stakeholder Engagement and Dialogue continued

Brewing a Better Future is a long-term ambition, which has continuous improvement built into the way of working and thinking. During 2012 we will work on these improvements and will again consult our stakeholders in order to confirm existing and set new commitments for the three years to 2015.

Stakeholder Engagement and Dialogue continued

Working with partners

Our philosophy of sharing the journey by working with partners and stakeholders meant that in 2011 we significantly increased our work with relevant groups and individuals around the world.

In January 2011 we became a founding member of the [UN Global Compact LEAD](#) in recognition of our efforts. We also participate in the Taskforce on Strategic Social Investment and Philanthropy and have been actively taking part in UN Global Compact LEAD meetings.

Early in the year we increased our participation level with the World Economic Forum to Industry Partner and are now involved in three working groups: New Vision for Agriculture, Water Management and the Wellness Alliance. In all three groups we are sharing with, and learning from, others on the same journey and with similar interests.

In mid-year we joined the Clinton Global Initiative (CGI), committing to source 60 per cent of the raw materials used for our African beer locally by 2020. We were present at the CGI annual meeting in New York in September when we also participated in the United Nations Private Sector Forum discussions on sustainable energy for all.

As part of our commitment to reducing harmful drinking, our Chief Corporate Relations Officer, Sean O'Neill, became Chairman of the International Center of Alcohol Policies (ICAP), a global think tank focused on effective alcohol policy and science. We made a new commitment to the European Alcohol and Health Forum to increase the value and impact of our alcohol-related partnerships in the EU.

Addressing environmental concerns, in 2011 HEINEKEN took an active role in forming Green Freight Europe, a consortium of some 25 companies, including The Dow Chemical Company and DHL, who are committed to reduce CO₂ emissions on the road through a pan-European system. The initiative is similar to the programme SmartWay in the USA and is being coordinated by the European Shippers' Council and national logistic sector organisation partners. The programme was officially launched in December 2011.

Late in the year we also joined forces with other major Dutch multinationals, Unilever, Philips, KLM, DSM, Shell, FrieslandCampina and Akzo Nobel, to address global challenges collectively through the Dutch Sustainable Growth Coalition. The members of this new Coalition have committed to proactively drive sustainable growth models through their businesses.

Stakeholder Engagement and Dialogue continued

In addition to these activities, we are actively engaged in a growing number of organisations that support our aims for both business and society. Some of the most notable are:

- The Stop TB Partnership, a collective force that is transforming the fight against tuberculosis (TB) in more than 100 countries
- The Sustainable Agriculture Initiative (SAI): the main food industry initiative supporting the development of sustainable agriculture worldwide
- Private Investors in Africa (PIA): a business coalition that aims to harness business knowledge to tangibly and effectively contribute to the continent's future
- The European Round Table: a leading group of 40 European industrialists committed to economic advancement across Europe. HEINEKEN's CEO, Jean-François van Boxmeer, is a member of the Steering Committee
- The International Sustainability Alliance (ISA), a group of companies dedicated to achieving a more sustainable environment through better measurements and understanding of the sustainable performance of buildings
- Beverage Industry Environmental Round Table (BIER), a partnership of global beverage companies which focus on water stewardship, energy and climate change and stakeholder engagement
- FoodDrinkEurope, which promotes the industry's interests to European and international institutions, in the areas of food safety and science, nutrition and health, environmental sustainability and competitiveness
- The European Cooperative for Rural Development (EUCORD): an NGO that – in cooperation with HEINEKEN and other private sector companies – helps people living in poverty in developing countries improve their well-being
- European Organization for Packaging and the Environment (EUROPEN)
- Global Brewers Initiative (GBI)
- Global Alcohol Producers Group (GAPG)
- The Consumer Goods Forum (TCGF)
- World Federation of Advertisers (WFA)
- Global Reporting Initiative (GRI), in which HEINEKEN is an Organisational Stakeholder.

Stakeholder Engagement and Dialogue continued

Working with the United Nations Global Compact

HEINEKEN has been a member of the UN Global Compact since 2006. The UN Global Compact (UNGC) is the world's largest corporate citizenship and sustainability initiative. Launched in 2000, it now has 8,000 participants, of which 6,000 are businesses, in 135 countries around the world. It involves all relevant social actors whose actions it seeks to influence: governments, labour, civil society organisations, and the United Nations as convener and facilitator.

As a signatory to the Compact, HEINEKEN supports the ten principles in the areas of human rights, labour, the environment and anti-corruption.

UNGC Principles	HEINEKEN approach	Where to find out more
<p>Human Rights</p> <ul style="list-style-type: none"> Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses. 	<p>In 2011 HEINEKEN approved a global Employees' & Human Rights policy. The policy represents an elaboration of our existing position on Employees' & Human rights. Our standards related to Employees' & Human Rights cover the following areas:</p> <ol style="list-style-type: none"> 1. Non-discrimination 2. Freedom of association and the right to collective bargaining 3. Forced labour 4. Child labour 5. Working hours 6. Remuneration 7. Health and safety 8. Harassment 9. Training and personal development 10. Security 11. Non-complicity in human rights violations 	<p>Visit our corporate website www.theHEINEKENcompany.com to read our:</p> <ul style="list-style-type: none"> Employees' & Human Rights policy <p>Go to online version of this report to read more about:</p> <ul style="list-style-type: none"> Engaging Employees
<p>Labour</p> <ul style="list-style-type: none"> Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation. 	<p>We intensified our conversation with internal and external stakeholders about human rights (e.g. induction programmes on human rights, discussions with students)</p>	

Stakeholder Engagement and Dialogue continued

UNGC Principles	HEINEKEN approach	Where to find out more
<p>Environment</p> <ul style="list-style-type: none"> Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies. 	<p>HEINEKEN has set commitments to improve the environmental impact of its brands and business throughout the value chain. This is reflected in the policies developed.</p> <p>In addition we take part in industry initiatives to promote greater environmental responsibility, such as BIER, LEAD and DSGC</p>	<p>Visit our corporate website www.theHEINEKENcompany.com to read our policies.</p> <p>Go to online version of this report to read more about:</p> <ul style="list-style-type: none"> Green Brewer Green Commerce
<p>Anti-corruption</p> <ul style="list-style-type: none"> Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. 	<p>HEINEKEN has a global Code of Business Conduct and a related Whistle-Blowing procedure in place. Each Operating Company has an assigned Trusted Representative. We expect similar conduct from our suppliers, as expressed through the Supplier Code we ask every supplier to sign</p>	<p>Visit our corporate website www.theHEINEKENcompany.com to read our:</p> <ul style="list-style-type: none"> Code of Business Conduct Supplier Code <p>Go to online version of this report to read more about:</p> <ul style="list-style-type: none"> Engaging Employees

Signatories to the UN Global Compact are required to report regularly on their performance and progress towards achieving the goals set. HEINEKEN will be next required to provide an update on its activities by 8 August 2012.

Over the coming years, we will continue to actively support and challenge ourselves and our peer companies to adhere to the relevant principles of human rights, the environment and anti-corruption expected by us and our peer organisations.

Stakeholder Engagement and Dialogue continued

Increased UN involvement through UN Global Compact LEAD

In 2011, we began implementing the ‘Blueprint for Corporate Sustainability Leadership’ as a member of the UN Global Compact LEAD. LEAD was launched in January 2011 and HEINEKEN was invited to become one of the 54 initial member companies. The Blueprint for Corporate Sustainability Leadership is a framework that responds to the critical need for companies to step up their efforts and impact in order for the world to meet today’s social, environmental and economic challenges. It was developed in broad consultation with global corporations, stakeholders, governments, and civil society.

LEAD members are committed to sharing related outcomes and learnings – both successes and failures – with the broader universe of companies in the Global Compact. Linkages will be built between Global Compact LEAD and the UN agencies, funds and programmes collaborating with the private sector, as well as with the Global Compact’s two sister initiatives – the Principles for Responsible Investment (PRI), and the Principles for Responsible Management Education (PRME).

By joining Global Compact LEAD we have committed to implementing the Blueprint for Corporate Sustainability Leadership.

The blueprint consists of four main elements:

- I. Implementing the Ten Principles into strategies and operations
- II. Taking action in support of broader UN goals and issues
- III. Engaging with the UN Global Compact
- IV. The Cross-Cutting Components.

We have been contributing to the blueprint in a number of ways. Examples per element can be found in the table below:

Blueprint element of LEAD	How we implement it	Find out more
<ul style="list-style-type: none"> ▪ Implementing the Ten Principles into strategies and operations 	<ul style="list-style-type: none"> ▪ Covered in global policies in the working with the United Nations Global Compact 	<ul style="list-style-type: none"> ▪ Read the table in the Working with the UN Global Compact section above
<ul style="list-style-type: none"> ▪ Taking action in support of broader UN goals and issues 	<ul style="list-style-type: none"> ▪ Sustainability is integrated into our values ‘Respect for our Planet’ and ‘Respect for people’. ▪ Public advocacy of Executive Board members in the World Economic Forum ▪ Participation in industry initiatives such as Dutch Sustainable Growth Coalition ▪ Participation in UN private sector forum 	<p>Visit our corporate website www.theHEINEKENcompany.com to read our:</p> <ul style="list-style-type: none"> ▪ values and principles ▪ Read a press release about the Dutch Sustainable Growth Coalition in the online version of this report

Stakeholder Engagement and Dialogue continued

Blueprint element of LEAD	How we implement it	Find out more
<ul style="list-style-type: none"> ▪ Engaging with the UN Global Compact 	<ul style="list-style-type: none"> ▪ Signatory of the CEO Water Mandate ▪ Participation in a taskforce on Strategic Social Investment and Philanthropy. The objective of the LEAD taskforce is to explore how to best integrate strategic social investment and philanthropic efforts within an organisation's overall sustainability strategy. The results of the taskforce are expected to be presented at the Global Compact conference in Rio in 2012 ▪ Formally joining the GC local network of the Netherlands in 2012 ▪ Participated in several LEAD symposia and consultations 	<p>Read the Green Brewer – Water section of this report.</p>
<ul style="list-style-type: none"> ▪ The Cross-Cutting Components 	<ul style="list-style-type: none"> ▪ Implementation of Senior Management incentives in 2010 ▪ Stakeholder dialogue as input for our agenda ▪ Externally verified Sustainability Report ▪ Publication of 27 OpCo Sustainability Reports 	<ul style="list-style-type: none"> ▪ Read the Enablers section of this report ▪ Read the Stakeholder Engagement and Dialogue section of this report ▪ Read the About this Report section of this report ▪ Visit our corporate website to read local reports www.theHEINEKENcompany.com

Benchmarks and Achievements

Global Benchmarks

Introduction

We are committed to improving the quality and quantity of data we report on in our quest to create real value for all our shareholders. To assess this requires benchmarking our performance against other companies in the sector and publishing and sharing our findings.

SAM Dow Jones Sustainability Index

We were again disappointed that within the beverage category we were not ranked amongst the top three companies. However, we are listed amongst the top 15 per cent in our sector and improvement was clear: we achieved our highest ever score and we improved our performance in the areas in which we underperformed in 2010. We also scored best-in-class in the areas of environmental policy, water-related risk, responsible consumption, climate strategy and human capital development.

Improvement areas are development of policies and strategy development on corporate citizenships and health and nutrition, and standards for suppliers.

FTSE4Good

We again maintained our inclusion in the FTSE4Good index. For the first time, in 2011, the FTSE organisation released to members of FTSE4Good their environmental, social, governance and ethical (ESG) performance ratings. These ratings allow constituent organisations to understand how their sustainability practices compare to established best practice, based on an assessment by the independent ESG research organisation of 2,300 of the world's largest listed companies.

With a score of 4.2 out of 5, HEINEKEN was ranked in the top five of the 'food and beverage' supersector leaders.

Investors Carbon Disclosure Project

We participated in the Investors CDP global survey, to measure and disclose our carbon reduction activities. With a disclosure score of 59 out of 100 points and a performance category D in 2011, we clearly need to do more.

CDP Water Disclosure

Water is one of the most important resources for the planet and for us as a brewer. For the first time in 2011 we participated in the CDP Water Disclosure Global Survey, reporting on water usage, on the risks that water present and on responses to that risk. As it concerns only the second CDP Water Disclosure Global Report, there is no ranking included in this report. To read both CDP Reports, please visit www.cdproject.net.

Benchmarks and Achievements

continued

Local benchmarks and achievements

- HEINEKEN UK received the highest ranking of 'Platinum Plus' in the 2011 Corporate Responsibility (CR) Index. HEINEKEN UK was also voted best company in the food and drink sector. The CR Index is the UK's leading voluntary Corporate Responsibility benchmark. In 2011, 145 companies participated. Companies achieving Platinum Plus demonstrate that commercial business strategy is underpinned by thinking around long-term sustainability. For more information go to www.bitc.org.uk.
- For the second consecutive year, Heineken N.V. took part in the Dutch Transparency Benchmark. This is a survey conducted by the Ministry of Economic Affairs, Agriculture and Innovation and provides insight into the way nearly 500 Dutch companies report on their CSR activities. Heineken N.V. ranked 21st, with an overall score of 172 out of 200 points, up from 143 in 2010.
- Heineken N.V. was also included in the Responsible Supply Chain Management Benchmark organised by the Dutch Association of Investors for Sustainable Development (UBDO). The investigated group of companies comprises 40 of the largest Dutch publicly listed companies whose procurement of goods and services constitutes a significant proportion of their operational expenditure. The benchmark focuses on responsible supply chain policy and its implementation and management and has 28 indicators on which companies can score from 0 to a maximum of 59 points. With a score of 33 out of 59, HEINEKEN ranks 13th, an improvement of 9 per cent compared to 2010.
- In Greece, Athenian Brewery received the Gold award in the local Corporate Responsibility Index (CRI). For their achievements in 2010, Athenian Brewery was also ranked as the Nr. 1 Workplace in Greece at the 'Great Places to Work Institute' awards.
- HEINEKEN Russia received the Russian National Award 'Company of the year 2011'. This annual award goes to Russian companies that demonstrate sound performance, sustainable development and open and transparent business. HEINEKEN Russia was also awarded as 'Best Tax Payer of St. Petersburg' for the seventh year in a row, and received the 'Sustainable Leader' award from the Governor of St. Petersburg.
- In St. Lucia, Windward & Leeward Brewery Ltd. won the 'Green Award' for an initiative to install rainwater harvesting systems at clinics and schools. This initiative was a response to the aftermath of hurricane Tomas (October 2010) and is meant to make clinics and schools independent of irregular water supply.
- Cuauhtémoc Moctezuma, our operations in Mexico, ranked first in the Global RepTak Pulse report in the beverages category and as one of the top 10 companies in Mexico according to the Fortune 500 'most admired Companies' survey. Cuauhtémoc Moctezuma also won two national sustainability awards: the National Award for 'Cargo Truck Image' by the Asociación Nacional del Transporte Privado (ANTP) in recognition of creating environmental awareness, and the National Award for 'Clean Transport' by the Secretaría de Medio Ambiente y Recursos Naturales (SEMARNAT), Secretaría de Comunicaciones y Transportes (SCT) and Comisión Nacional para el uso Eficiente de la Energía.
- Our work on a local sorghum supply chain in Sierra Leone won the outstanding achievement award for agriculture by the Sierra Leone Chamber of Commerce, following recognition by the United Nations Development Programme in 2010.
- HEINEKEN's brewery in Zoeterwoude, the Netherlands, was the star of a National Geographic television documentary in its Mega Factories series, which aired around the world in 2011. This documentary showcases HEINEKEN's efforts at its main Dutch brewery to reduce energy and water consumption. We consider this a huge honour. Please go to the online version of this report to watch the preview.

About this Report

Accountability

This year, for the first time, we are publishing the Sustainability Report in online format only. This online report and the printed summary are key elements of our public accountability and demonstrate our genuine commitment to transparency. They complement our Annual Report, our corporate website www.theHEINEKENcompany.com and the 27 local market Sustainable Reports.

We have compiled this Sustainability Report in line with the reporting guidelines of the Global Reporting Initiative 3.1. We include a [Global Reporting Initiative \(GRI\) Reference Table](#) and a brief summary of some of the ways in which we contribute to the Global Compact and as participant of the Global Compact sustainability leadership programme LEAD.

GRI conducted an Application Level Check and concluded that the report fulfils the requirement of Application Level B+.

Reporting structure

The structure of this report reflects our 'Brewing a Better Future' approach, which is focused on the delivery of three strategic imperatives – to continuously IMPROVE the environmental impact of our brands and business, EMPOWER our employees and the communities in which we operate and create a positive IMPACT for the role of beer in society.

Two key initiatives support each imperative. Five key enablers support the delivery of the approach: Governance, Senior Management Incentives, Reporting and Transparency, Supplier Code and Communication & Engagement.

This online report dedicates one section to each of the three strategic imperatives, each brought to life via the use of a number of case studies. These represent only a small proportion of the positive changes we are helping to make. More examples of what we are doing can be found in the sustainability section of www.theHEINEKENcompany.com.

About this Report

continued

Scope

The data included in this report, with some exceptions, refer to the consolidated interests of Heineken N.V., which we refer to as 'in scope' operations. A full list of operations in scope can be found in Appendix 4. Some international agricultural and resource management studies that we conducted in 2011 sometimes go beyond the geographic scope of HEINEKEN's consolidated assets in their coverage. If this is the case, the report will state as much.

This report therefore covers the operations of 142 production units, of which 109 are breweries, and 33 are mixed-purpose units such as cider plants, packaging plants, crate factories, can factories, can closure factories, malting plants and soft drink plants.

Detailed information about our data gathering and reporting process can be found in Appendix 1.

Assurance

We believe that the data and statements in this report should be externally assured. So we have asked KPMG to provide us with independent, limited assurance on both the facts and the wording in this report. KPMG summarises its activities and conclusions in Appendix 5. In addition, we have further improved and extended the scrutiny by our internal audit teams. This improves the quality and robustness of the data and gives a level of credibility and certainty for our Stakeholders.

Green Brewer



“In the last three years our sharper focus on energy and water efficiency is having a big impact across our breweries worldwide.”

Marc Gross
Chief Supply Chain Officer

At HEINEKEN we are working hard to increase the water and energy efficiency of our breweries, offices and warehouses. In 2011 we made good progress and are on target to achieve the goals we set for 2012. We are committed to continually improving the environmental impact of our brands and business and to reduce our CO₂ emissions. We want to substantially reduce the amount of water we use for brewing with a target (by 2020) of 3.7 hl of water per hl of beer produced, compared with 5.1 hl in 2008. We have set the ambition of creating a blueprint for a CO₂-neutral brewery and want to achieve water neutrality for all our breweries in water-stressed areas. In energy use we aim to reduce the direct and indirect CO₂ emissions from fossil fuels in our breweries to 6.4 kg /hl in 2020 (from 10.4 kg/hl in 2008).

Green Brewer

continued

What we said we will do by 2012 ⁴	What we've done in 2011
Specific energy consumption < 155 MJ/hl	We achieved 159 MJ/hl and are on target
Average greenhouse gas emission < 8.5 kg CO ₂ -eq/hl for breweries in scope	We achieved 8.8 kg CO ₂ -eq/hl and are on target
Energy-efficient brewery designed	Blueprint completed in 2011 and the application of this blueprint will take place in 2012 and beyond
Specific water consumption < 4.3 hl/hl	We achieved 4.3 hl/hl and are on target
Water footprint studies performed	Completed water footprint studies for HEINEKEN Netherlands and Cuauhtémoc Moctezuma (HEINEKEN Operating Company in Mexico) and two water footprint studies related to barley
First water neutrality pilot conducted	Completed a risk assessment of all HEINEKEN water-scarce and water-stressed areas: 18 sites identified for possible neutrality plan
Inventorise the environmental performance for offices, warehouses and brewery building offices, including studies for improving energy and water efficiency	Developed an online benchmark system with the International Sustainability Alliance to monitor the environmental performance of our existing buildings

⁴ Unless stated differently.

Green Brewer

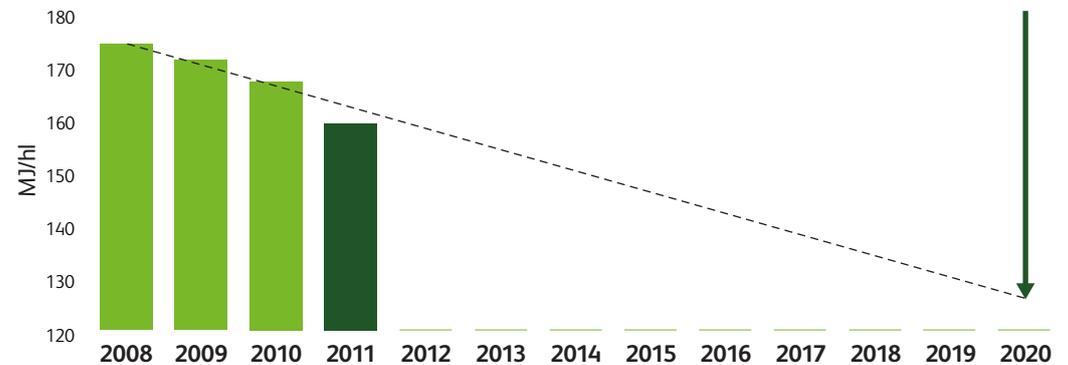
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Energy

Total energy consumption

The combined amount of thermal and electrical energy (calculated as primary energy) needed to produce 1 hectolitre (hl) of beer, soft drinks, cider and water improved from 166 MJ/hl in 2010 to 159 MJ/hl in 2011. Specific thermal energy consumption improved by 5.8 per cent from 87.6 MJ/hl to 82.5 MJ/hl and specific electricity consumption by 2.3 per cent from 8.7 kWh/hl to 8.5 kWh/hl.

Total specific energy consumption, actual performance and target MJ/hlbeer + soft drink + cider + water



We are on track to realise the HEINEKEN 2020 targets.

Specific thermal energy consumption MJ/hl beer + soft drink + cider + water



Thermal energy consumption

Our specific thermal energy consumption declined thanks to improvements in our cider plant in Ledbury, UK. Running at full capacity, the plant finished the season four weeks ahead of schedule, drastically reducing energy consumption. Specific energy savings were also achieved at two of our Russian production units in St. Petersburg and Nizhny Novgorod through a combination of plant optimisations and a strong increase in production volume. In addition, our production unit in Monterrey, Mexico, made thermal energy savings through the more efficient use of steam in the packaging lines.

Specific electricity consumption kWh/hl beer + soft drink + cider + water



Electricity consumption

Our specific electricity consumption also decreased compared to previous years. Plant optimisations, focusing on the ammonia condensers, at four of our Russian production units (Nizhny Novgorod, Irkutsk, Ekaterinburg and Sterlitamak) led to significant specific electricity consumption savings. The exceptional milling season in Ledbury, UK, also resulted in a decrease in electricity consumption and our production in Lahti (Finland) saved a significant amount of electricity through efficiency efforts.

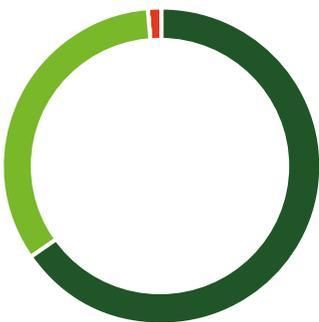
Green Brewer

continued

In terms of direct energy consumption, natural gas and LPG are used the most (65 per cent of all fuels used on-site), while fuel oil and diesel account for 33 per cent of fuels used on-site. Over 1 per cent of total energy is derived from renewable fuels, such as biomass and biogas. We do not use coal.

We are on track to realise the HEINEKEN 2020 targets.

Types of fuel used



Fuel	%
■ Gaseous fuels (LPG, natural gas, propane)	65.4
■ Liquid fuels (diesel, fuel oil, gas oil, kerosene)	33.3
■ Biomass	0.1
■ Biogas	1.2

The amount of direct and indirect CO₂ emissions and refrigerant losses expressed as CO₂ equivalents per hl of beer, soft drinks, cider and water produced.

Greenhouse gas emissions

Our performance in greenhouse gas emissions* improved from 9.3 kg CO₂-eq/hl in 2010 to 8.8 kg CO₂-eq/hl in 2011. This improvement is primarily the result of the energy saving activities at our breweries, the exceptional milling season at Ledbury and the purchase of more renewable electricity and imported heat compared with 2010.

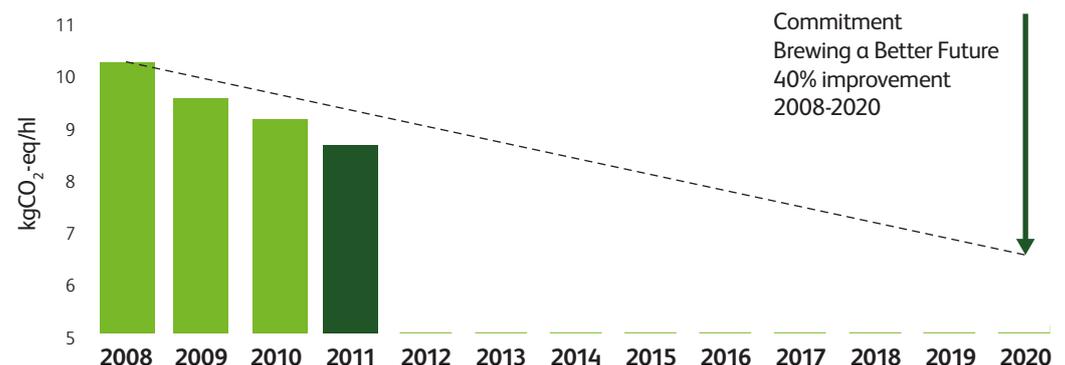
We use a variety of methods to reduce our CO₂ emissions that hinge on implementing less carbon-intensive technologies and switching to less carbon-intensive fuels. Twenty HEINEKEN production units, including two malting sites in Europe, participated in the emission trading scheme.

Greenhouse gas emissions target: 40 per cent CO₂ reduction

In 2010 we set the target of achieving a 40 per cent reduction in CO₂ emissions in our breweries, to 6.4 kg CO₂-eq/hl by 2020. In 2011 we were on target at 8.8 kg CO₂-eq/hl. Our ultimate ambition is to create CO₂-neutral breweries using fuels without any resulting CO₂ emissions. We are on target to reach this goal. We estimate that 75 per cent of the targeted reduction should come from using less energy and 25 per cent from including renewable resources such as solar, photovoltaic, wind and biogas.

Specific greenhouse gas emissions, actual performance and target

kg CO₂-eq/hl beer + soft drink + cider + water



Green Brewer

continued

Adding renewables to the energy mix

As of 2012, renewable energy will be a fixed item on the monthly reporting agenda of all breweries worldwide. We will compile an inventory of renewable energy activity Company-wide and have each brewery establish a three-year plan for further development of renewable resources. In 2011, three solar energy projects applied successfully for a grant of EUR2.6 million from the EU to help fund three promising feasibility studies using solar thermal energy in various brewery contexts.

Project Solar Brew will start in February 2012 at our brewery in Göss, Austria, and involves the installation of solar panels for heating malt and water, the first phase of beer production. The solar panels will contribute roughly 18 per cent of the energy requirement of the initial mashing process. Göss already derives 35 per cent of its energy needs from district heating from the nearby sawmill that produces hot water for heating, using wood chips. The sawmill burns woodchips and supplies the steam via a pipeline to the brewery. The brewery is therefore well advanced on its Grüne Brauerei programme to become carbon neutral. The project involves collaboration with the Austrian institute for sustainable technologies (AEE INTEC), Denmark's Sunmark and GEA Energy Systems, a company that specialises in brew house technologies.

The other two projects are at our Valencia brewery in Spain and in Vialonga, Portugal. In Belgium, the solar power installation of our Alken-Maes brewery became operational in 2011. Owned by Solar Access, this is the largest solar energy installation on a brewery in Europe and supplies approximately 12 per cent of the brewery's electrical energy requirements. Find out more in the Case Studies section of this report.

Wind power for electrical energy

Currently, wind energy offers the best prospects for boosting the renewable energy component of our total energy mix. The price of wind energy components has dropped considerably in recent years and is very close in many instances to the grid price. With the acquisition of the Cuauhtémoc Moctezuma breweries in Mexico we became a customer of the Mareña Renovables Wind Farm Project, a very large wind project currently under construction in the Oaxaca area with a total capacity of 396 MW. HEINEKEN in Mexico will source approximately 300.000 MWH/Year by means of a long term purchase power agreement. Construction will start in March 2012 and the park will be operational at the end of August 2013.

We plan to add wind energy to the energy mix in the Netherlands too, starting with our brewery in 's-Hertogenbosch where we have signed a long-term supply agreement covering approximately 8 per cent of the brewery's energy requirements. This energy came on stream in 2011. In 2012, governmental approval is expected for another project at our brewery in Zoeterwoude, consisting of four wind turbines to generate around 10 MW of energy to cover around one-third of the brewery's electricity requirements.

Green Brewer

continued

Geothermal energy studies continue

The Dutch technical research agency TNO performed a study in 2011 that explored the potential for geothermal energy at HEINEKEN breweries worldwide. Six locations with good potential were selected and we are now making further in-depth feasibility studies. To date, two sites have been singled out for additional investigation.

Biomass potential under investigation

In 2011 we continued researching the potential of biomass as an energy source. Most spent grains produced as a co-product by HEINEKEN worldwide are distributed among farmers for cattle feed. Spent grains can be used to produce biogas and also burned directly as a fuel. The creation of biogas from spent grains leaves as digestate that can be used as fertiliser.

We are currently exploring the possibility of creating a large biomass project for our brewery in Zoeterwoude. A significant amount of our annual energy requirements could come from biogas produced anaerobically by co-fermenting cow manure from farms in the area.

Green Brewer

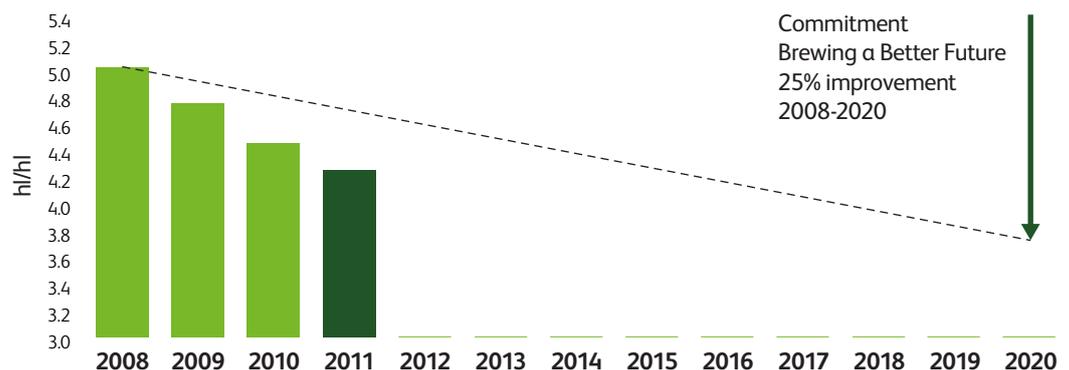
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Water

Water consumption: making progress

In 2011, our specific water consumption decreased from 4.5 hl to 4.3 hl per hl of beer, cider, soft drinks and water. Among the major contributors was our production unit in Bergamo, Italy, thanks to pasteuriser and waste water treatment plant efficiency gains. The production unit in Lagos, Nigeria, also realised a significant saving by further optimising their use of recovered water for cleaning purposes. The actions of several water savings teams in 's-Hertogenbosch, the Netherlands, led to water savings in the bottling lines. Nizhny Novgorod, Russia, made significant progress in this area due to an increase of production volume.

Specific water consumption, actual performance and target hl/hl beer + soft drink + cider + water



The Brewing a Better Future programme is on track to realise HEINEKEN's 2020 targets.

Water efficiency: a major focus

We have set a water efficiency target of 3.7 hl of water to produce 1 hl of beer by 2020. A majority of the most efficient HEINEKEN breweries are already ahead of this target. This figure includes all the water use within the production units. There are big variations in efficiency among our production units, offering great scope for the transfer of best practices.

Our research suggests that many breweries could save at least 20 per cent of the water by saving water in the production process, recycling or reusing secondary water by purifying it for other purposes through reverse osmosis.

Green Brewer

continued

Towards a total water strategy

Water is both an important ingredient and a scarce and finite resource. We are therefore investing time, energy and money in order for us to better understand the various aspects of our relationship with water in order to develop a comprehensive water strategy.

Water footprint studies expand to barley production

We have undertaken four extensive water footprint studies over the last two years to determine the sources and amounts of water used in all products and goods required to produce beer, from barley to bar. This new approach looks not just at the direct HEINEKEN operations but at the whole value chain: from the growing of barley through its conversion into malt, to the quantity of water required to make beer from the malt.

In 2011 we set out to determine the water footprint of the areas where HEINEKEN sources its barley. Through a combination of desktop research and field research, we determined the water footprint of barley in the different regions of origin. The findings of two water footprint studies of our breweries in Egypt and the Slovak Republic conducted in 2010 showed that 90 per cent of our water footprint is related to the cultivation of crops. This indicated that measures to reduce the water footprint should focus especially on agriculture.

Following the water footprint studies at our breweries in Slovakia and Egypt we mapped out the water footprint of all our breweries in Mexico and the Netherlands. This completes the planned water footprint studies for the continents in which we operate.

Towards water neutrality

Water stewardship means recognising that we share this finite resource with all users on the planet and in the communities and the ecosystems in which we operate. We have therefore set a target of achieving water neutrality in water-stressed areas by 2020. To gauge our impact on water resources worldwide we have made a risk assessment of all HEINEKEN sites in water-scarce and water-stressed areas. The assessment indicated 18 sites that must take priority in our water resource considerations. These sites are mostly in water-scarce areas with a combination of lower level of economic development and therefore less able to buy water security.

Of all facilities where water scarcity data are available, 14 per cent operate under extreme water scarcity and another 11 per cent under water-scarce conditions. Another 17 per cent are water-stressed, which we define as areas where per capita water supply drops below 1,700 m³ per year, a level at which frequent, disruptive water shortages can occur.

Our water-neutrality strategy will focus first and foremost on water conservation strategies. Within the brewing process there is scope for greater re-use of water at various stages for other purposes that we need to explore. The final part of the water-neutrality strategy will require offsetting net water removals from surface and ground water resources through projects yet to be defined. These will include rainwater harvesting, reforestation and leak detection. In 2012 the main focus will again be on using less water and planning the introduction of various water conservation pilot programmes. We realise that much of our water conservation and offsetting activities will require partnerships with local organisations and communities and we are looking at possible partners.

Green Brewer

continued

Effluent organic load discharged to surface water
kton COD beer + soft drink + cider + water



2009 data is representative for the actual HEINEKEN group. For 2010 and 2011 data is representative for beer, soft drink, cider and water.

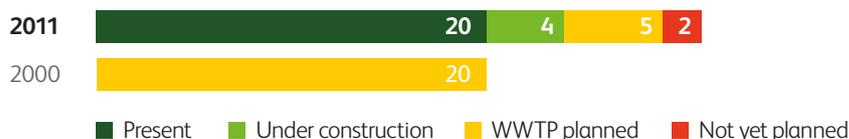
Wastewater performance

It is our policy to ensure that the wastewater of our production units is treated before discharge, either by own or third party treatment. HEINEKEN currently has 31 production units in Africa and the Middle East. Of these, 20 have wastewater treatment facilities or use municipal treatment. There are 11 sites with no treatment facilities. Wastewater treatment plants are therefore under construction at three of these sites in the Democratic Republic of Congo (Bukavu, Boma and Kisangani) and one site in Nigeria (Ijebu-Ode). Five more treatment facilities are planned to be completed by 2015. Two production units (Beirut, Lebanon and Aba Maltings, Nigeria) do not yet have treatment facilities planned.

In 2000, HEINEKEN committed to install wastewater treatment plants at each of the 20 production units in the Africa and the Middle East region. Seven of the sites have either been divested or are no longer majority holdings.

Wastewater treatment plants (WWTP) Africa and Middle East Region

Number of production units



In 2011 the level of discharge increased largely as a result of one malfunctioning waste water treatment plant in Lagos, Nigeria. A total of 18.8 ktonnes of effluent organic load was discharged to surface water by HEINEKEN beverage sites in 2011, up by 1.4 ktonnes from 2010. Due to the malfunction in Nigeria, a significant amount of the brewery waste water was discharged without treatment into the nearby river. The waste water treatment of this production unit remains a concern. This malfunction offset the improvements made at other production units to improve the efficiency of their waste water treatment facilities.

Green Brewer

continued

Waste

Waste recycling improves

Total waste production and recycling increased slightly compared to 2010. In 2011, the total waste recycling rate was 95.5 per cent, mainly due to the large amounts of recycled co-products, such as brewer's spent grains and yeast. Co-products account for a large percentage of our total waste. At HEINEKEN we sell most of our co-products, primarily for use as animal feed or compost. We aim to minimise the quantity of non-recyclable waste produced and need to increase recycling awareness and improve waste segregation in our production units as well as identify additional uses for the waste we produce.

The specific amount of non-recycled industrial waste resulting from the production of beer, cider, soft drinks and water decreased slightly in 2011, from 0.75 kg per hl in 2010 to 0.73 kg per hl. This positive trend is mainly the result of the activities of our production in Lagos, Nigeria, where an opportunity was found to recycle most of the brewer's spent grains as compost. Other sites in Mexico, Romania and Spain improved waste recycling by improving waste segregation and management.

Environmental compliance

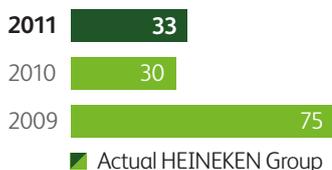
In 2011, we recorded 70 accidents with the potential to cause harm to human life, property or the ecosystem and/or which can cause nuisance to a third party. Half of the accidents are related to the quality of the effluent which exceeded legal limits. Six production units had to pay fines because of one or more environmental breaches amounting to EUR88,293 which was half the amount of 2010 (EUR190,000).

The number of complaints related to environmental or industrial safety accidents with off-site impact increased from 30 in 2010 to 33 in 2011. About two-thirds of the complaints are related to noise nuisance. The remaining complaints are mainly odour related.

Specific non-recycled industrial waste production kg/hl beer + soft drink + cider + water



Environmental and safety complaints number



Environmental and safety accidents number



Green Brewer

continued

Towards more sustainable buildings

We took the first steps towards creating more sustainable offices and warehouses in 2011, by introducing a system to report and monitor energy and water consumption in all our main buildings. More than 50 per cent of our Operating Companies also improved their performance by installing more efficient lighting and conducting awareness campaigns.

For new buildings we decided to make use of the sustainable building design standards LEED and Breeam and to assess the level of sustainability of our building stock worldwide. In 2011, we gained our first experiences in applying these international sustainable guidelines for the renovation of our Head Office in the USA (using the US system LEED) and a new warehouse for our joint venture in Bulgaria (using Breeam).

The two systems vary somewhat in the detail but follow a similar approach in measuring net and broader impacts on the environment of the consumption of natural resources, energy and water, waste and transport and community involvement.

In 2011 we introduced sustainable design guidelines in our conceptual design for our energy efficient brewery design.

We also joined the International Sustainability Alliance (ISA) as a founding member. ISA is developing an online data system to measure the energy and water consumption and waste production of buildings worldwide. In 2011 we tested this system for one of the buildings of our Head Offices. In 2012 we will use this system to benchmark the performance of head offices in all our markets and main warehouses. All members of the Alliance have access to data provided to stimulate the sharing of best practices to improve existing buildings.

Green Commerce



“Innovation and co-operation with consumers and suppliers are the axes of our commercial sustainability drive.”

Alexis Nasard
Chief Commercial Officer

We have made a commitment to continually reduce our total carbon footprint. The segment of the beer supply chain from brewery to consumer is an area where we can make a substantial difference. We estimate this is where the majority of our carbon footprint occurs. Key elements of our approach are to reduce impacts from packaging, cooling and distribution. To meet our reduction goals we innovate and co-operate with partners. In 2011 we developed new packaging, cooling and distribution policies. They were approved by the Executive Board and will be implemented across all regions in 2012.

Green Commerce

continued

What we said we will do by 2012 ⁵	What we've done in 2011
Design and adopt a new packaging policy with agreed targets for carbon reduction	A new packaging policy was approved
Starting 2010, all new purchased fridges to be based on green technology, if legally and technically possible	A new green fridge policy was approved. Over 85 per cent of the branded fridges that HEINEKEN purchased in 2011 had one or more green measures (the use of hydrocarbon refrigerant LED illumination and an energy management system), 20 per cent even had all three
15 per cent energy reduction of fridges in cooling against Index ⁶	Target was surpassed on newly purchased fridges– the fridges purchased in 2011 consume on average 30 per cent less energy than fridges currently in the market
Distribution efficiency standards defined for owned and outsourced operations	We joined several sector organisation platforms to map and share data, e.g. Clean Cargo Working Group and Green Freight Europe
Evaluation criteria for new product innovations introduced in all regions	Environmental criteria were introduced into the decision-making process for new product launches. An ecodesign methodology is included into the Global Innovation and Renovation process. Masterclasses explaining how to apply the ecodesign methodology and how to use related tools were given
Continuous roll-out of guidelines on Life Cycle Assessment and carbon footprint for cooling equipment to suppliers	Specifications for development of green cooling equipment have been defined and deployed to our suppliers. Furthermore a specific test protocol to measure energy consumption has been developed
Develop and execute a baseline carbon footprint model	A global model based on the entire, comprehensive value chain was created
Carbon reduction opportunities in distribution identified through footprint reviews for top 20 markets	25 of our markets were measured and reported on; 15 were validated

⁵ Unless stated differently.

⁶ Index calculated with an average lifetime of a fridge of five years, new installed fridges are equal to replacement.

Green Commerce

continued

Packaging

Packaging accounts for a substantial part of the carbon footprint of our products. Recyclability is now a key criterion, and we aim to avoid landfill as much as possible. Materials should preferably be recycled into packaging or other products, but as a last resort must be incinerated to recover energy.

We are currently working together with distributors and retailers, refuse collectors and off-trade operators to encourage reuse, recycling or energy recovery. We have also developed a new [packaging policy](#). It was approved by the Executive Board and will be implemented across all regions in the second quarter of 2012.

Our new policy aims to reduce the environmental impact of packaging throughout the product life cycle, without any loss of product integrity or quality. The policy centres on weight reduction, recycled content, carbon footprint, efficient sourcing and the optimisation of the new packaging during its design phase. To achieve this we apply life cycle assessment-based ecological design principles.

Packaging should be developed in close cooperation with our suppliers and customers and through consultation with our consumers, as a co-creation. In 2012 we will start implementing a performance monitoring system and set quantitative targets to be driven by continuous improvement, in line with our sustainability vision. The indicators we will use to measure and monitor improvements are:

- The weight of packaging material per volume of product sold
- The net material recovery from our packaging in end of life stage (recycling rate)
- The average carbon footprint of our packaging per hectolitre produced and product sold based upon internationally recognised standards.

Other indicators will be added as we build usage of the policy across the business.

In 2011 we began to measure the carbon footprint of our packaging in 26 markets in Europe and the Americas. To measure our environmental impact, we customised a life cycle assessment-based tool called Instant LCA packaging™, which will be rolled out globally and enable us to assess the impact of new and existing packaging, as well as to identify the hotspots (key areas of improvement).

In 2011 we also asked Operating Companies to draft recycling plans for packaging waste. Some 21 Operating Companies delivered on time and the others are due to do so in 2012.

At a European level, HEINEKEN is member of a European Packaging Association (EUROPEN) project aimed at defining how the industry can improve waste collection, handling and recycling now and for the future.

Green Commerce

continued

Cooling

To serve our consumers a refreshing beer, cooling is essential. But cooling is a significant part of our total carbon footprint. We aim to reduce this impact by ensuring that when we replace an old fridge, we replace it with a 'green' fridge. The new green fridge policy for bottle and canned beer was distributed to all purchasing departments in 2011.

A 'green' fridge has three characteristics: the use of hydrocarbon refrigerant, LED illumination and an energy management system, wherever legally and technically possible. In 2011, some 85 per cent of the branded fridges that Heineken purchased in 2011 had one or more green measures, 20 per cent had all three. Resulting energy saving is estimated to be 30 per cent.

To support the adoption of greener refrigeration throughout the value chain, we developed a test protocol in 2011 to measure the energy consumption of our suppliers' fridges. This protocol will be implemented in 2012.

In close co-operation with suppliers, the first generation of green draught beer coolers was developed in 2011. By using hydrocarbon refrigerants, these coolers consume 15 per cent less energy. In 2012, we will continue with the roll-out of the first generation and start the development of a second generation to further reduce energy consumption.

Following successful pilots, in April 2011, HEINEKEN started rolling out the David Green, the world's first 'green' draught beer system. This innovative system enables cooling efficiency gains of more than 75 per cent versus traditional single tap systems, thanks to the fact that the 20-litre kegs are stored in a highly efficient fridge cabinet directly under the tap. In 2011 approximately 5,000 David Green systems were ordered by more than 30 markets, making their way to small to medium-sized outlets worldwide to improve beer quality and reduce energy consumption.

An insulation cover for the Heineken® Extra Cold draught column is another important new innovation. The new cover is wrapped around the frozen column during off hours and can save up to 20 per cent energy. The covers, which are unique in the industry, were introduced in 15 markets across Europe and Asia in November 2011.

In the Netherlands the new column cover is offered to our outlets under the programme Sustainable Partners in Business as a means of starting a dialogue on reducing our joint environmental impact.

Small changes, big energy savings

A training scheme for bar owners in the Netherlands demonstrated how small improvements by bar owners can also mean big energy savings. Around 155 participants were trained in the HEINEKEN programme aimed at saving energy and improving beer quality and spillage. By simple awareness and good housekeeping, significant gains can be made. For example, just by keeping the condenser in the cooling equipment clean a significant amount of energy can be saved.

Green Commerce

continued

Distribution

In 2011 we began measuring and reporting the carbon footprint of our distribution activities within 25 of the largest Operating Companies. The carbon footprint of the top 15 Operating Companies was validated, enabling logistics managers to identify future improvement opportunities. Recognising that collaborating with key multi-company industry initiatives can accelerate progress in improving the environmental impact of distribution, HEINEKEN became a lead participant in both the Clean Cargo Working Group and Green Freight Europe. Our participation in the Clean Cargo Working Group is focused on promoting more sustainable container transport. The Green Freight Europe initiative was launched in March 2012 in Brussels.

For the first time, sustainability was consistently included in our global tenders for transportation in both ocean and road freight and a green distribution policy was developed. In addition, we began developing a good practice handbook on distribution equipment efficiency for the benefit of all our Operating Companies and logistics service providers. This will be introduced in 2012.

Green Commerce

continued

Events

To help ensure consistently 'green' Heineken® events, we developed and rolled out an event toolkit in 2011. The key areas that HEINEKEN can impact at public events are the packaging and cooling equipment. An analysis of our packaging footprint led to a decision to replace PET cups with polypropylene cups and bio-based plastic cups. These have a carbon footprint up to 35 per cent lower than standard plastic cups. We have also developed a special, hard plastic reusable cup which has the similar look and feel as the unique Heineken® Ellipse glass with engraved rather than printed logos. This new reusable cup enhances the quality of the drinking experience while reducing the impact on the environment.

In addition to adopting more eco-friendly packaging, we can also reduce our environmental burden by encouraging initiatives to minimise waste and increase recycling. We used hard plastic cups at 2011 events like 'Rock in Rio' and 'We Love Green' in Paris. We applied incentive programmes for returning cups and cans at events like Mysteryland in the Netherlands and Oxegen in Ireland and introduced more environmentally oriented clean-up teams who achieved higher levels of recycling.

We aim to inspire our consumers through our events to live more sustainably, for example, by promoting public transportation and the use of bicycles in Música del Día in Spain and generating power with a sustainable dance floor at Made OUT in Portugal. Find out more in the Case Studies section of this report.

Based on these experiences, for 2012 we have set mandatory sustainable criteria for packaging and cooling at Heineken® events in our key markets.

In other areas where we depend on the contribution of our partners, the event toolkit can be used to stimulate ideas and inspire them to make choices that will have a positive impact on the environment.

Heineken Experience

Visitors to the Heineken Experience in Amsterdam can also join our Brewing a Better Future journey. We developed a sustainability-themed area, opened in the first quarter of 2012, that guides consumers through the total value chain from barley to bar, sharing our green efforts in Brewery, Packaging, Transport, Cooling and Events. Touchscreens present information for each area in an easy-to-understand and light-hearted way. Guests are challenged to take the 'How Green Are You?' quiz. They can also provide their thoughts on sustainability in general and on our efforts in particular. In the 'Your Opinions Count' section, consumers are invited to share their personal ideas on how to make the world greener.

Green Commerce

continued

Calculating our carbon footprint

The Carbon Footprint Model that we have designed calculates the total environmental impact expressed in carbon dioxide output. The model covers, country by country, the whole supply beverage chain, both upstream and downstream, covering all carbon dioxide outputs from crop cultivation through to the disposal of packaging materials, distribution, and cooling in fridges or draught beer installations. To create an accurate gauge, data that was previously not measured had to be collected by the countries involved and in some cases estimates had to be sourced and created. This has allowed us to map the carbon footprints of our markets in Western Europe and Central Eastern Europe. We are now expanding the scope of our focus to Africa and Latin America.

In 2011 we defined how we should incorporate recycling in our carbon footprint calculation.

Green Commerce

continued

Innovation

Innovation is one of the key drivers of sustainability improvements. Recognising this, in 2011 we developed and rolled out an improved global innovation process. The process consists of a new EcoDesign methodology and related tools that allow us to assess the environmental impact of our new products, by taking into consideration, for instance, recyclability and the importance of optimising material weight. Later on in the development process, the environmental impact is assessed using a new quantitative life cycle assessment tool we developed, called Instant LCA packaging™. This tool calculates the carbon footprint, the renewable energy component and other environmental impacts. To ensure the new tool is used correctly, approximately 400 people from 13 key markets received training in 2011. Innovation champions were appointed in each of these markets to support the implementation of the new process.

The EcoDesign tools will be used to improve the environmental impact of our existing packaging portfolio and will help accelerate progress towards achieving our sustainability goals.

Case Studies

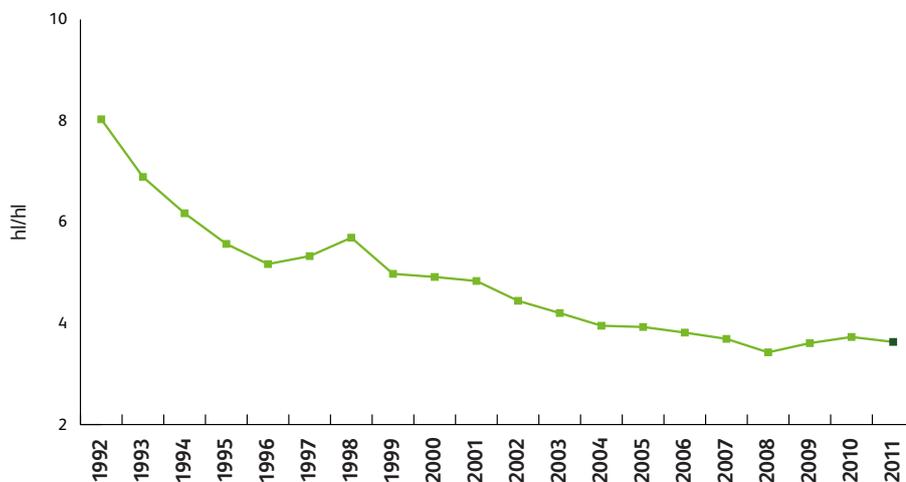
Belgium: Alken-Maes – capturing the sun to brew a better future

With 6,000 photovoltaic panels on its roof, Alken-Maes boasts the largest solar power installation of any European brewery. The panels are supported by an innovative aerodynamic mounting system, the Solar-Access Frame, and generate 12 per cent of the brewery’s annual requirement from the sun. That’s approximately the same amount of energy consumed by 440 European families on a yearly basis.

The solar installation, combined with co-generation equipment installed in 2010, means that the brewery now sources 20 per cent of its energy requirements from non-fossil, renewable sources.

Mexico: Shows the way in water conservation

Mexico water HI-HIPr graph



Mexico is a water-scarce country which has recently introduced a new national water law to promote efficient water use and the protection of water sources from pollution. The HEINEKEN Operating Company in Mexico, Cuauhtémoc Moctezuma, is increasing its efforts to achieve greater water efficiency and to minimise its impact on its water sources.

CM’s first eco-efficiency efforts began in 1992 with a water and wastewater treatment programme aimed at preserving water quality and quantity for the benefit of the business and the community.

In the past nine years, Cuauhtémoc Moctezuma has succeeded in reducing the water it takes to brew one litre of beer by 18.3 per cent, to 3.6 litres (2011), which is lower than the global HEINEKEN international target for 2020.

In addition, Cuauhtémoc Moctezuma has also made significant efforts that directly contribute to the sustainability of its groundwater resources by implementing rainwater harvesting systems in several of its breweries.

Case Studies

Switzerland: Promoting innovation through Green Smiley Award

To achieve our ambitious sustainability goals we have gone further into our value chain to work closely with customers. HEINEKEN in Switzerland is now involving hotels, bars, cafes and restaurants in its sustainability efforts. In 2011 a Green Innovation programme was launched which gave birth to the new David Classic Green draught beer equipment.

Bars and restaurants that join the programme get a label that distinguishes them as a vendor of beer that is chilled and tapped using 60 per cent less energy – the Green Innovation – for the good of the environment. Customers are offered best-in-class ‘green’ draught beer equipment that use less energy, require less cleaning time and is therefore more economical. HEINEKEN Switzerland is also educating and motivating customers to encourage greater sustainability through messages on stickers and beer mats.

In November 2011, HEINEKEN Switzerland launched an annual Green Smiley Award to honour bars, hotels, cafes and restaurants that have done valuable work for the environment and/or society. The award aims to spark good ideas, big and small.

Taiwan: Flashlights worth keeping

HEINEKEN Taiwan began producing Heineken® flashlights as part of its beer promotion activities. These torches were a hot item, and the marketing team decided to repeat the promotion. However, this torch offer added 60,000 disposable batteries to the environment, so the second time around a more sustainable approach was needed.

The solution: the disposable batteries were replaced with rechargeable LED flashlights. Interestingly, the new sustainable element made the torches even more attractive to consumers. In the first four weeks alone, 50,000 pieces were given away, meaning that the total order of 60,000 pieces went out of stock fast, all over the country.

From now on HEINEKEN Taiwan will only offer eco-friendly torches as point-of-sale promotions. That is, assuming there is demand. For making the flashlights rechargeable, the marketers in Taiwan may have turned these giveaway torches into ones worth keeping.

Case Studies

France: Beer and packaging information labelling proves success

France has a high level of consumer awareness of environmental issues. According to a 2010 survey some 74 per cent of French consumers want to know the environmental impact of products they buy. The French Ministry of Ecology wanted to shed more light on the environmental impact of consumer purchases and in 2011 launched a pilot study involving 160 French-based companies. HEINEKEN participated in this initiative by mapping out the footprint of a 25cl glass bottle of beer. The information provided through the Quick Response label shows the level of greenhouse gas emissions expended and natural resources consumed in its production.

For the pilot, HEINEKEN struck an agreement with one of its large business partners – the food retailer Carrefour – to include information at the point-of-sale in 231 French supermarkets for three weeks. Consumers were invited to point their smartphone at a QR code on the product display, which took them to the relevant section of the HEINEKEN France website www.HEINEKENfrance.fr. The results indicate a high level of interest: one out of ten visits to our website are new to this section.

Portugal: HEINEKEN pulls off green travelling festival

In 2011, Sociedade Central de Cervejas, HEINEKEN's business in Portugal, hosted the most sustainable festival ever held in the country, called "Heineken® MADE.OUT". The party travelled to three locations – Lisbon, Alcobaca and Portimão.

The concept "MADE.OUT" (standing for Music And Dance Events Outdoor) was successfully launched in Portugal in 2010. Thanks to its success it was repeated. Innovation, technology, social and environmental awareness are key elements in its approach. In 2011, the Portugal team wanted to make it even more sustainable.

The festival was able to achieve a very low CO₂ emission profile thanks to a dance floor that generated energy via the movement of people dancing on it, LED lighting and the use of eco-furniture. Steps were also taken to reduce noise pollution, recycle materials and compensate CO₂ emissions through the organisation CarbonoZero – with the aim of receiving a carbon neutral stamp.

Even the advertising for the event embraced sustainability through low-emission vehicles, recycled paper printed with vegetable ink, 'Green' flyers and digital ticketing. The approach worked: the event attracted 16,000 people. Moreover, the festival was granted the highest environmental stamp of approval in Portugal – the 100R certificate: a certificate that is awarded to businesses that are committed to recycling as much waste as possible, and edp5D, a sustainability programme designed by the Portuguese Energy Company, for its responsible waste management system and energy use.

Engaging Employees



“Brewing a Better Future has helped transform the way we think and act. We are now consciously more responsible citizens and more engaged as employees.”

Michael O’Hare
 Chief Human Resources Officer

Brewing a Better Future has raised the awareness of the importance of protecting employee and human rights. We now have in place the right structure required to ensure proper observance of this and our Code of Business Conduct. Furthermore, we have improved our training and education programmes. Safety continues to be an important focus area. Despite this, there are still too many serious accidents. We must therefore continue to give priority to this area.

What we said we will do by 2012 ⁷	What we’ve done in 2011
Accident frequency target for supply chain <1.2 accidents/100 FTEs	We achieved 1.3 accidents/100 FTEs and are on target
Safety targets set for non-production related activities	In 2012 non-production related safety targets will be established at Operating Company-level

Engaging Employees

continued

What we said we will do by 2012 ⁷	What we've done in 2011
Training modules for employees in high and medium safety-risk functions rolled out	Four safety training modules were piloted and finalised and are being translated. They will be rolled out in 2012. More modules are being developed
Employees' & Human Rights policy adopted, implemented and audited	A new Employees' & Human Rights policy was approved
Integrity included in employee surveys and followed up	This was achieved in 2011
Day of Giving programme and volunteering scheme implemented in ten Operating Companies	Employee volunteering activities took place in 19 Operating Companies

⁷ Unless stated differently.

Engaging Employees

continued

Health and safety

Introduction

The ultimate goal of HEINEKEN's health and safety policy is to ensure that our employees and the people we work with can operate in a safe and healthy environment.

We improved and extended the system for accident registration and reporting thereby covering a larger part of our organisation. Despite an increase in the absolute reported number of accidents, the frequency decreased by more than 19 per cent.

Of all the accidents that occur worldwide within our business, the majority take place outside of the production environment. Increasingly, our safety policy must seek ways to positively influence outcomes in areas that have not traditionally been the main focus of safety activities.

Fatal accidents

In 2011, 27 people lost their lives working with or for our business, on and off our premises. Of these, seven were direct HEINEKEN employees, 17 were (employees of) contractors or suppliers and three were members of the general public. The fatal accidents occurred in the Americas (21 fatal accidents), Africa & the Middle East (four fatal accidents), Western Europe (one fatal accident) and Central & Eastern Europe (one fatal accident). The security situation in Mexico was the biggest cause of these fatal accidents (17 in total). The fatalities in Mexico happened due to shooting incidents related to drug-related violence. Most of them occurred in stores owned by the company or impacted security personnel.

We are in regular contact with the relevant authorities to ensure assistance in addressing the violence. We have reviewed the safety measures on our premises across all of our businesses. In addition we have focused on ensuring our new employees receive safety training.

The other fatal accidents happened in Production (five), Distribution and Logistics (three) and Commerce (two). Of these fatal accidents, six involved contract workers and four our own employees.

Engaging Employees

continued

Activities to improve health and safety

The provision of safe and healthy working practices is a line responsibility and Head Office supports this via a number of activities, including policy setting, monitoring, standardisation of safety in the supply chain and the provision of standardised training materials.

The Executive Board of HEINEKEN approved the [Global Occupational Health and Safety policy](#) in December 2011 for immediate implementation.

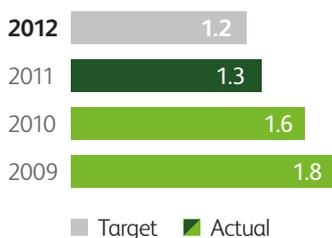
A specific safety programme for commerce and distribution, 'Safety Heroes', was developed and piloted in two Operating Companies in Africa in 2010. The programme uses commercial expertise to 'sell' safety rather than only enforce it. The evaluation of the pilot took place in 2011. Safety awareness and behaviour improved due to the programme, and plans have been developed to further roll-out the programme in a selection of other Operating Companies.

For production, logistics and distribution a number of standards were reviewed, including those on personal protective equipment, warehousing and transport. Four e-learning modules on safety were piloted and will be rolled out across the entire Company.

Training tools using e-learning technology were developed and tested for a number of crucial safety issues like Forklift Truck Safety, Manual Handling and Road Traffic Safety. The tools are available in six languages and accessible for a large part of the HEINEKEN organisation.

Accidents and safety performance in production

Accident frequency in production
cases/100 FTE for all sites



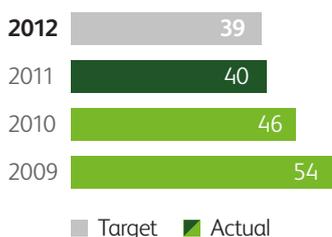
Accidents

We reduced our accident frequency to 1.3 accidents per 100 FTEs in production in 2011.

In previous Sustainability Reports, figures on safety and accidents have always been related to production only, for which a global reporting system was in place. During part of 2010 and throughout 2011, safety data has also been collected for all other functions, notably logistics and distribution and commerce.

Accident figures outside production are not as rigorously validated as those for production. However, the number of accidents reported outside production outweighed those related to our brewing activities.

Accident severity in production
lost calendar days/100 FTE for all sites



Safety performance in production

Our accident frequency for production employees decreased from 1.6 accidents per 100 FTEs in 2010 to 1.3 accidents per 100 FTEs in 2011. Since 2009, incidents (defined as accidents without lost work days) are recorded alongside accidents. Similar to the decline in accidents in 2011 we also saw a drop in the number of incidents. Incidents are a precursor for accidents and this indicates that the safety performance is improving. HEINEKEN Global Supply Chain (GSC) has decided to focus more on leading safety indicators, which are events without any injury, in addition to lagging safety indicators like accidents and incidents. Along with our focus on leading indicators like preventative observations, this approach is designed to enable us to achieve our accident-free workplace target.

Engaging Employees

continued

Twenty-one production units (15 per cent) managed to sustain their zero accident frequency rate per 100 FTEs. Another 22 (15 per cent) production units were able to reduce their accidents to zero compared to 2010. The main contributor to this positive trend was the stronger emphasis by production unit and Global Supply Chain management on the safety culture, employee behaviour and awareness training, and the ongoing Company-wide implementation of the Total Productive Management (TPM) Safety Pillar. Furthermore, new safety operating procedures were implemented and the recording of near misses has been further encouraged.

Accident severity decreased from 46 lost calendar days per 100 FTEs in 2010 to 40 lost days in 2011. The reason for this downward trend is mainly an increased focus by senior management on safety.

Our production unit in Lahti carried out a large number of actions on safety in order to significantly reduce the number of accidents. One of the key tools is preventive observations, which increases the safety awareness of personnel. However, our production unit in Wieselburg was confronted with a large increase in accidents with a low number of lost workdays.

Safety data on production units	Unit	2009	2010	2011	2012
Parameters (absolute values)					
Fatalities of company personnel*	Cases	2	2	1	
Fatalities of contractor personnel*	Cases	3	1	4	
Permanent disabilities of company personnel	Cases	4	3	3	
Fatalities of company personnel in commuting	Cases	2	2	0	
Parameters (absolute values)					
Accidents of company personnel	Cases	389	431	326	
Accidents of contractor personnel	Cases	105	87	113	
Lost days of company personnel	Days	11.727	12.469	10.258	
Production workforce (FTE)	FTEs	21.639	27.361	25.830	
Performance indicators (average values)					
	Achieved				
Accident frequency	Cases/100 FTE	1.8	1.6	1.3	
Target accident frequency**	Cases/100 FTE				1.2
Accident severity	Cases/100 FTE	54	46	40	
Guide values accident severity**	Cases/100 FTE				39

* The number of fatalities in this table reflects fatal accidents involving production personnel.

** Global target and guide value for 2012, based on the Heineken Brewing A Better Future programme.

Engaging Employees

continued

Compliance and fines

No fines were issued by authorities relating to occupational safety non-compliances. Compliance with HEINEKEN safety standards and procedures is monitored by an internal web-based governance system. Regional supply chain directors are informed of their status and are requested to take action in case of non-compliance.

Total Productive Management (TPM)

Total Productive Management is the mandatory HEINEKEN strategic improvement programme for our production units. A critical aspect is a 'Safety Pillar' designed to work alongside all other improvement pillars, with the goal of achieving a safer working environment. In 'Master Pillar Safety' meetings the safety pillar steps were revised based on an exercise to embed previous developments within the HEINEKEN organisation. Safety training and supporting improvement programmes have subsequently been updated. One significant change is the introduction of the new improvement programme 'Operational Risk Reduction Route'. This focuses on machine hazards and is contributing to a change in focus from lagging indicators to leading indicators such as preventative observations to detect and correct unsafe behaviour. We also introduced a safety pyramid concept and gave more emphasis to behavioural aspects in safety.

Five breweries received a HEINEKEN Bronze award for their efforts in implementing TPM, including safety (Massafra, Seville, Thessaloniki, Puntigam and Hurbanovo). The production units in Mexico and Brazil will launch the TPM safety methodology in 2012.

Safety management

In total, 29 units now have an OHSAS 18001 (Occupational Health & Safety Management System) certificate. These breweries outperform the HEINEKEN average accident frequency rate (0.9 vs. 1.3). HEINEKEN is strengthening its safety management system by implementing the OHSAS 18001 framework within Global Supply Chain. The framework will provide the basic conditions and TPM will be used to improve further on safety.

Engaging Employees

continued

Employees' & Human Rights

Employees' & Human Rights policy

The new **HEINEKEN Employees' & Human Rights policy** is a further elaboration and articulation of our company values and was approved by the Executive Board in December 2011.

Through this new policy, HEINEKEN endorses the principles of the Universal Declaration of Human Rights and the Core Conventions of the International Labour Organization (ILO).

This sets 11 clear standards on employees' and human rights, including topics such as non-discrimination, freedom of association, forced labour and harassment.

Starting in January 2012, the new policy is applicable to all Operating Companies and subsidiaries in which HEINEKEN holds a majority share or has management control. We have developed a detailed internal manual with additional information and guidelines. A special e-learning module, as part of the Sustainability Academy, helps to introduce this new policy among employees.

Human rights issues in 2011

Russia

In 2011 we took additional measures towards suppliers of contract labour after reports about possible violation of the Human Rights paragraph of our Supplier Code.

We checked contracts with suppliers and prepared new standard contracts. New requirements include the necessity for suppliers to provide safety training and personal protective equipment to their employees.

Mexico

After publication of a critical report by research institute CILAS, initiated by Dutch Trade Union FNV, we investigated the freedom and independence of trade unions within our operations in Mexico. We concluded that the complaints were unfounded and communicated our findings transparently to both parties. Nevertheless, we engaged in a dialogue with trade union FNV, and at their request arranged a meeting between FNV and the management of our operations in Mexico, together with a visit to one of our Mexican breweries. After the visit, FNV reported that in Mexico in general, as well as with HEINEKEN, the relationship between trade unions and companies seems 'too close' and might threaten union independence. There was no conclusion, however, by FNV that the Cuauhtémoc Moctezuma/HEINEKEN trade unions are not independent.

Cambodia

The promotion and sale of beer in bars and restaurants by professional, female beer promoters is an accepted practice in some Asian countries.

HEINEKEN is one of the founding members of the Beer Selling Industry Cambodia (BSIC) in Cambodia. This industry body was established to improve the welfare and working conditions of beer promoters via an industry Code of Conduct for both promoters and external parties such as their employees and bar owners. The Code of Conduct is available online at <http://www.bsic.com.kh>.

Since early 2010, the BSIC has been monitoring this Code of Conduct through a quarterly survey,

Engaging Employees

continued

conducted by an independent third-party agency – Indochina Research. The 2011 surveys show that working conditions of beer promoters who belong to the BSIC have improved significantly over the past three years. A lower number of incidents of serious complaints was reported by all beer promoters in Phnom Penh and Siem Reap.

A point of concern remains the issue of drinking with customers during work hours. According to the report, only 45 per cent of all beer promoters said they have never drunk with customers during work hours. In 2010 this was 47 per cent. For Attwood, the distributor of HEINEKEN, this percentage went from 86 per cent of not drinking with customers to 90 per cent of not drinking with customers, thanks to efforts to address this issue.

We are happy with this progress. However, we are aware that incidents still happen and we are working to further improve the working conditions of our beer promoters. We also decided to raise the base salary of HEINEKEN beer promoters by ten per cent, starting in 2012. Additionally, our Director Global Health Affairs and Labour Law Specialist will visit the country specifically to assess the current situation with regard to the beer promoters. We strongly encourage international and local brewers that have not yet joined, to sign up to the Code and join the BSIC too. Finally, we engaged in an active dialogue with Dutch trade union FNV to discuss the situation of the beer promoters in Cambodia.

Engaging Employees

continued

Integrity

As HEINEKEN encourages a culture of integrity and compliance, the Company's Climate Survey conducted every other year, provides valuable information to help progress. There are two specific questions on integrity management. The results enable us to further improve the environment and conditions in which our employees work.

In all our Operating Companies we have one or more Trusted Representatives. These are employees of HEINEKEN in a senior position, who are appointed by the General Manager of the Operating Companies.

These Trusted Representatives are an integral part of our compliance framework to support and enhance good behaviour in accordance with our [Code of Conduct](#). They offer a confidential ear to employees wishing to vent grievances and complaints without the fear of losing their job. The information confided might be personal or general and, depending on its nature, may or may not be reported to a higher authority, the highest of which is the Integrity Committee at Head Office. A significant percentage of our Trusted Representatives had been trained as of the end of 2011.

Should any individual working for HEINEKEN worldwide ever suspect an infringement of our Code of Conduct or other codes or rules, they are encouraged to discuss this first with their direct supervisor or with the Trusted Representative. Should the individual desire to remain anonymous, he or she can call a toll-free line.

This "[whistle-blowing procedure](#)" is designed to promote transparency, to support the risk management systems and to help protect the reputation of the Company. The Trusted Representatives are key to a well-functioning whistle-blowing procedure.

In 2011 we received 98 reports under the whistle-blowing procedure, of these, 48 per cent concerned fraud, 37 per cent breaches of internal Company policy, 13 per cent a conflict of interest and 2 per cent business gifts. Around 63 per cent of all cases reviewed were substantiated and relevant action was taken.

Engaging Employees

continued

Employee Engagement and Education

Engaging and educating colleagues

At HEINEKEN we have developed several activities in order to actively engage our employees globally in the Brewing a Better Future journey. Some examples are:

- In April 2011 we launched the HEINEKEN Sustainability Academy, an online learning platform accessible to all employees worldwide. The Sustainability Academy is part of the HEINEKEN University. Besides an overall introduction to Brewing a Better Future, employees can do online modules on Carbon Footprint, Code of Business Conduct, Green Cooling and Green Distribution. In total, 1,652 employees completed 2,145 courses during the year. We plan in future to incorporate mandatory e-learning modules on sustainability for new employees.
- Brewing a Better Future was part of our two flagship development programmes for HEINEKEN talent: HEINEKEN International Management Course (HIMAC) and HEINEKEN International Management of Development Excellence Course (HIMDEC). More than 100 nominated talents from all regions participated.
- At several global functional conferences, including our Senior Management FORUM, Brewing a Better Future was an integrated part of the agenda.
- We tapped into the momentum already generated by well-known national or international sustainability events, such as World Day for Safety and Health at Work, World AIDS Day, World Water Day, and World Environment Day.
- A new bi-monthly newsletter keeps the global Brewing a Better Future community updated about the progress on the programme.
- A Brewing a Better Future community was launched on the intranet HeiPORT, giving colleagues around the world access to a central source of up-to-date information about our sustainability agenda and resources to support delivery.
- New recruits to the role of Sustainability Coordinator in the markets were given an introduction programme. The global Brewing a Better Future team met for a one-day workshop in Amsterdam in October 2011.

Volunteering

As part of our ten-year Brewing a Better Future journey, we recognise it is our responsibility to help strengthen the communities in which we live and work. Consequently, at HEINEKEN we encourage our employees to become actively involved in their communities. Employee volunteering allows us to develop our employees and support the community at the same time. We were impressed in 2011 with the dedication and contributions from colleagues across the globe. Some 19 Operating Companies involved their employees in company-sponsored volunteering or fundraising activities ranging from beach and city clean-up, renovating hospitals, educating schoolchildren on environmental preservation, tree planting, cycling tours, renovating children's homes, giving senior citizens a day out and taking part in sports-based social intervention programmes. As an example, read more about volunteering activities in Ireland [here](#).

At Head Office, employees applied their DIY (Do-It-Yourself: painting, repairing, building) skills to help residents of a day care centre for children and adults with a disability.

Green office awareness campaign

In 2011 we expanded on our sustainability awareness efforts to include offices, for example by encouraging employees to switch off lights upon leaving, print less, unplug chargers and green their commute. Across markets, employees are continually encouraged to get involved in greening their office spaces.

HEINEKEN Cares



“Our HEINEKEN Cares programme focuses colleagues on how to live and produce more in a sustainable way. It is based on listening and learning from our stakeholders.”

Siep Hiemstra

Regional President, Africa and the Middle East

Being a responsible corporate citizen requires giving something back to the communities in which we work. HEINEKEN Cares is our community involvement programme covering both direct support for the community as well as our efforts to create a more sustainable supply chain, from barley to bar.

What we said we will do by 2012 ⁸	What we've done in 2011
Evaluate all local sourcing activities and set regional targets by 2015	Local sourcing programmes in place in Brazil, Ireland, Mexico and various African markets
Evaluate reporting and monitoring system for agriculture; define an action plan to improve compliance	We are working closely with SAI (Sustainable Agriculture Initiative) to develop a food industry-wide sustainable agriculture monitoring and reporting system. We are also evaluating French sustainable agriculture schemes to assess their fit with SAI principles and practices

HEINEKEN Cares

continued

What we said we will do by 2012 ⁸	What we've done in 2011
Standards for sustainable agriculture are aligned with and verified by stakeholders	By adopting the SAI standards we achieved this target
All operations that do not meet our defined standard of healthcare to include improvement plans by 2012	All operations were inventorised. All Operating Companies in Western Europe, the Americas and Asia were found fully or almost fully compliant. Some identified gaps remain in CEE and AME regions and will be addressed in 2012
In 2010: double funding for the Heineken Africa Foundation to EUR20 million	We achieved this target in 2010
Inventory of possible partnerships with NGOs in the area of Corporate Social Investment (CSI)	We inventorised our Operating Companies and benchmarked CSI activities against competitors and peers in the beer, beverage and FMCG industry
Perform 12 Economic Impact Assessments	We completed five assessments, in Mexico, Surinam, Burundi, the UK and the USA, bringing the total number of reports to date to eight since 2010

⁸ Unless stated differently.

HEINEKEN Cares

continued

Sustainable Agriculture

Introduction

HEINEKEN has been involved in sustainable agriculture and sourcing initiatives for more than a decade. Our aim is to put in place the conditions that allow us to secure a steady supply of barley, hops and apples for all our beer and cider brands from sustainable sources. In this way we can continue to make quality products from natural ingredients without depleting nature's resources and in doing so help to secure the world's future food production.

Setting standards for sustainable agriculture

HEINEKEN's main agricultural crops are barley, malt, hops, apples and relatively smaller quantities of rice, sorghum and maize. Apples are the only crop we grow ourselves, which we do in order to secure a continuous quality supply of the right apples to make our ciders. We produce 33 per cent of our own malt and all other crops we source from the market.

In 2010 we joined the Sustainable Agriculture Initiative Platform (SAI). The SAI is a food industry organisation of 37 multinational companies working towards a more sustainable food chain. It is leading the way in setting standards for sustainable agriculture worldwide. The SAI has developed both principles and practices for more sustainable agriculture in the fruit and arable sectors.

By adopting the SAI standard principles and platforms for HEINEKEN inputs, we were able to achieve our target in 2011 to align and verify our standards for sustainable agriculture.

In previous years we developed standards internally using our so-called MASSA (Malting Assessment System for Sustainable Agriculture). Our adoption of the SAI Principles and Practices in mid-2011 meant dropping HEINEKEN's own MASSA, the learnings of which will not be lost. These are now being fed into future SAI developments and will form part of the verification process for our Supplier Code for raw material suppliers.

Measuring and monitoring sustainable agriculture

In September, to provide better insight into sustainability at the farm level, HEINEKEN began testing a farm-level CO₂ measurement tool called the Cool Farm Tool. We have applied this software programme to cider apples in the UK and barley production in France and the north of England. The Cool Farm Tool was originally commissioned by Unilever from the University of Aberdeen in Scotland. The results of the tests have provided an initial and approximate CO₂ assessment, based on real farm data, for a small sample of two of our crops. We also agreed to continue with the Cool Farm Tool assessment to gather more data and to extend it to hops and other inputs.

HEINEKEN is also part of the SAI Steering Group's "Sustainable Performance Assessment" project (SPA), which has defined a common set of sustainable agriculture indicators and will specify how they should be calculated. SAI will then invite the software industry to develop practical solutions for farmers/agronomists to measure their performance. This will enable a farmer, who may grow several crops in rotation, including barley, to use a common and consistent way of measuring improvements in sustainable agriculture.

HEINEKEN Cares

continued

Biodiversity

In the UK, we are working on a long-term research programme to make apple orchards for our cider business more sustainable, this includes significantly reducing the use of agri-chemicals and directly increasing biodiversity. As part of this effort, we co-fund the Woodpeckers of Herefordshire Project. This project seeks to monitor and conserve woodpecker populations in Herefordshire, the home of our cider business. Woodpeckers play a critical role in the ecology of our orchards.

In the Netherlands we are an active member of the Skylark Foundation. Through the foundation we help farmers develop a practice for sustainable agriculture. Care for biodiversity is one of the elements of the Skylark cultivation system. A Skylark farmer learns to foster soil fertility, primarily by supporting the ecosystems of the soil. One of the ways to support soil life forms is to apply so-called no tilling cultivation techniques, which minimise the use of ploughing. In 2011 this was a major theme in the farmer sessions with foundation participants.

Biotechnology

A growing number of governments see the use of ingredients derived from genetically modified crops as both an opportunity and a necessity as they address the challenges of growing populations and food scarcity. This is reflected in the development of an increasing number of regulatory frameworks that guide their use and stipulate how consumers are informed.

For the Heineken® brand and all our other full-malt brands, such as Gösser® and Żywiec®, we continue to not use any ingredients derived from genetically modified crops. In all other instances we follow the relevant regulatory frameworks. In the EU this means that ingredients derived from genetically modified crops are not to be used and that the lowest level presence of any non-GM raw material is limited to 0.9 per cent, the threshold regulated by prevailing EU-standards.

Lower thresholds are applied in EU countries if stipulated by local regulatory requirements. In countries where regulatory frameworks do not exist, HEINEKEN adopts the prevailing EU standard. As HEINEKEN has significantly expanded its global footprint we have become increasingly exposed to countries where governments regulate the use of ingredients derived from genetically modified crops. In these countries our Operating Companies operate within the regulatory guidelines in place. Links to more information about the guidelines are available in the [online version of this report](#).

HEINEKEN Cares

continued

Local sourcing

In 2011, we ran a number of local sourcing activities in different Operating Companies and in 2012 we plan to bring them under a more clearly defined approach per region.

In Africa we have set a goal of boosting the level of locally sourced raw materials to 60 per cent in 2020, in order to reduce our carbon footprint and develop the local economy.

Our local sourcing initiatives in Africa, in particular, play a key role in economically and socially empowering communities and thousands of local farmers. Local sourcing creates both a viable value chain and a reliable local supply chain. It generates jobs and increases wages, which in turn helps to alleviate poverty and hunger.

At the time of publication of this report the results for 2011 were not known yet. In 2010, we sourced 48 per cent of our raw materials from within Africa.

In 2011, we continued to expand our local sourcing projects in sub-Saharan Africa. We now have projects covering eight countries and involving tens of thousands of farmers and their families. These include sorghum projects in Nigeria and rice projects in the Democratic Republic of Congo. We strengthen these activities through expanded farm training, which includes the distribution of improved rice to the food market. To date more than 30,000 households have received project support and more than 20,000 hectares are under improved management. In 2011, close to 10,000 tonnes of locally produced rice were procured by Bralima. A total of 2,220 tonnes of rice were sold in the local market. Our work on a local sorghum supply chain in Sierra Leone won the Outstanding Achievement Award for Agriculture from the Sierra Leone Chamber of Commerce in 2011, after being recognised by the United Nations Development Programme in 2010.

In 2010, in Ireland we committed to source 100 per cent of all barley requirements locally by 2011. We have not been able to reach this.

In Brazil, an agreement was reached with Malteria do Vale to increase the amount of locally sourced malt and to reduce imports. Our sourcing efforts in Greece were particularly successful in 2011. More information is available in the Case Studies section of this report.

HEINEKEN Cares

continued

Healthcare

Providing healthcare

In most of the world the public health system or the locally available healthcare provides sufficiently high standards of care and coverage for employees and family members. However, in those markets lacking adequate primary healthcare where HEINEKEN is active, the Company provides medical services. In 2011, we drafted a global framework that defines the minimum level of healthcare to which all HEINEKEN employees and their families should have access.

The role of HEINEKEN ranges from negotiating with insurance companies to actually providing care to employees and family members through brewery clinics. HEINEKEN has formulated a framework that markets can use to set up and assess their healthcare system to ensure that employees have access to healthcare of a sufficiently high standard. The gaps between the framework and the actual level that employees can access were inventorised. In general, markets in Western Europe, Asia and Americas comply completely with the framework. In CEE and AME gaps exist, which the relevant companies are addressing.

HEINEKEN is generally not involved in the direct provision of specialist care. The exception here is in Monterrey, Mexico, where there is a fully equipped hospital operated by the local Operating Company that functions as part of the national public health system for employees.

HIV – Helping to address one of the world's great challenges

HEINEKEN is committed to helping tackle one of society's most challenging healthcare issues, HIV.

Two out of three people living with HIV go to work each day, according to UNAIDS. So the workplace has a vital role to play in mitigating the impact of the AIDS epidemic and facilitating access to HIV prevention, treatment, care and support. Workers living with HIV and taking effective treatment can lead healthy, productive lives for many years. HEINEKEN provides treatment for all employees and their family members living with HIV. Also HEINEKEN guarantees treatment for employees and their families for life, even if they leave the company.

In March 2011, HEINEKEN hosted the HIV/AIDS Symposium 2011 – Sharing Responsibilities in the 'World of Work' in Africa. It brought together leading figures from international organisations and national government, NGOs, the public health community and industry to take stock, challenge conventional thinking and stimulate new ideas. Among the speakers at the conference we welcomed Ben Knapen, Dutch Minister for European Affairs and International cooperation, Dr Hedia Belhaj, Director of Partnerships of UNAIDS, and Professor Joep Lange of the University of Amsterdam.

During the symposium, the Heineken Africa Foundation, a EUR20 million endowment fund created by HEINEKEN in 2007, launched three new projects totalling EUR565.000 related to the forefront of the battle against HIV/AIDS:

1. *PASER* in Nigeria, a partnership with PharmAccess International aiming at monitoring HIV drug resistance in order to support patients with HIV and support policy makers in taking informed decisions on optimal HIV/AIDS treatment
2. Improvement of the capacity of the *King's Hope Development Foundation* in South Africa to provide the full spectrum of care to HIV and TB patients
3. *Bonnes Routes!*, a partnership with the Northstar Foundation aiming at reduction of HIV and general improvement of health of truck drivers along the major corridors of the Democratic Republic of Congo.

HEINEKEN Cares

continued

Where we contributed and percentage per region



Region	%
Africa and the Middle East	24
Americas	30
Asia Pacific*	0
Central and Eastern Europe	17
Western Europe	29

* In our Asia Pacific region, community investment and involvement is delivered predominantly by Asia Pacific Breweries, HEINEKEN's joint venture with Fraser & Neave, which is not in scope of this report.

Corporate Social Investment

In 2011 our markets around the world actively invested in their communities, from donating cash to contributing employee time. From one-off support to longer-term involvement with community organisations addressing social issues.

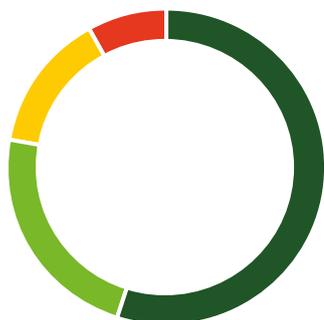
We have defined a standard way of measuring our Corporate Social Investment (CSI) using the London Benchmarking Group reporting model to calculate our contributions and investments in our communities.

In total, HEINEKEN Operating Companies contributed the equivalent of more than EUR11.5 million, including cash, time, in-kind donations and management costs.

As a result of the community initiatives, HEINEKEN companies managed to leverage an extra EUR8.5 million, for good causes among customers, suppliers and other companies.

The independent Heineken Africa Foundation has an endowment in total of EUR20 million and is able to invest up to approximately EUR1 million of interest income it receives annually in community healthcare projects in sub-Saharan Africa. In 2011, the foundation invested EUR630,000. As the foundation is a separate entity, this investment is outside the scope of this report. Please visit www.africafoundation.heineken.com for more information on the Foundation's 27 projects and details of progress made on eight projects approved in 2010 and 2011. These activities include the provision of a mobile health clinic in Namibia, improved paediatric care in the Democratic Republic of the Congo and birth attendant training in Nigeria. The report also provides an overview of the structure of the Foundation and an outline of the application process. For examples of our Corporate Social Investments see our case studies for Ireland, Spain, Romania and St. Lucia.

How we contributed



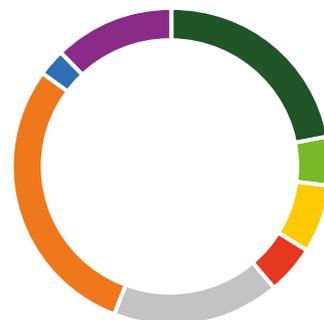
Type	%
Cash	55
In-kind	23
Time	14
Management cost	8

Contribution by motivation



Motive	%
Charitable gift	17
Community investment	75
Commercial initiative	8

Who benefitted



Focus	%
Education	22
Health	5
Economic	7
Environment	5
Arts/culture	17
Social welfare	29
Emergency relief	3
Other	12

HEINEKEN Cares

continued

Economic Impact Assessments

We began conducting studies of the economic impact of our operations in key markets in 2006 and to date we have completed 15 studies, five of which in 2011 in our markets in Mexico, Burundi, Surinam, the UK and the USA.

In Mexico, the study showed that at least 306,000 jobs (0.7 per cent of the Mexican total) are involved in producing and selling Cuauhtémoc Moctezuma (CM) products. Of this total, CM can be credited to have created 68,000 jobs (22.2 per cent) as not all downstream employment is dependent on CM.

In Surinam, Surinaamse Brouwerij has helped generate at least 3,690 jobs in the wider economy, which is 2 per cent of the country's active workforce.

In Burundi almost 600 employees work at Brarudi, our brewery, which indirectly creates 54,900 jobs in the wider economy, which equates to 1 per cent of the Burundi labour force.

In the UK, 157,700 jobs are directly or indirectly related to the production and sale of beer and ciders. The jobs generated by HEINEKEN amount to more than 0.5 per cent of people in employment. Our target to source more barley locally will further enhance the benefits for the British economy. In the USA, HEINEKEN joined an industry-wide Economic Impact Assessment study, based on a model developed by the Beer Serves America organisation, an industry lobbying organisation. Our research shows that almost 49,000 jobs are directly related to our operations in the USA. Looking at the wider economy this number increases to over 77,500 jobs.

Case Studies

United Kingdom: Making cider apples even more sustainable

Growing cider apples is not a high-profit business. It takes seven years for a cider apple tree to achieve a commercially viable yield. A peak crop is achieved in about year 15.

Therefore, to secure a long-term supply of environmentally sustainable, high-quality apples, HEINEKEN provides growers long-term contracts of up to 30 years, which gives farmers some income security and an incentive not to switch to other crops. At the same time, HEINEKEN is assured of a long-term supply of the right sort of good quality apples. To maintain and improve quality further, a UK cider apples grower network was launched, with the financial and technical backing of HEINEKEN. For HEINEKEN, HONE, which stands for the Herefordshire Orchards Network of Excellence, will hopefully ensure continued efforts to improve the sustainability of cider apple production. For the growers, it offers greater sustainability from all perspectives.

HONE is intended as a platform for sharing cider apple a growing best practice in a structured way. The organisation arranges seminars on topics ranging from farm accounting and innovations in pest control to more sustainable fertilisers. It also conducts trials on more sustainable orchard techniques, such as the use of airborne nitrogen-fixing bacteria as a partial replacement for chemical fertilisers. Current experiments include a trial using a natural garlic spray as a pesticide.

The idea of creating a platform like HONE had been fermenting for about two years among cider apple growers in the UK, where about three-quarters of the world's cider is produced. HEINEKEN owns half a million British apple trees due to its acquisition of Bulmers in 2008 and has approximately a 47 per cent share of the cider market by volume – further good reasons to support sustainable agriculture improvements. The creation of HONE was made possible this year by a grant from the EU, matched by 25 per cent from HEINEKEN. HONE now has over 100 members, representing nearly half of HEINEKEN's contract apple growers.

Case Studies

Nigeria: Prevention better than cure

Non-communicable diseases such as heart disease, cancer and mental illness are recognised as major threats to productivity and employee health. Many HEINEKEN Operating Companies are therefore addressing employee health through health awareness programmes aimed at reducing the effects of these illnesses. These programmes address, for instance, stress, smoking, diet and exercise. The Cool@Work programme addresses irresponsible use of alcohol company-wide. Nigeria is an important country for HEINEKEN and one in which healthcare services are lacking. In 2011, a study was done to determine risk factors and decide which interventions would be helpful in the country. We found that infectious diseases such as HIV and malaria are no longer the most important cause of ill health in Nigeria, and that 'Western' diseases such as heart disease and cancer are much more important. The risk factors found in Nigeria will lead to increasing health problems in the work force if not addressed in time. In all our Operating Companies and countries, lifestyle related, non-communicable diseases are increasingly becoming the most serious health challenges. HEINEKEN is involved in developing wellness and health programmes in addition to responsible consumption education and initiatives.

Case Studies

The Netherlands: Sustainability week raises green office awareness

HEINEKEN the Netherlands organised a sustainability week for employees throughout the country to make acting sustainably a fun and easy thing to do. Activities were organised in Amsterdam, in Zoeterwoude and at the breweries. Up to 60 per cent of all employees took part at each location. The main focus was on energy savings in the office. Representatives of the IT department presented 15 ways to save energy in day-to-day business on special 'growing paper' – paper you can plant as it contains real seeds. Employees were also reminded of how small habits – such as putting waste paper in the waste-paper bins – can make a big difference in diverting resources from landfill. Employees were invited to submit their own ideas for making their workplace 'greener'. Over 250 responded through e-mails full of innovative solutions.

Environmental awareness is now at a high level throughout the Netherlands thanks to this event week. Every location now has its own energy savings display visible, its own sustainability ambassador in place and numerous posters and signs suggesting ways to become 'greener.' Throughout the week, people were reminded of the ambitions of Brewing a Better Future and its substantial achievements.

Ireland: Volunteers' day generates group goodwill

Ireland declared 30 September 2011 National Volunteer Day a few years ago. In 2011, for the first time in its history, every HEINEKEN Ireland employee worked one day for the community in seven different regions across the country, in teams ranging in size from 25 to 170 employees.

The chosen beneficiary was the Simon Community, an organisation that cares for the homeless. The teams worked closely with Simon Community ahead of the event in order to understand the needs of their service users so they could put their time, energy and skills to the best possible use. As a result, employees took part in a wide range of valuable activities: fund-raising, home improvement, gardening, catering and spending quality time with users of the Simon services.

The day was rounded off with a video link of employees at the HEINEKEN sites throughout the country through which experiences were shared and achievements celebrated. Employees found the experience rewarding, enriching and a wonderful team experience. It was indeed a special day for all.

In total, HEINEKEN Ireland employees dedicated over 2,000 hours of their time to local Simon Community project work in their respective communities throughout the nation. Over EUR20,000 was donated to the organisation in aid of the homeless and victims of alcohol abuse in Ireland.

Case Studies

Poland: Stakeholders co-determine the CSR agenda

Grupa Żywiec, HEINEKEN's Polish Operating Company, is making strides in its sustainability performance by involving stakeholders in their agenda.

"Instead of making a decision on a corporate level, announcing it to our stakeholders and then defending this proposal to them, we have decided to let the people who are involved have their say before we do," says Grzegorz Szczepański, Director of Corporate Responsibility for Poland. The approach is based on the AA1000 standard. "We're proud to say that we are the only company in Poland to do this on such a broad scale."

Having established a framework, the next step was to set the discussion agenda and find people involved in the relevant issues. Grupa Żywiec's stakeholders include local governments, communities, opinion leaders, NGOs, suppliers and the media. As of year end, Poland had held six initial social dialogue sessions with 255 stakeholders throughout the country. Among the key issues raised were the relations between the breweries and the communities, education and preventive care for the youth population and access to unpolluted resources of water and air. After absorbing all this information, commitments and action plans are being worked out within Grupa Żywiec. In 2012, they will be presented to the stakeholders in all six locations.

Spain: HEINEKEN catering school beats the unemployment blues

HEINEKEN Spain runs highly successful hotel and catering courses in Sevilla and Jaén, through a partnership with a leading catering school, since 2000. To date, more than 7,000 waiters and cooks trained by the schools have achieved an excellent job placement rate, making the courses particularly sought-after these days, with youth unemployment running at above 50 per cent.

Due to popular demand, HEINEKEN therefore opened a new branch of its partnership school in Madrid in 2011. *La Escuela de Hostelería Gambrinus EHG* was launched in a smart Madrid restaurant amid great media fanfare in the summer. HEINEKEN is the only beverages company in Spain with a school of its own and the Madrid course was only able to accommodate 130 students in 2011. HEINEKEN Spain would therefore like to open another branch in 2012 in Valencia or in the north of the country, and to multiply the student intake.

The courses offered are very practical and the schools have established a reputation for turning out quality staff. During the courses, attention is paid to responsible consumption. 2011 was tougher than ever for hotel and restaurants in Spain. Yet 70 per cent of the catering school graduates found employment within three months of receiving their certificates. This was partly thanks to a database set up by the catering school that matches employment offers with job seekers, but also due to efforts by HEINEKEN Spain to secure graduate job placement with the company's own clients.

HEINEKEN's investment in nurturing on-trade talent makes economic, as well as socially responsible, sense. In Spain the on-trade represents more than 50 per cent of beer sales, and in 2011 the on-trade suffered as a result of the economic crisis, overall unemployment at 21 per cent and the impact of a public smoking ban. It also helps cement good relations with clients, who value the knowledge and experience of the catering school graduates. And the bar and beer-keeping courses, specifically, help to ensure appreciation of beer and knowledge of how to store it and pour it. This in turn helps to ensure demand for the beers produced by the four HEINEKEN breweries in Jaén, Madrid, Seville and Valencia.

Case Studies

Romania: Contest to identify areas of greatest impact

HEINEKEN Romania wants to help the communities in which it operates by supporting activities that answer real local development needs. To achieve this, we launched a 'HEINEKEN for Communities' contest in two of the four Romanian cities where we have breweries. Local NGOs and public institutions were asked to submit proposals for projects that meet specific community needs. An independent jury made up of local media and external consultants evaluated the projects and selected the winners. In each city, two programmes were selected and each one of them was awarded a EUR15,000 contribution from HEINEKEN Romania. Projects supported included a mobile HIV/AIDS and hepatitis B and C testing lab service that provides free and confidential testing in the city of Constanta, where these infectious diseases remain a problem. Other winning initiatives were the promotion of a healthy and active lifestyle through outdoor activities, and the promotion of local hand-made crafts at the Dobrogea crop and wine festival.

St. Lucia: Every Drop Counts

There is no lack of rain water on the island of St. Lucia – the trick is to catch and harvest it. When Hurricane Tomas struck St. Lucia in October 2010, the continuous downpour of rain for almost 24 hours led to the severe destruction of roads and water infrastructure that even today have not been fully restored. The availability of water in some parts of the island continues to be a major challenge, thereby impacting industry, institutions and homes.

The unreliable water supply after any heavy shower has led to disruptions in schools, especially in the southern part of the island where our brewery is situated. The recognition of this need led to the birth of this rainwater-harvesting project.

The HEINEKEN Operating Company in St. Lucia, Windward & Leeward Brewery Ltd (WLBL), engaged the Ministry of Education and other stakeholders and purchased and installed 3,000 gallon (34,000 litre) simple rainwater-harvesting systems at a number of identified primary and secondary schools. The students were given training to ensure that they were able to apply and transfer the knowledge to their homes.

The impact of the project was immediate: there is no longer a water shortage in the south of the island and students in the area no longer have their schooling interrupted. The project is already extensive and will be expanded in 2012 beyond schools to health centres and policlinics around the island.

WLBL employees are also benefitting from this programme. Staff, through a loan system, were afforded the opportunity to purchase water tanks to install at their own homes. Within a week of their arrival at the brewery, all systems had been taken home by brewery staff.

WLBL prides itself on ensuring that as a responsible corporate citizen all attempts are made to address the necessary social issues as and when the need arises. This project has been well received and won the prestigious 'Green Award' 2011 from The St. Lucia Chamber of Commerce and Industry.

Case Studies

Greece: Preserving barley heritage and farmers' incomes

Since 2008, HEINEKEN's Athenian Brewery has worked with Greek farmers to increase its sourcing of Greek barley to brew AMSTEL and ALFA beer from zero to approximately 23 per cent in 2011. The Barley Contractual Programme offers income security by setting prices for a regular supply of barley. For Athenian Brewery it secures reliable sources of quality barley at predictable prices. For Greek farmers it safeguards rural incomes, creates jobs and stimulates economic growth.

The long-term ambition in Greece is to cover 100 per cent of the brewery's barley needs from local sustainable sources. Working through more than 14 local trading companies, the programme provides approximately 900 farmers with approved seeds at pre-agreed prices and agricultural support. A database is kept of farming data covering the date of sowing, sampling, yield per hectare, and use of insecticides. This provides supply chain transparency and farming insights that can be shared more widely.

In this economically critical year for Greece, Athenian Brewery stepped up its efforts to support local farmers, launching pilot trials of nine varieties of more efficient barley varieties at four locations and smaller-scale tests of 18 newly discovered local varieties. The key criteria are yield, quality and level of inputs required. The most productive and also sustainable strains will be chosen for planting in 2012.

The beauty of this programme is that all the barley strains being tested under this project are Greek local varieties, submitted by local farmers for testing at a wider national level. In this way, Athenian Brewery is helping to reinforce the local DNA of its products, to the pride of producers and consumers alike.

To inform the public and our stakeholders about these developments, in 2011 three media events were held and attended by approximately 270 people, including Members of Parliament and local authorities, and resulted in 50 print and online articles, four TV items and an interview with the supply chain director.

Since 2008, Athenian Brewery has purchased approximately 50,000 tonnes of high-quality Greek barley from domestic producers for approximately EUR10 million. These activities have created more than 300 jobs and generated more than EUR3 million in additional revenues down the supply chain.

Case Studies

Africa: Providing healthcare to the communities

The Heineken Africa Foundation was launched in 2007 with the aim of improving the health of communities surrounding the HEINEKEN breweries in sub-Saharan Africa. The Heineken Africa Foundation has an endowment in total of EUR 20 million and is able to invest up to approximately EUR1 million of interest income it receives annually in community healthcare projects in sub-Saharan Africa.

By the end of 2011, the fund had committed to 27 projects totalling EUR2,497,950, ranging from the creation of mobile health provision in Namibia and support for an ambulance service in Sierra Leone, to the improvement of roadside wellness centres in the Democratic Republic of Congo, where high-impact diseases such as HIV, TB and malaria are at risk of spreading along the major sub-Saharan transport routes.

The Foundation is run as an independent organisation, and works in partnership with HEINEKEN, its subsidiaries and non-governmental and governmental organisations at the country level. The local HEINEKEN breweries partner with the Foundation by providing resources, time and knowledge. At headquarters level, HEINEKEN provides administrative, financial, medical and technical support and expertise. "We are very fortunate to have so many HEINEKEN employees actively involved in the projects, in fact we clearly all depend on each other to make it a success," says Katinka van Cranenburgh, Foundation manager.

The Foundation has strict selection criteria. Projects should lead directly to the improvement of the health of the people who live near a HEINEKEN sub-Saharan company and should respond to concrete needs. The Heineken Africa Foundation will not fund projects that could bring a direct commercial benefit to the local HEINEKEN operation. Neither should Foundation funding replace health benefits currently provided to HEINEKEN employees and their family members.

Funding per project averages EUR100,000 and projects run for about three years.

"Healthcare does not automatically increase with economic growth," says Katinka. "It is Utopian to think trade alone will translate into health benefits. However, HEINEKEN is of the opinion that, apart from investing in its businesses, it should also invest in healthcare in all the sub-Saharan countries in which it is present."

For more information please visit www.africanfoundation.heineken.com

Responsible Consumption



“Given that HEINEKEN is the world’s most international premium beer brand, we have both the opportunity and the responsibility to make moderate drinking aspirational.”

Alexis Nasard
Chief Commercial Officer, HEINEKEN

Beer is a natural product enjoyed by hundreds of millions of people around the world. It is, and can be, part of a healthy balanced lifestyle when consumed in moderation.

As one of the world’s leading brewers, we actively promote the enjoyment of beer in moderation. However, we know that there are clear health and behavioural risks associated with consuming too much alcohol, either over time or on single occasions.

As an industry leader we implement a consistent, effective approach to encouraging responsible attitudes to alcohol and actively discourage abuse of alcohol. By doing so, we play an active role in supporting the reduction of harmful drinking.

Responsible Consumption

continued

What we said we will do by 2012 ⁹	What we've done in 2011
Develop 'Enjoy Heineken® Responsibly' (EHR) to include on-trade execution; further extend the online programme; application of EHR in Heineken® communication materials and primary merchandise; Migrate EHR website to consumer website HEINEKEN.com	Delivered and completed
Horeca Server Programme and Retail Programme developed and tested	Responsible consumption toolkit for events and brand experiences was completed. A comprehensive on-trade/off-trade programme was envisaged but has not yet been delivered
Develop and deliver a workshop to 100 per cent of commerce/marketing employees that supports our rules on Responsible Commercial Communication (RCC)	The new annual RCC module was integrated into the Global Commerce University and online in December
Develop a specific alcohol and work plan for contractors	Contractors are now included in the Cool@Work annual implementation guidelines

⁹ Unless stated differently.

Responsible Consumption

continued

Enjoy Heineken® Responsibly

In 2011, we continued to use Heineken®, the world's most international premium beer brand, as the spearhead of our brand-related responsibility activity. HEINEKEN's 'Enjoy Heineken Responsibly' (EHR) campaign is a global initiative to inform and educate consumers about the safe and responsible consumption of alcohol.

The EHR logo and EHR website link www.enjoyHEINEKENresponsibly.com are included on all primary and secondary HEINEKEN packaging. The website contains practical information, advice and useful guidelines about enjoying HEINEKEN responsibly. During 2011, the site was updated and re-launched in 43 markets and translated into 26 languages.

We use major event sponsorships like the UEFA Champions League (UCL) and Rugby World Cup to encourage the enjoyment of beer in moderation.

During all UCL games in the season 2010–2011, part of our boarding carried the 'Enjoy Heineken Responsibly' message. The exceptions were Spain and Russia where this boarding is not allowed. In those markets, we broadcast HEINEKEN match bumpers around UCL matches with only the Enjoy Heineken Responsibly message.

At the Rugby World Cup in Auckland, New Zealand, Enjoy Heineken Responsibly signage was placed on pitch perimeter boards, in the HEINEKEN World Bar and all bars aligned with the HEINEKEN sponsorship. Fifty taxis were branded with the message – 'Let a Sober driver take you home' during the final month of the tournament. The responsibility message and the responsible taxis' contact phone number were printed on 75,000 cards and distributed at Eden Park, select HEINEKEN bars and by taxi drivers during key games.

Responsible Consumption

continued

Using our brands to encourage responsible consumption

We are proud of our many international premium, regional, local and speciality beers. We look for opportunities to use our brands to talk to consumers about enjoying our brands in moderation. Examples are available in the Case Studies section of this report.

We aim to have a culturally appropriate responsibility message on all our brands by 2015. We also use brand activities such as event sponsorships, advertising, and promotions to encourage responsible consumption.

Responsible Consumption

continued

Marketing and selling responsibly

Our aim is to ensure that 100 per cent of our HEINEKEN Group commercial communication is responsible and conforms to our strict Code. [Our Rules on Responsible Commercial Communication guide](#) everyone at HEINEKEN who is involved in marketing and selling our products to ensure we do not contribute to excessive consumption or misuse. We encourage the enjoyment of beer and cider in moderation and we only place commercial communication where we believe that at least 70 per cent of the audience is over 18 years or the relevant legal purchase age (if older). More information about our Rules on Responsible Commercial Communication is available on our corporate website www.theHEINEKENcompany.com.

Our commercial communication may only feature people who are at least 25 years old and act and appear their age. It should never suggest that alcohol is the key to social or sexual success. We also implement annual training for employees involved in marketing and selling our brands as well as the agencies we work with.

Responsible Consumption

continued

Our employees as ambassadors for responsible consumption

We help our employees understand what responsible consumption means. All HEINEKEN companies worldwide must implement Cool@Work – our workplace alcohol information, prevention and support programme. We implement targeted communication and training using tools and methods most appropriate to local market needs.

Cool@Work examples 2011:

- In the United States, Training for Intervention Procedures (TIPS) is a skills-based e-learning training programme designed to prevent intoxication, underage drinking and drink driving. It provides a comprehensive overview of the responsibilities associated with alcohol. In 2011, in total more than 400 HEINEKEN US employees became TIPS certified.
- In Austria, 40 managers from the logistics, technical and catering divisions took part in special training on 'Alcohol at the Workplace,' to learn how to recognise the early signs of alcohol abuse and suitable methods of discussing this with affected employees.
- In Belarus, HEINEKEN's internal newsletter included articles on responsible attitudes to alcohol consumption.

In addition to educating our employees about responsible consumption through Cool@Work, we also engage our employees by educating them about our products and industry, including the contribution beer makes to society. There are many misconceptions about beer, and we believe our employees can play an important role as ambassadors by explaining the facts about our product – from how it is brewed using all natural ingredients to the economic and social contribution our industry makes to our communities around the world. These programmes involve hands-on training about the ingredients in beer and the magic of brewing. Topics cover a range from how to serve the perfect draft and pairing beer with food to the importance of consumption in moderation for beer to be part of a healthy lifestyle. By educating our employees about our products and our commitment to communities where we do business and partnerships to reduce alcohol-related harm, we reinforce our Company values of Respect, Enjoyment and Passion for Quality. In doing so we brew a better future for our employees, as well as for consumers and customers.

Partnerships for Progress



“Active partnership is a critical, powerful and necessary approach to addressing the complex issue of harmful drinking.”

Sean O’Neill

Chief Corporate Relations Officer

As an industry leader with a global business, HEINEKEN has an active role to play in promoting responsible consumption in all markets where we operate. Industry can be a valuable partner to encourage responsible drinking. Working together is more powerful than acting alone. Industry groups, governments, non-government organisations, third parties, consumer groups, police forces, legislators, retailers, hotel, bar and restaurant owners and community groups – all have a valuable role to play in encouraging responsible consumption. We actively participate in international and regional initiatives to prevent and address alcohol-related harm. In individual markets, our Operating Companies determine the local priority issue for action.

Partnerships for Progress

continued

What we said we will do by 2012 ¹⁰	What we've done in 2011
At least 50 HEINEKEN markets have a partnership with a third party to address alcohol abuse	In 2011, 34 Operating Companies had a relevant partnership. In 2012 we aim to meet this target and also focus on increasing the value and impact of existing partnerships
Criteria for successful partnerships developed and existing partnerships reviewed	Partnership criteria reviewed and more clearly defined. The criteria are used to measure the quality of all partnerships
Global Actions on Harmful Drinking projects have been implemented in key markets	Activities took place in the 33 countries where we have partnerships with NGOs that address harmful drinking
Industry/government partnership projects in Ireland and UK implemented and evaluated	New partnerships were implemented. In Ireland, a review of MEAS/Drinkaware took place. In the UK, progress is evaluated on an annual basis. Industry remains committed to promoting awareness of the social aspects of alcohol for the foreseeable future

¹⁰ Unless stated differently.

Partnerships for Progress

continued

Partnerships

Introduction

We have defined clear selection criteria for our partnerships based on relevance, third-party recognition and measurable impact.

Our goal is to have a partnership focused on combatting alcohol abuse in every market in which we have a meaningful presence. In 2012 we will meet this target and also focus on increasing the value and impact of existing partnerships.

In 2011, 34 Operating Companies had a relevant partnership. Please go to our case studies for examples.

Partnerships for Progress

continued

Working in partnership with the industry

International Center for Alcohol Policies

In 2011, HEINEKEN Chief Corporate Relations Officer Sean O'Neill was appointed Chairman of the ICAP Board of Directors for a two-year term. The Washington, D.C.-based International Center for Alcohol Policies is a think tank on alcohol. During 2011, ICAP activity included regional engagement (Europe, Latin America, Africa, Asia) with the alcohol industry to build capacity and knowledge of dealing with alcohol policies. ICAP also engaged with key stakeholders to help deliver three international initiatives to reduce harmful drinking through self-regulation of alcohol marketing, drink driving campaigns and addressing non-commercial alcohol. For more information: www.global-actions.org.

Global Alcohol Producers Group (GAPG)

GAPG represents the major alcohol beverage companies in interaction with the World Health Organisation (WHO) and its Member States and contributing to global alcohol policy debate. HEINEKEN is a member. In 2011 GAPG worked to co-ordinate global, regional and individual market efforts by alcohol producers reach out to industry associations, other industry members and other stakeholders impacted by the global and regional (Europe, Africa, Latin America, Asia) implementation of the WHO Global Alcohol Strategy and in WHO and United Nations discussions on best approaches to combating non-communicable diseases (NCDs).

Global Brewers Initiative

HEINEKEN is a member of the Global Brewers Initiative (GBI) which was founded in 2010 by ABI, Carlsberg, SAB Miller and HEINEKEN. GBI is a global brewers' platform aimed at strengthening the reputation of beer and brewers and supporting markets on issues such as beer excise and commercial freedom.

Brewers of Europe

HEINEKEN is a member of The Brewers of Europe, which represents brewers' interests at EU level. Key activity during 2011 included building an online knowledge centre for members and engagement on the World Health Organisation Europe Regional Alcohol Action.

Latin American Brewers Association

HEINEKEN is a member of the Latin American Brewers Association, which represents brewers from 18 countries around this continent.

Partnerships for Progress

continued

European Alcohol and Health Forum

HEINEKEN is a founding member of this Forum where European stakeholders debate, compare approaches and act to tackle alcohol-related harm in the EU, through concrete commitments in Europe. Local brewers associations play a key role in the local execution of the commitments.

In 2011 our commitments included:

- The launch of the Enjoy Heineken Responsibly 'Sunrise' campaign
- Our partnership with Addaction in the UK to establish the Manchester Resettlement Service for addicted ex-offenders
- Establishing a partnership that addresses alcohol-related harm in all our European Operating Companies.

For more information:

http://ec.europa.eu/health/alcohol/forum/index_en.htm

Case Studies

United Kingdom: HEINEKEN shrinks the 'Pint' as part of UK Responsibility Deal

In the UK, the food and drinks industry is working with government to promote healthier lifestyles. Known as the 'Responsibility Deal', the initiative encourages collective and individual pledges towards reducing alcohol-related harm.

HEINEKEN has been recognised by the UK Health Secretary as a leading responsible alcohol producer. HEINEKEN has pledged to:

- Remove 100 million drink units from the market by reducing the average AbV (Alcohol by Volume) of a major brand
- Improve consumer awareness of units in the on-trade by introducing 11 million branded glasses with unit information into the on-trade and ensuring that over 99 per cent of our bottles and cans also have unit labelling
- Launch the 'schooner', a two-thirds of a pint glass, for premium brands to promote smaller drink units for HEINEKEN, Amstel and Tiger. This goal was achieved in 2011.

Collective pledges include:

- Supporting community alcohol partnerships that tackle underage drinking.

This initiative brings together alcohol retailers and local stakeholders, such as Trading Standards, the police, local authority licensing teams, schools and health networks. Activities include educating young people on the health and legal implications of underage consumption, training and mentoring retailers and enforcement through mystery shopping exercises and police and Trading Standards patrols. Currently there are around 35 Community Alcohol Partnerships (CAPS) in the UK. With the additional industry support the aim is to significantly increase the overall number.

- Investing £500,000 (EUR576,115) in Best Bar None, an on-trade responsible alcohol retailing programme.

Best Bar None aims to reduce alcohol-related crime and disorder in town centres by encouraging responsible retailing and building positive relationships between the licensed trade, police and local authorities. HEINEKEN, along with industry partners Bacardi Brown-Forman Brands, Diageo and Molson Coors will help guarantee the future of the Best Bar None programme. The funding will help establish 20 new Best Bar None schemes across the country, especially in disadvantaged areas, as well as strengthen existing ones.

Case Studies

Global: 'Sunrise' campaign – making responsible consumption aspirational

In December 2011, HEINEKEN launched the latest phase of Enjoy Heineken Responsibly. For the first time, the message and the advert itself were completely integrated within the brand's overall Open your World campaign. 'Sunrise belongs to moderate drinkers', the name of the advert celebrates and encourages aspirational behaviour among adult consumers.

'Sunrise' reinforces the importance of staying in control and celebrates moderate consumption. The idea is to show that enjoying Heineken® in moderation can be an integral part of connecting and engaging with friends, meeting new people and exploring new experiences.

Launched during the festive season to maximise the relevance, attention and impact of the message, the campaign was seen by approximately 2.5 million adult consumers across the globe via HEINEKEN's YouTube channel, Facebook fan page (34,000 visits and 27,000 interactions) and heineken.com.

This campaign is a natural next step in HEINEKEN's long-term commitment to encouraging responsible consumption. The Heineken® 'Man of the World' brings to life the powerful idea that there are no limits, when you know your limits. This legendary hero demonstrates how to celebrate the night to the fullest, including turning down a beer and taking water instead. This approach breaks from the norm of traditional responsible consumption messages and takes a progressive stance by showing that drinking responsibly is aspirational.

Case Studies

United Kingdom: Keeping racegoers hydrated with water

In the UK, HEINEKEN wants to be a thought leader in responsible consumption at events and initiate innovative activity that will have a real cultural impact.

At the 2011 John Smith's Grand National HEINEKEN trialled a 'behavioural change' initiative that promoted the positive impact of responsible drinking. As well as using John Smith's brand language to communicate responsible consumption messages, special 'Hydration Teams' handed out free bottled water to keep racegoers more hydrated than they might otherwise be. The teams handed out water throughout the day at the most isolated bar area so the impact could be more easily measured.

Results: the short-term impact objective was to allow people to get more from their weekend – staying out for longer and feeling better the next day as a result of staying hydrated. The long-term aim was to achieve a cultural shift in the way people approach 'big days out'. Leveraging major events is part of the way that HEINEKEN embeds responsibility into the key brands and this initial 'nudge' trial will shape our future thinking.

Global: U-Dside whether you miss the party

In 2011, Desperados, one of HEINEKEN's global brands, created a new responsibility campaign using digital media. The U-Dside campaign message is: Don't miss the best of your party. You can't control everything in life, but you can control how much you drink. It's up to you to make the most of it. U-Dside. As well as providing consumers with practical information about responsible consumption, the [U-Dside website](#) gives consumers the tools to create and share good party moments they might experience if they drink responsibly.

Case Studies

Greece: Sober Thinkers campaign asks the Greeks to drink responsibly

The HEINEKEN-owned Athenian Brewery is working with Nifalii-stin Igia mas (meaning literally Sobers-Cheers), the only Greek NGO with an exclusive focus on educating the public about responsible alcohol consumption.

Started in 2008, the 'Sober Thinkers' campaign targets 18–34 year olds through activities including: The 'Sober Driver' campaign, which encourages young people to avoid driving after consuming alcohol. The 'sober driver' has fun with their friends and remains sober, making sure that everybody returns home safe. The campaign's tagline is 'One of us, each time, does not drink'. In 2011, 'Sobers' was publicly very active in communicating the message for responsible consumption with reference to Athenian Brewery.

In 2011, research into awareness levels of alcohol use/misuse in Greece was conducted under the supervision of professors from Greek University faculties. Field research was completed in May and the results were presented in November at a media event with keynote speakers, including government representatives, scientists and patients. Approximately 70 media articles were generated.

Romania: AlcohelP counsels problem drinkers

HEINEKEN Romania and ALIAT are working together to address problematic alcohol consumption. ALIAT is the main Romanian NGO providing prevention and treatment services for problems connected with alcohol consumption.

Working together since 2009, HEINEKEN supported ALIAT to launch 'AlcohelP', the first Romanian online counselling and e-health intervention centre for people with alcohol issues. It is a free, easy-to-use tool for prevention, intervention and referral to specialised services. The service guarantees the confidentiality and anonymity of those who use it. Since 2009, www.alcohelP.ro has become a platform with multiple components covering information, self-evaluation and treatment.

In 2010, the partnership introduced the 'AlcohelP caravan' in 11 Romanian cities. This increased accessibility and helped ALIAT directly approach and support those who might need specialised help. In 2011, the 'AlcohelP caravan' visited 24 urban and rural locations in Romania. The programme activities were complemented by the National Map of Health Services for alcohol misuse, an interactive instrument which helped compile a centralised data base of the most important health services available to the general population.

Case Studies

Italy: Quiz promotes responsible drinking

HEINEKEN Italy and Movimento Consumatori worked together on Operazione Gratta la Risposta, a campaign focused on the dangers of drink-driving and alcohol misuse. Branded by HEINEKEN Italy, it is aligned to the wider activities implemented by Assobirra, Italy's National Brewers Association.

The campaign provided an opportunity to talk about responsible consumption issues and to direct participants to the Assobirra website www.beviresponsabile.it for more information.

Eight specialised social workers working in pairs asked people to select a card. Each card had a question related to drink-driving or the effects of alcohol. After selecting their answer from three options, participants scratched the reverse side of the card to check their answer. If correct, they won a breathalyser.

The campaign was implemented in three waves: at the Heineken® Jammin' Festival in June; a Consumers Festival in September and from 1st of December to 30th December, the Team operated three nights per week (Thursday, Friday and Saturday) in 30 Heineken® bars, pubs and nightclubs in Milan.

So far, more than 30,000 cards and 7,000 breathalysers have been distributed. The campaign revealed that if encouraged in the right way, people are more than happy to discuss alcohol-related issues and express their opinions. Opportunities to broaden the campaign have already been identified, including increasing the number of questions and making the campaign part of every brand event.

The Netherlands: Targeting summer campers

Young adult Dutch campers were the target of a new campaign to encourage alcohol awareness. HEINEKEN Netherlands and GGZ Friesland, a health association, worked in partnership on this new initiative.

Campsites around the Netherlands accommodate thousands of campers every summer. HEINEKEN Netherlands and GGZ Friesland took the opportunity to reach thousands of young adult people with responsible consumption information.

The campaign was piloted at youth campsites on Terschelling, an island in the north of the country. A colourful brochure with practical information about alcohol was given to all campers as they booked into their campsite. This was supported by teams of young adults enlisted to speak to the campers about responsible consumption. The main message was about having fun but being aware of the potential health consequences of excessive consumption. Participating campsites received a quality certificate showing they encourage alcohol awareness. The pilot was considered successful when evaluated and the approach will be applied more widely in future at campsites in the Netherlands.

Case Studies

Poland: Open'er Festival spreads the message

Open'er Festival is the largest music event in Central and Eastern Europe. For the last two years, Grupa Żywiec employee volunteers activated 'Enjoy Heineken Responsibly' activities at the festival. In 2011, 30 employees from all over Poland participated.

The 'Enjoy Heineken Responsibly' campaign has three core elements:

- Informing drivers about the dangers of driving under the influence of even the smallest quantity of alcohol
- Distributing responsible alcohol consumption information and special 'Enjoy Heineken Responsibly' gadgets to festival participants
- Activities using alco-goggles that show how human perception changes under the influence of alcohol.

In Poland, festival goers were encouraged to try the special alco-goggles as well as participate in special games and quizzes that tested their knowledge on facts and myths about alcohol. As a reward they were given 'Enjoy' gadgets such as UV badges, bandanas and beer openers. On the last day at the entrance to the parking, drivers were given alco-tests.

Appendix 1: Reporting Basis

Scope

The safety and environmental data presented in this report relate to the years 2009, 2010 and 2011 for the production units of the HEINEKEN Operating Companies. The term 'production unit' means maltings, breweries, cider plants, soft drink plants, water plants and combinations of these, at which malt, beer, cider, soft drinks and water are produced. Packaging material plants are also in the scope of production units covering the manufacture of bottles and cans. The data cover the production units of fully consolidated companies, which are included in the financial statements. The figures neither include distribution departments, Head Offices nor joint ventures.

The volume figures presented in the environmental section of this report, based on production, may differ slightly from the figures presented in HEINEKEN's financial report, which are based on sales. This difference is accounted for by exports and a number of recently acquired production units that have not yet submitted data. Newly acquired production units are required to start reporting directly after the first calendar year after the date of acquisition.

The data presented in the sections on Green Commerce, Engaging Employees, HEINEKEN Cares, Responsible Consumption and Partnerships for Progress are derived from databases that are available on a Global level.

Reporting systems

The production units gather the data in accordance with guidelines and definitions formulated by HEINEKEN Supply Chain, which have been based on the Global Reporting Initiative Guidelines (G3.1 2010 – 2011). Their reports are submitted annually to this Group, where they are checked for completeness, likeliness of data and accuracy. A training course is also provided at the request of the production units to instruct their employees in the accurate acquisition, verification and filing of data. Visits have been paid to selected production units in conjunction with the Global Audit to check the quality of the information they provide by comparing it with invoices, measurements, calculations, etc.

Targets

The Brewing a Better Future programme has set long-term targets for energy consumption, carbon dioxide emission, water consumption and accident frequency. The base year or year of comparison will be 2008 (2009 for safety) and targets will be derived proportionally with the years to 2020.

Appendix 1: Reporting Basis

continued

Safety reporting

The safety reporting system is used by the production units to record accidents at their locations and report on the consequences for both their own staff and contractor personnel. 'Own staff' includes both permanent, temporary staff and agency personnel. Overtime is included in the production workforce calculation. HEINEKEN Human Resources has defined seven parameters, which must as a minimum be reported at local level, to serve as the basis for measuring the results achieved by our production units. These results are expressed in two performance indicators.

Safety parameters and indicators		
Parameters	Fatal accidents	Fatalities, own staff and contractor personnel
	Accidents resulting in permanent disability	Permanent disabilities, own staff
	Accidents resulting in absence from work	Accidents, own staff and contractor personnel
	Days absent	Absence, own staff in calendar days
	Workforce	Expressed in Full-Time Equivalents (FTE)
	Number of complaints	External complaints related to nuisance
	Number of external safety-related incidents	Incidents related to safety and environment, which had an impact outside the production unit
Performance indicators	Accident frequency	Own staff, number of accidents resulting in absence from work per 100 FTE
	Accident severity	Own staff, days absence from work per 100 FTE

Appendix 1: Reporting Basis

continued

Environmental reporting

The purpose of environmental reporting is to clarify the environmental effects of producing malt, beer, cider, soft drinks and water at our production locations as well as the packaging material plants. These effects include depletion of resources, emissions and nuisance. To measure the results achieved in these areas, HEINEKEN Supply Chain has defined seven key parameters for our breweries, maltings, cider plants, soft-drink plants and water plants. Performance is measured for four parameters in terms of production, expressed in hectolitres of beer, cider, soft drinks and water or tonnes of malt, to facilitate comparison of the results.

The greenhouse effect covers CO₂ and refrigerant emissions. The ozone layer depletion covers refrigerant losses (e.g. HCFCs), acidification covers NO_x, SO_x, and NH₃ emissions, nutrification covers Chemical Oxygen Demand (COD), nitrogen and phosphorus in wastewater after treatment, where discharged into surface water. Waste management deals with the destination of our co-products, by-products and hazardous waste.

Environmental parameters and indicators

Parameters	Thermal energy consumption	Consumption of thermal energy in MJ (the corresponding CO ₂ emission is derived from this figure using the WBCSD Protocol)
	Electricity consumption	Consumption of electrical energy in kWh
	Water consumption	Water consumption in m ³
	Solid waste disposal	Non-recycled waste in kg such as hazardous waste, wastewater treatment sludge and industrial waste
	COD load of effluent	The Chemical Oxygen Demand of the treated or untreated wastewater leaving the production unit and discharged to surface water in kg
	Wastewater treated	The number of units discharging wastewater untreated in the environment
Performance indicators	Specific thermal energy consumption	Thermal energy consumption per unit produced in MJ/hl beer, cider, soft drinks and water
	Specific electricity consumption	Electricity consumption per unit produced in kWh/hl beer, cider, soft drinks and water
	Specific CO ₂ emission	Fossil CO ₂ emission (direct and indirect respectively derived from the thermal energy and electricity consumption) plus refrigerant losses expressed in CO ₂ equivalents per unit produced in kg/hl beer, cider, soft drinks and water
	Specific water consumption	Water consumption per unit produced in hl/hl beer, cider, soft drinks and water

Qualified reliability of safety and environmental data

The reliability of the data is subject to certain qualifications, despite the fact that the safety and environmental experts at our production units have reported to the best of their knowledge, in good faith and in accordance with agreed procedures and HEINEKEN Supply Chain has validated their figures. HEINEKEN is continuing to work on formulating and applying uniform definitions and instructions for reporting purposes, in order to improve the accuracy and comparability of the data. Standard calculation protocols for atmospheric emissions by our production units are in place, for example, to minimise the error in these figures. Standard calculation tools are also present for refrigerant losses and waste discharge.

Appendix 1: Reporting Basis

continued

Definitions

Differences in the interpretation of definitions have occurred in some cases. On the basis of our internal validation findings, we do not expect these differences to be material at the aggregated level.

Completeness

Reporting was not forthcoming or incomplete in some cases. Often newly acquired production units need to improve their reporting system, especially on complaint and external accident registration, accident severity and COD measurement. In order to provide a realistic representation of HEINEKEN's total environmental impact, the missing data has been estimated in accordance with our internal procedures for incomplete reports. Our Operating Companies have estimated some data.

Accuracy

The accuracy of the data depends on the method of measurement, the calculation procedure and whether estimates have been used. For some parameters, the sampling method and frequency, as for COD, can also affect the accuracy. The quantity of refrigerant is difficult to establish because it is used in dynamic systems in which it can occur in both a liquid and gaseous state. Refrigerant losses (losses expressed as CO₂ equivalents per hectolitre of beer, soft drinks, cider or water produced) are determined on the basis of the quantities used to replenish systems. At a number of production units, waste is removed from the site in containers of a given volume, and inaccuracies can arise in translating volume to weight. In the absence of local legislation in some countries outside Europe, the definition of hazardous waste is not always clear. In some cases, hazardous waste is safely recycled and is no longer designated as hazardous. The scope and workforce size related to the accident frequency can give rise to inaccuracies in some locations due to the misinterpretation of overtime and number of temporary personnel.

Comparability

Each parameter to be reported has accurately been defined in the Safety Standards & Procedures and Environmental Standards & Procedures. The comparability of the data depends on the extent to which estimates have been used in determining the performance indicators. Where estimates have been used in interpreting trends, it is stated in the text of this report. The comparison of data has been carried out over a three-year period so as to limit the influence of incidental fluctuations. Since no material changes have been made to definitions, calculations or estimating procedures, there is comparability from year to year, except when indicated in the text of this report.

Appendix 2: Overview of Environmental Performance

Parameters (absolute figures)

Performance indicator	Unit	HEINEKEN Group		
		2009	2010	2011
Total beverage production	Mhl	135.8	173.6	177.4
Beer production	Mhl	119.6	154.7	159.2
Cider production	Mhl	3.6	4.2	4.2
Soft drink production	Mhl	12.6	10.9	10.4
Water production	Mhl		3.7	3.6
Malt production	ktons	586	721	710
Thermal energy consumption	PJ	13.6	19.7	19.2
Electricity consumption **	GWh	1,310	1,823	1,824
CO ₂ emissions (direct)	ktons	849	1,201	1,173
CO ₂ emissions (indirect)	ktons		789	765
NO _x emissions **	tons	1,552	2,209	2,146
SO _x emissions **	tons	2,042	3,100	2,471
NH ₃ in use	tons	862	1,298	1,261
NH ₃ losses	tons	76	130	109
HC-based refrigerants in use	tons	36	40	40
HC-based refrigerants lost	tons	15.0	12.3	11.6
	kg R11 equivalents	1,138	514	519
	kton CO ₂ equivalents	35.2	27.4	28.4
Halons in use	tons	0.27	0.29	0.27
Water consumption	Mm ³	68.2	83.0	80.1
Waste water quantity	Mm ³	48.7	58.3	55.8
Waste water organic load before treatment	ktons COD	129	153	163
Effluent organic load*	ktons COD	17.3	18.3	19.4
Effluent total nitrogen*	tons N	597	786	695
Effluent total phosphorous*	tons P	393	461	496
Effluent suspended solids*	ktons d.m.	4.89	5.44	4.42
Total co-products, packaging & industrial waste	ktons	2,340	2,898	3,046
Non-recycled industrial waste	ktons	125	132	133
Total waste water sludge	ktons d.m.	12.14	13.36	13.55
Non-recycled waste water sludge	ktons d.m.	3.28	3.28	3.38
Total hazardous waste	ktons	1.81	2.35	2.79
Non-recycled hazardous waste	ktons	0.81	0.65	0.93
Justified environmental and safety complaints	number	75	30	33
Justified environmental and safety accidents with off-site effects	number	64	67	70

* Discharged to surface water.

** 2009 values have been incorrectly reported in the 2010 Sustainability Report and have been corrected in this report.

*** Includes the sand plant and ice factory.

Breweries, Cider, Soft drink and Water plants			Malting sites			Packaging sites		Other misc ***	
2009	2010	2011	2009	2010	2011	2010	2011	2010	2011
135.8	173.6	177.4							
119.6	154.7	159.2							
3.6	4.2	4.2							
12.6	10.9	10.4							
	3.7	3.6							
			586	721	710				
12.2	15.2	14.6	1	1.6	1.6	2.7	2.8	0.1	0.1
1,230	1,505	1,504	80	92	86	199	205	27	29
778	943	910	71	94	90	156	165	7	9
	644	615		45	36	86	98	15	16
1,482	1,840	1,771	70	83	90	261	268	24	16
2,002	2,530	1,989	40	569	403	0	78	1	1
	1,242	1,210		16	12	0	0	40	40
	129	107		1	2	0	0	1	1
	33	32		6	6	1	2	0	0
	10.2	11.3		2	0.1	0	0.2	0	0.0
	487	493		16	16	11	9	0	0
	24.0	27.8		3.0	0.2	0.4	0.3	0.0	0.0
	0.27	0.27		0.02	0.00	0.00	0.00	0.00	0.00
65.7	78.2	75.8	2.4	2.9	2.7	1.1	0.8	0.8	0.8
	56.1	54.0		1.1	1.0	0.9	0.6	0.2	0.2
126	147	158	2.98	4	4	1	1	0	0
	17.4	18.8		0.8	0.6	0.1	0.0	0.0	0.0
	750	682		36	13				
	445	492		16	4				
	5.32	4.31		0.11	0.10				
2,320	2,800	2,954		38	35	60	58	0	0
	130	130		1	2	1	1	0	0
	12.86	12.53		0.43	0.80	0.07	0.22	0.00	0.00
	3.20	3.16		0.00	0.00	0.07	0.22	0.00	0.00
	1.86	2.30		0.03	0.02	0.43	0.44	0.02	0.03
	0.36	0.58		0.02	0.00	0.26	0.31	0.01	0.03
	30	33		0	0	0	0	0	0
	67	70		0	0	0	0	0	0

Appendix 3: Global Reporting Initiative Reference Table

G3.1 Content Index – GRI Application Level B+

STANDARD DISCLOSURES PART I: Profile Disclosures

Report fully on the below selection of profile disclosures or provide a reason for omission.

1. Strategy and Analysis					
Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
1.1	Statement from the most senior decision-maker of the organisation.	Fully	SR 2011, Foreword AR 2011, Chief Executive's Statement (P 7) http://www.heinekeninternational.com/sustainability_introduction.aspx		
1.2	Description of key impacts, risks, and opportunities.	Fully	SR 2011, Foreword SR 2011, HEINEKEN in Society SR 2011, Brewing a Better Future SR 2011, What we said and what we've done AR 2011, Risk management (P 34) http://www.heinekeninternational.com/sustainability_introduction.aspx		

Appendix 3: Global Reporting Initiative Reference Table continued

2. Organisational Profile

Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
2.1	Name of the organisation.	Fully	AR 2011, Notes to the Consolidated Financial Statements, note 1 (P 74)		
2.2	Primary brands, products, and/or services.	Fully	AR 2011, Operational Review, Winning brands (P 12-15) AR 2011, Other information, Countries and Brands (P 158)		
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	AR 2011, Notes to the Consolidated Financial Statements, note 36 (P 140) http://www.heinekeninternational.com/ownership_cg.aspx		
2.4	Location of organisation's headquarters.	Fully	AR 2011, Notes to the Consolidated Financial Statements, note 1 (P 74)		
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	AR 2011, Other information, Countries and Brands (P 158) SR 2011, Appendix 4, List of Operating Companies and Business Units		
2.6	Nature of ownership and legal form.	Fully	AR 2011, Shareholder Information (P 153) http://www.heinekeninternational.com/ownership_cg.aspx		
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).		AR 2011, Regional Review, Our regions (P 22). For highlights per markets see page 24 annual report SR 2011, Appendix 4, List of Operating Companies and Business Units In addition we divide the markets into the on-trade channel (like bars, restaurants, hotels) and off-trade channel (i.e., supermarkets and other retail outlets) The split between on-trade and off trade differs per market		
2.8	Scale of the reporting organisation.	Fully	AR 2011, Overview, the Quick Read (P 2) AR 2011, Financial Statements, Notes to the Financial Statements, note 5 (P 94-95)		
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	AR 2011, Regional Review, Our regions (P 22) AR 2011 Notes to the Consolidated Financial Statements, note 6 (P 96)		
2.10	Awards received in the reporting period.	Fully	SR 2011, Overview, Local benchmarks and achievements		

Appendix 3: Global Reporting Initiative Reference Table continued

3. Report Parameters

Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	AR 2011, Notes to the Consolidated Financial Statements, note 1 (Calendar year) (P 74)		
3.2	Date of most recent previous report (if any).	Fully	SR 2010, 31 March 2011		
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Both our Annual Report and our Sustainability Report are published on an annual basis		
3.4	Contact point for questions regarding the report or its contents.	Fully	SR 2011, Reference Information www.heinekeninternational.com/contactus		

Appendix 3: Global Reporting Initiative Reference Table continued

3. Report Parameters <small>continued</small>					
Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
3.5	Process for defining report content.	Fully	<p>SR 2011, Overview, About this Report SR 2011, Stakeholder Engagement and Dialogue SR 2011, Appendix 1, Reporting Basis SR 2011, Appendix 5, Independent Assurance Report from KPMG</p> <p>We also defined the content of the report by doing the following: We checked the GRI website and the information about defining report content (GRI reporting framework) and during the writing process checked on materiality, stakeholder inclusiveness, sustainability context and completeness. We reviewed last year's information on our approach in order to have a systematic approach. We also evaluated our approach and content of the Sustainability Report 2010 with our experts and internal and external auditors. The content and process on how to specify the content will be evaluated. We decided on content by making sure we would report on the progress of the commitments we made in our Brewing a Better Future programme. We also checked specific promises we made in the Sustainability Report 2010 and reported on the progress. Besides this we checked other information significant to our organisation. Also we did a materiality assessment and media check, as well as our (external) auditor, presented it and discussed the outcome. The content is discussed with our Chief of Functions. We identified stakeholders important to the organisation and to sustainability and checked specific stakeholder input through our Reputation Research and individual discussions and meetings, and included the material issues The content is, and will be validated, by our internal and external auditors. Validation also includes a review of the balance of the content in positive and negative contributions</p> <p>After the report is online, the content will be discussed with stakeholders.</p>		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	SR 2011, Appendix 1, Reporting Basis SR 2011, Appendix 4, List of Operating Companies		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	SR 2011, Overview, About this Report SR 2011, Appendix 1, Reporting Basis SR 2011, Appendix 4, List of Operating Companies		

Appendix 3: Global Reporting Initiative Reference Table continued

3. Report Parameters continued

Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	Fully	SR2011, Overview, About this Report, scope SR 2011, Appendix 1, Reporting Basis		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	SR 2011, Appendix 1, Reporting Basis		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	SR 2011, Appendix 1, Reporting Basis		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	SR 2011, Enablers, Measurement and transparency SR 2011, About this Report SR 2011, Appendix 1, Reporting Basis		
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	SR 2011, Overview (total section) SR 2011, All Appendices		
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	SR 2011, About this Report SR 2011, Appendix 5, Independent Assurance Report from KPMG		

Appendix 3: Global Reporting Initiative Reference Table continued

4. Governance, Commitments, and Engagement					
Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	Fully	AR 2011, Report of the Executive Board, Executive Committee (P 10-11) AR 2011, Report of the Executive Board, to the Shareholders (P 54) SR 2010, Overview, Brewing a Better Future www.heinekeninternational.com/corporategovernance		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	HEINEKEN has a two-tier system where the Chairman of the Executive Board is also the Chief Executive Officer. The Chairman of the Supervisory Board is Non-Executive and Independent		
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Fully	HEINEKEN does not have a unitary board structure but a two-tier system		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	Articles of Association SR 2011, Overview, Stakeholder Engagement and Dialogue, Employee representation through European Works Council		
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	Fully	SR 2011, Enablers AR 2011, Report of the Supervisory Board, Remuneration Report (P 60)		
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	Regulations Supervisory Board, article 2.3 sub h, Code of Business Conduct		
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	Fully	Regulations Supervisory Board, article 3		
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	SR 2011, Engaging Employees SR 2011, Overview, What we said and what we've done http://www.heinekeninternational.com/sustainability_introduction.aspx http://www.heinekeninternational.com/values.aspx http://www.heinekeninternational.com/business_ethics.aspx		

Appendix 3: Global Reporting Initiative Reference Table continued

4. Governance, Commitments, and Engagement <small>continued</small>					
Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	AR 2011, Brewing a Better Future (P 5) AR 2011, Report of the Executive Board, Risk Management (P 34) SR 2011, Overview, Brewing a Better Future		
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	Regulations Supervisory Board, article 2.3		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	Fully	AR 2011, Report of the Executive Board, Risk Management (P 34-35)		
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	Fully	SR 2011, Overview, Stakeholder engagement and dialogue / UN Global Compact / Carbon disclosure project		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation: <ul style="list-style-type: none"> – Has positions in governance bodies; – Participates in projects or committees; – Provides substantive funding beyond routine membership dues; or – Views membership as strategic. 	Fully	SR 2011, Overview, Stakeholder Engagement and Dialogue, working with partners		
4.14	List of stakeholder groups engaged by the organisation.	Fully	SR 2011, Overview, Stakeholder Engagement and Dialogue		
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	SR 2011, Overview, Stakeholder Engagement and Dialogue We identify and select the stakeholder with whom we engage on a global level based on: – Sustainability issues that impact our business, and the extend of the impact – Focus area and geographical scope of potential stakeholders We define our stakeholder groups through an cross-functional process using the governance model of Brewing a Better Future. Our decision whether or not to engage in a stakeholder group is based on the influence of a stakeholder group and the impact on the business.		

Appendix 3: Global Reporting Initiative Reference Table continued

4. Governance, Commitments, and Engagement <small>continued</small>					
Profile Disclosure	Description	Reported	Cross-reference/Direct answer	Reason for omission	Explanation
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	SR 2011, Overview, Stakeholder Engagement and Dialogue We engage in the following ways and frequency with the following stakeholders: Employees: by-annual online climate survey and follow-up discussions in individual teams Employee representatives: through local and European meetings and discussions. Frequency based on meeting calendar Investors: through road show events, presentations and conference calls. Frequency upon demand NGOs and international organisations: through meetings and correspondence, frequency upon demand and/or meeting calendar Industry associations: through meetings following meeting calendar Suppliers: through meetings and correspondence as part of the on-going supplier contacts over the year Government: through meetings and correspondence as part of the on-going engagement process Customers: Through meetings and correspondence as part of the on-going engagement process All engagements are not done specifically for the reporting process but as part of the on-going engagement process		
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	Fully	SR 2011, Overview, Stakeholder Engagement and Dialogue		

Appendix 3: Global Reporting Initiative Reference Table continued

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

Report on the Disclosures on Management Approach for each category. You should be able to disclose this information on the aspect level for each performance indicator that you have reported fully on.

Disclosures on Management Approach (DMAs)				
G3.1 DMAs	Description	Reported	Cross-reference/Direct answer	Further comments
DMA EC	Disclosure on Management Approach EC			
Aspects	Economic performance	Fully	AR 2011, Overview, Key figures (P 2) AR 2011, Report of the Executive Board, Risk Management (P 34)	
	Market presence	Fully	AR 2011, Overview, Our business priorities (P 4)	
	Indirect economic impacts	Fully	SR 2011, HEINEKEN Cares, Economic Impact Assessment and local sourcing	
DMA EN	Disclosure on Management Approach EN			
Aspects	Materials	Fully	SR 2011, Green Brewer, Green Commerce	
	Energy	Fully	SR 2011, Green Brewer, Green Commerce	
	Water	Fully	SR 2011, Green Brewer	
	Biodiversity	Fully	SR 2011, HEINEKEN Cares	
	Emissions, effluents and waste	Fully	SR 2011, Green Brewer and Appendix 2 (Overview of Environmental Performance)	
	Products and services	Fully	SR 2011, Green Brewer, Green Commerce	
	Compliance	Fully	SR 2011, Green Brewer	
	Transport	Fully	SR 2011, Green Commerce	
	Overall	Fully	SR 2011, Green Brewer, Green Commerce and Appendix 2 (Overview of Environmental Performance)	
DMA LA	Disclosure on Management Approach LA			
Aspects	Employment	Fully	SR 2011, Engaging Employees	
	Labour/management relations	Fully	SR 2011, Overview, Stakeholder Engagement	
	Occupational health and safety	Fully	SR 2011, Engaging Employees	
	Training and education	Fully	SR 2011, Engaging Employees AR 2011, Operational Review, World class talent	
	Diversity and equal opportunity	Fully	SR 2011, Engaging Employees AR 2011, Operational Review, World class talent	
	Equal remuneration for women and men	Fully	See answer LA 14 (GRI Table)	

Appendix 3: Global Reporting Initiative Reference Table continued

Disclosures on Management Approach (DMAs) continued

G3.1 DMAs	Description	Reported	Cross-reference/Direct answer	Further comments
DMA HR	Disclosure on Management Approach HR			
Aspects	Investment and procurement practices	Fully	SR 2011, Enablers, Supplier Code	
	Non-discrimination	Fully	SR 2011, Engaging Employees, Employees' & Human Rights policy	
	Freedom of association and collective bargaining	Fully	SR 2011, Engaging Employees, Employees' & Human Rights policy	
	Child labour	Fully	SR 2011, Engaging Employees, Employees' & Human Rights policy	
	Prevention of forced and compulsory labour	Fully	SR 2011, Engaging Employees, Employees' & Human Rights policy	
	Security practices	Fully	SR 2011, Engaging Employees, Employees' & Human Rights policy	
	Indigenous rights	Fully	SR 2011, Engaging Employees, Employees' & Human Rights policy	
	Assessment	Fully	SR 2011, Engaging Employees, Employees' & Human Rights policy	
	Remediation	Fully	SR 2011, Engaging Employees, Employees' & Human Rights policy	
DMA SO	Disclosure on Management Approach SO			
Aspects	Local communities	Fully	SR 2011, HEINEKEN Cares	
	Corruption	Fully	SR 2011, Engaging Employees, Integrity	
	Public policy	Fully	SR 2011, Engaging Employees, Responsible Consumption, rules on RCC	
	Anti-competitive behaviour	Fully	SR 2011, Engaging Employees, Integrity	
	Compliance	Fully	SR 2011, Engaging Employees, Integrity	
DMA PR	Disclosure on Management Approach PR			
Aspects	Customer health and safety	Fully	See our principles on http://www.heinekeninternational.com/businessprinciples.aspx	
	Product and service labelling	Fully	See our principles on http://www.heinekeninternational.com/businessprinciples.aspx	
	Marketing communications	Fully	See our principles on http://www.heinekeninternational.com/businessprinciples.aspx	
	Customer privacy	Fully	See our principles on http://www.heinekeninternational.com/businessprinciples.aspx	
	Compliance	Fully	See our principles on http://www.heinekeninternational.com/businessprinciples.aspx	

Appendix 3: Global Reporting Initiative Reference Table continued

STANDARD DISCLOSURES PART III: Performance Indicators

Report fully on at least 20 core or additional performance indicators – at least 1 from each category (economic, environment, labor practices & decent work, human rights, society, product responsibility).

Economic			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Partially	AR 2011, Financial Review (P 39) AR 2011, Financial Statements (P 67) SR 2011, HEINEKEN Cares, Corporate social investment
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Partially	SR 2011, CEO Foreword Fifteen operations indicate being at risk due to climate change (e.g. changing rainfall patterns, water availability). Four operations foresee business opportunities relating to climate change in the country. Eleven Operations indicate they are aware of the financial implications of climate change for their operations (e.g. business continuity risks, cost of carbon credits, insurance costs, additional costs due to sourcing raw materials outside the country, utilising business opportunities)
EC3	Coverage of the organisation's defined benefit plan obligations.	Partially	AR 2011, Notes to the Consolidated Financial Statements, note 28 (P 119)
EC4	Significant financial assistance received from government.	Partially	SR 2011, Green Brewer, Adding renewables to the energy mix
Market presence			
EC5	Range of ratios of standard entry-level wage by gender compared to local minimum wage at significant locations of operation.	Partially	In eight operations the standard entry level wage is equal to the minimum legal wage. In six operations there is no legal minimum wage or the information is not available. In all other operations the standard entry-level wage is higher than the legal minimum wage
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Partially	SR 2011, HEINEKEN Cares, Local sourcing
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	In 44 of our operations, procedures for local hiring of employees are in place. In 2011 77 per cent of Senior Managers in our operations were local hires (from same country). Verification of six Operating Companies on the way
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Partially	SR 2011, HEINEKEN Cares, Corporate Social Investment SR 2011, HEINEKEN Cares, Economic Impact Assessments
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	SR 2011, HEINEKEN Cares, Economic Impact Assessment

Appendix 3: Global Reporting Initiative Reference Table continued

Environmental			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Materials			
EN1	Materials used by weight or volume.	Not	Information not available
EN2	Percentage of materials used that are recycled input materials.	Not	Information not available
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	SR 2011, Green Brewer, Greenhouse gases SR 2011, Appendix 2, Overview of environmental performance
EN4	Indirect energy consumption by primary source.	Partially	SR 2011, Green Brewer, Greenhouse gases SR 2011, Appendix 2, Overview of environmental performance
EN5	Energy saved due to conservation and efficiency improvements.	Fully	SR 2011, Green Brewer, Energy
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	SR 2011, Green Brewer, Energy SR 2011, Green Commerce, Cooling
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Partially	SR 2011, trend explanations Green Brewer, Energy SR 2011, Green Commerce, Cooling Three OpCos have taken initiatives to reduce indirect energy consumption with subcontracted production. Seventeen OpCos have taken initiatives to reduce indirect energy consumption with business-related travel. Seven OpCos have taken initiatives to reduce indirect energy consumption with employee commuting
Water			
EN8	Total water withdrawal by source.	Fully	SR 2011, Green Brewer, Water
EN9	Water sources significantly affected by withdrawal of water.	Not	Information not available
EN10	Percentage and total volume of water recycled and reused.	Not	Information not available
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Partially	SR 2011, HEINEKEN Cares, Biodiversity
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Partially	SR 2011, HEINEKEN Cares, Biodiversity
EN13	Habitats protected or restored.	Partially	SR 2011, HEINEKEN Cares, Biodiversity
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Partially	SR 2011, HEINEKEN Cares, Biodiversity
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not	Information not available

Appendix 3: Global Reporting Initiative Reference Table continued

Environmental <small>continued</small>			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	SR 2011, Appendix 1, Reporting basis SR 2011, Appendix 2, Overview of environmental performance
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	SR 2011, Appendix 1, Reporting basis SR 2011, Appendix 2, Overview of environmental performance
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	SR 2011, Green Brewer, Greenhouse gases SR 2011, Case study Alken-Maes
EN19	Emissions of ozone-depleting substances by weight.	Fully	SR 2011, Appendix 2, Overview of environmental performance
EN20	NO _x , SO _x , and other significant air emissions by type and weight.	Fully	SR 2011, Appendix 2, Overview of environmental performance, including loss of refrigerants (NH ₃)
EN21	Total water discharge by quality and destination.	Partially	The largest part of the wastewater is treated either in our own plants or else in municipal plants. The treated and untreated wastewater is discharged into the surface water (see SR 2011, Appendix 2 for total water discharge)
EN22	Total weight of waste by type and disposal method.	Partially	SR 2011, Appendix 2, Overview of environmental performance and identified as being recycled or non-recycled, being hazardous or non-hazardous
EN23	Total number and volume of significant spills.	Fully	SR 2011, trend explanations, Green Brewer, Environmental compliance
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not	Information not available
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	Not	Information not available
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	SR 2011, Green Brewer SR 2011, Green Commerce
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not	Information not available
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Partially	SR 2011, trend explanation Green Brewer, Environmental compliance

Appendix 3: Global Reporting Initiative Reference Table continued

Environmental <small>continued</small>			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	Fully	SR 2011, Green Commerce, Distribution
Overall			
EN30	Total environmental protection expenditures and investments by type.	Not	Information not available

Appendix 3: Global Reporting Initiative Reference Table continued

Social: Labour Practices and Decent Work			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Employment			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	AR 2011, Financial Statements (P66) See tab LA1
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	In total 12,552 employees started working at the company, of which 23 per cent were women and 77 per cent men. Of this total number 61 per cent were 30 years and under, 36 per cent between 30-50 years and 3 per cent over 50 years. 14,348 employees left the company, of which 19 per cent were women and 81 per cent men. Of this total number 45 per cent were 30 years and under, 44 per cent between 30-50 years and 11 per cent over 50 years. See also tab LA2
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	See tab LA3
LA15	Return to work and retention rates after parental leave, by gender.	None	Information not available
Labour/management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	64 per cent of our employees work under a collective bargaining agreement
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	The minimum number of weeks notice is determined on local level and varies per operation. The number of weeks therefore ranges from 0 weeks in some operations to up to 26 weeks in other operations. Many operations (23) have a 4 to 6 weeks' notice
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	Partially	In 42 operations we have one or more formal Health & Safety committees
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Partially	SR 2011, Engaging Employees, Health and Safety
LA8	Education, training, counseling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	See tab LA8
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	In 35 operations we have one or more formal agreements with trade unions that cover Health & Safety. Personal protective equipment: 32 OpCos. Joint management-employee health and safety committees: 28 OpCos. Participation of worker representatives in health and safety inspections, audits, and accident investigations: 30 OpCos. Training and education: 31 OpCos. Complaints mechanism: 26 OpCos. Right to refuse unsafe work: 26 OpCos. Periodic inspections: 28 OpCos
Training and education			
LA10	Average hours of training per year per employee by gender, and by employee category.	Partially	Senior management – 22 hours Middle management – 31 hours Production employees – 24 hours Other employees – 13 hours (for four operations, data not available) See tab LA10

Appendix 3: Global Reporting Initiative Reference Table continued

Social: Labour Practices and Decent Work continued

Performance Indicator	Description	Reported	Cross-reference/Direct answer
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Partially	AR 2011, Report to the Executive Board, Operational Review, World class talent (P 20-21)
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	41 per cent of the employees received a formal performance appraisal and review in 2011 We extended the Personal Development Plans to 5,000 leaders across HEINEKEN AR 2011, World class talent P 20
Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	See tab LA13
Equal remuneration for women and men			
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Fully	Our policy is to remunerate woman and men equally in all categories

Appendix 3: Global Reporting Initiative Reference Table continued

Social: Human Rights			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Investment and procurement practices			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Not	Information not available
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Partially	Up until now we have not actively screened suppliers specifically on human rights. As per the end of 2011, 98 per cent of global suppliers and close to 12,000 local suppliers had signed the new Supplier Code (SC). Human rights are part of the SC. Our suppliers are assessed / audited on compliance with the SC
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Fully	Our renewed policy on Employees' & Human Rights is complete and will be implemented in 2012. Online training is in development and will be available during the first half year of 2012
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	Fully	SR 2011, Engaging Employees, Trusted Representatives
Freedom of association and collective bargaining			
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Fully	In all operations we have freedom of association and collective bargaining. This is part of our renewed policy on Employees' & Human Rights, which will be implemented in 2012
Child labour			
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	Fully	In 53 operations there is a legal minimum working age. In 19 of these operations the minimum working age in the company is equal to the overall minimum working age of the country. In 34 operations the minimum working age in the company is higher than the overall minimum working age in the country. All operations verify the age of any employee before they begin work. 85 per cent verify the age of contracted employees as well. Our renewed policy on Employees' & Human Rights is complete and will be implemented in 2012
Forced and compulsory labour			
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	Fully	HEINEKEN does not tolerate forced or compulsory labour. This is supported by our Business Code of Conduct, Supplier Code and our new Employees' and Human Rights policy
Security practices			
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	In 32 operations we hire security personnel, of which 69 per cent have received formal training in 2011 in the organisation's policies or procedures concerning human rights issues and their application to security

Appendix 3: Global Reporting Initiative Reference Table continued

Social: Human Rights <small>continued</small>			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not	Information not available
Assessment			
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	All operations had to answer questions with regard to Employees' & Human Rights (Sustainability Survey). In three of our operations in scope (see Appendix 4) we have performed human rights reviews with regard to employees' & human rights issues. A new system of monitoring will be part of the implementation of our new Employees' & Human Rights policy, which will start in 2012.
Remediation			
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Partially	SR 2011, Engaging Employees, Integrity

Appendix 3: Global Reporting Initiative Reference Table continued

Social: Society			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Local communities			
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes.	Partially	All operations are included in the environmental report. Twenty-seven operations published their own sustainability report. For information on local community programmes see SR 2011, HEINEKEN Cares
SO9	Operations with significant potential or actual negative impacts on local communities.	Not	Information not available
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Not	Information not available
Corruption			
SO2	Percentage and total number of business units analysed for risks related to corruption.	Fully	In 2011, six operations have performed a risk assessment for exposure of the company to corruption by government officials
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	Fully	Twenty-eight operations have trained employees who are likely to be exposed to corrupt government officials in the anti-corruption policies and procedures. In total 13,272 employees are trained
SO4	Actions taken in response to incidents of corruption.	Fully	SR 2011, Engaging Employees, Integrity
Public policy			
SO5	Public policy positions and participation in public policy development and lobbying.	Partially	We are an active member of industry associations, like Brewers of Europe. Through these associations we are in discussion with governments on the role of beer in society, and on regulations
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Not	Information not available
Anti-competitive behaviour			
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	Partially	AR 2011, Financial Statements (P 137)
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Partially	AR 2011, Report of the Executive Board (P40) AR 2011, Financial Statements (P 137)

Appendix 3: Global Reporting Initiative Reference Table continued

Social: Product Responsibility			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not	Information not available
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not	Information not available
Product and service labelling			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Not	Information not available
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not	Information not available
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	We have a global contract to measure customer satisfaction on modern trade (off premise/retail) on a regular basis. In 2011, executed in ten countries and expected to be further rolled out. The results vary per OpCo. We use the results as input for our improvement process
Marketing communications			
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Partially	All organisations have to work within the local laws and regulations. In addition all organisations have to adhere to our Rules on Responsible Commercial Communication, www.heinekeninternational.com/alcohol.aspx
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Partially	13 OpCos received a total of 29 complaints with regards to marketing communication. Of these complaints, two are pending, ten were dismissed, four were won by HEINEKEN and 13 were lost, which resulted in removing some of the communications and paying fines
Customer privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not	Information not available
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not	Information not available

Appendix 3: LA1

Employees by employment type and contract

Contract type	Number of male employees	Number of female employees	Total number
Permanent	51,478	11,771	63,249
Temporary	4,295	1,433	5,728
Total number	55,773	13,204	68,977

Employment type	Number of male employees	Number of female employees	Total number
Full-time	55,397	12,064	67,461
Part-time	376	1,140	1,516
Total number	55,773	13,204	68,977

Region	Number of male employees	Number of female employees	Total
Africa Middle East	9,417	1,209	10,626
The Americas	20,455	2,648	23,103
Asia Pacific	160	120	280
Central and Eastern Europe	12,010	5,080	17,090
Western Europe	13,731	4,147	17,878
Total	55,773	13,204	68,977

Appendix 3: LA2

Employees leaving the Company – Breakdown by gender and region %

	Male	Female
Western Europe	75	25
Central and Eastern Europe	70	30
Africa Middle East	85	15
The Americas	90	10
Asia Pacific	62	38

Employees new to the Company – Breakdown by gender and region %

	Male	Female
Western Europe	69	31
Central and Eastern Europe	65	35
Africa Middle East	84	16
The Americas	86	14
Asia Pacific	62	38

Employees leaving the Company – Breakdown by age group and region %

	Below 30	30-50	Over 50
Western Europe	33	47	20
Central and Eastern Europe	40	45	15
Africa Middle East	27	59	13
The Americas	56	40	4
Asia Pacific	34	60	6

Employees new to the Company – Breakdown by age group and region %

	Below 30	30-50	Over 50
Western Europe	45	50	5
Central and Eastern Europe	58	37	5
Africa Middle East	44	48	8
The Americas	72	28	1
Asia Pacific	50	46	4

Appendix 3: LA2

continued

Employee turnover							
Region	Number of new male employees	Number of new female employees	Number of male employees leaving	Number of female employees leaving	Total employees in the Company		
Africa Middle East	925	181	592	101	10,626		
The Americas	5,212	864	6,072	666	23,802		
Asia Pacific	32	20	33	20	280		
Central and Eastern Europe	2,172	1,573	2,655	20	17,090		
Western Europe	1,360	618	2,279	773	17,878		
Total	9,701	2,851	11,631	2,717	68,956		
Region	Number of new employees <30	Number of new employees 30-50	Number of new employees >50	Number of employees leaving <30	Number of employees leaving 30-50	Number of employees leaving >50	Total employees in the Company
Africa Middle East	492	528	86	188	412	93	10,626
The Americas	4,346	1,685	45	3,763	2,674	301	23,082
Asia Pacific	26	24	2	18	32	3	280
Central and Eastern Europe	1,935	1,234	171	1,528	1,700	584	17,090
Western Europe	894	989	95	1,008	1,432	612	17,878
Total	7,693	4,460	399	6,505	6,250	1,593	68,956

Appendix 3: LA3

Life insurance

	Number of OpCos providing benefit
Full-time employees	39
Part-time employees	19
Temporary employees	16

Healthcare

	Number of OpCos providing benefit
Full-time employees	48
Part-time employees	19
Temporary employees	15

Disability coverage

	Number of OpCos providing benefit
Full-time employees	45
Part-time employees	20
Temporary employees	17

Parental leave

	Number of OpCos providing benefit
Full-time employees	53
Part-time employees	26
Temporary employees	18

Retirement provision

	Number of OpCos providing benefit
Full-time employees	47
Part-time employees	18
Temporary employees	11

Stock ownership

	Number of OpCos providing benefit
Full-time employees	14
Part-time employees	3
Temporary employees	1

Appendix 3: LA8

Number of OpCos that offer training or advice to employees, their immediate family or other community members of the following issues, which can lead to serious diseases

	Exercise	Smoking	Nutrition/Diet	Stress
Employees	31	24	29	31
Immediate family	12	11	12	12
Community members	2	2	2	2

Number of OpCos that offer the following assistance to employees, their immediate family and/or community members when diagnosed with serious disease

	Counselling	Treatment
Employees	38	34
Immediate family	22	17
Community members	2	3

Appendix 3: LA10

Training hours			
Category	Estimated hours for male employees	Estimated hours for female employees	Total training hours per category
Senior management	9.739	8.376	18.115
Middle management	17.401	109.699	127.099
Production employees	461.791	154.472	616.263
Other employees	388.243	129.869	518.112
Total	877.174	402.415	1.279.589
Category	Average training hours per employee		
Senior management	22		
Middle management	31		
Production employees	24		
Other employees	13		

Appendix 3: LA13

Breakdown by gender and category %

	Male	Female
Senior management	89	11
Middle management	77	23
Production employees	91	9
Other employees	75	25

Breakdown by age group and category %

	Under 30	30-50	Over 50
Senior management	0	75	25
Middle management	3	80	17
Production employees	25	56	19
Other employees	24	63	13

Breakdown by origin and category %

	Home country	Outside of home country
Senior management	77	23
Middle management	92	8
Production employees	99	1
Other employees	99	1

Appendix 4: List of Operating Companies

Region	Country	Operating Company/Business Unit
Africa Middle East	Algeria	Tango
Africa Middle East	Burundi	Brarudi
Africa Middle East	Democratic Republic of Congo	Bralima
Africa Middle East	Egypt	Al Ahram Beverages Company
Africa Middle East	La Réunion	Brasseries de Bourbon
Africa Middle East	Lebanon	Almaza
Africa Middle East	Nigeria	Consolidated Breweries
Africa Middle East	Nigeria	Nigerian Breweries
Africa Middle East	Rwanda	Bralirwa
Africa Middle East	Sierra Leone	Sierra Leone Brewery
Africa Middle East	Tunisia	Nouvelle de Brasserie 'Sonobra'
The Americas	Bahamas	Commonwealth Brewery
The Americas	Brazil	HEINEKEN Brasil
The Americas	Martinique	Brasseries Lorraine
The Americas	Mexico	Cuahtémoc Moctezuma
The Americas	Panama	Cervecerias Barú-Panama
The Americas	St. Lucia	Windward & Leeward Brewery
The Americas	Surinam	Surinaamse Brouwerij
The Americas	USA	HEINEKEN USA
The Americas	Export	Other export markets
Asia Pacific	Hong Kong	HEINEKEN Hong Kong
Asia Pacific	Japan	HEINEKEN Japan
Asia Pacific	Korea	HEINEKEN Korea
Asia Pacific	Singapore	HEINEKEN Far East
Asia Pacific	Taiwan	HEINEKEN Taiwan
Central and Eastern Europe	Austria	Brau Union International
Central and Eastern Europe	Austria	Brau Union Österreich
Central and Eastern Europe	Austria	Pago International
Central and Eastern Europe	Belarus	HEINEKEN Breweries
Central and Eastern Europe	Croatia	Karlovačka Pivovara
Central and Eastern Europe	Czech Republic	HEINEKEN Česká Republika
Central and Eastern Europe	Greece	Athenian Brewery
Central and Eastern Europe	Hungary	HEINEKEN Hungaria
Central and Eastern Europe	Poland	Grupa Żywiec
Central and Eastern Europe	Romania	HEINEKEN Romania
Central and Eastern Europe	Russia	HEINEKEN Breweries
Central and Eastern Europe	Serbia	United Serbian Breweries
Central and Eastern Europe	Slovakia	HEINEKEN Slovensko

Appendix 4: List of Operating Companies

continued

Region	Country	Operating Company/Business Unit
Western Europe	Belgium	Alken-Maes
Western Europe	Finland	Hartwall
Western Europe	France	HEINEKEN France
Western Europe	Ireland	HEINEKEN Ireland
Western Europe	Italy	HEINEKEN Italia
Western Europe	Netherlands	HEINEKEN Nederland (including Vrumona)
Western Europe	Portugal	Sociedade Central de Cervejas e Bebidas
Western Europe	Spain	HEINEKEN España
Western Europe	Switzerland	Fayrouz International
Western Europe	Switzerland	HEINEKEN Switzerland
Western Europe	UK	HEINEKEN UK
Global	Various	Head Office, Regional Offices, including export

Appendix 5: Independent Assurance report from KPMG

To the readers of the HEINEKEN Sustainability Report 2011

We were engaged by the Executive Board of Heineken N.V. ('HEINEKEN') to provide limited assurance on the HEINEKEN Sustainability Report 2011 (further referred to as 'The Report'). The Report, including the identification of material sustainability issues, is the responsibility of the company's management. Our responsibility is to issue an assurance report on The Report.

What was included in the scope of our assurance engagement?

Our engagement was designed to provide the readers of The Report with limited assurance on whether the information in The Report is in all material respects fairly presented in accordance with the reporting criteria described below. We do not provide assurance on the statements made in the video materials that are part of the Report.

Procedures performed to obtain a limited level of assurance are aimed at determining the plausibility of information and are less extensive than those for a reasonable level of assurance.

Which reporting criteria did HEINEKEN use?

HEINEKEN applies its own sustainability performance reporting criteria, derived from the Sustainability Reporting Guidelines of the Global Reporting Initiative (G3.1), as detailed in the '[Reporting basis](#)'. It is important to view the performance data in the context of this explanatory information. We believe that these criteria are suitable in view of the purpose of our assurance engagement.

Which assurance standard did we use?

We conducted our engagement in accordance with Standard 3410N 'Assurance engagements relating to sustainability reports' of the Royal Netherlands Institute of Registeraccountants. This Standard requires, amongst others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to understand the information in The Report, identify and collect the thereto related assurance information and that they comply with ethical requirements, including independence requirements.

What did we do to reach our conclusions?

We undertook, amongst others, the following procedures:

- performed a media analysis and internet search on environmental, safety and social issues relating to HEINEKEN, to obtain information on relevant sustainability issues in the reporting period;
- reviewed the systems and processes for information management, internal control and processing of the qualitative and quantitative information in The Report, at corporate level;
- reviewed the systems used for generating, validating and aggregating the environmental and safety data at corporate level;
- reviewed the results of audits performed at production units and operating companies by HEINEKEN Local and Global Audit;
- reviewed HEINEKEN Global Audit activities to determine the plausibility of the information in The Report;
- collected and reviewed internal and external documentation to determine whether the qualitative information is supported by sufficient evidence;
- assessed the reasonableness of the assumptions underlying the forward-looking statements set out in The Report;
- evaluated whether the information presented in The Report is in line with our overall knowledge of, and experience with, sustainability at HEINEKEN.

Appendix 5: Independent Assurance report from KPMG continued

During the assurance process we discussed changes to the various drafts of The Report with HEINEKEN, and reviewed the final version of The Report to ensure that it reflected our findings.

What is our conclusion?

Based on the procedures performed, as described above, the information in The Report does not, in all material respects, appear to be unfairly presented in accordance with the criteria described in 'Reporting basis'.

Amsterdam, 3 April 2012

KPMG Sustainability,
Part of KPMG Advisory N.V.
W.J. Bartels, partner

Reference Information

Let us know your thoughts

Which aspects of Brewing a Better Future are working well? Where do you think we could do better? We look forward to hearing your views and suggestions.

Sean O'Neill, Chief Corporate Relations Director
Vera Zandbergen, Manager Global Sustainable Development
Jan-Willem Vosmeer, CSR Manager

Responsibility@HEINEKEN.com

Heineken N.V.
P.O. Box 28
1000 AA Amsterdam
The Netherlands
Telephone +31 20 523 92 39
Fax +31 20 626 35 03
Internet: www.sustainabilityreport.HEINEKEN.com
Twitter: @HEINEKENCorp

See also: www.theHEINEKENCompany.com
www.enjoyHEINEKENresponsibly.com
www.HEINEKEN.com

Copies of the Summary Sustainability Report and further information are obtainable from the Global Corporate Relations department via www.theHEINEKENCompany.com

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Emma Robson/Media Wise

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John Wildgoose, UK
The packshot company Ltd, London HEINEKEN
Niels Hanssens, EUCORD

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