

Contents

The Big Picture		Appendix 1:	
CEO Foreword	01	GRI Reference Table	108
Perspective on progress	03	GRI Supplements: LA1	123
What we said and what we've done	04	LA2	124
Brewing a Better Future	06	LA3	126
Value chain	12	LA8	127
Stakeholder dialogue	14	LA10	128
Benchmarks and achievements	24	LA13	129
Accountability and assurance	26	EN 8 – 2013	130
		EN27	131
Protecting water resources	28	Appendix 2:	
Why this is important	29	Reporting basis	132
Our priorities	30		
Actions and results	31	Appendix 3:	
Case studies	35	Environmental data on production units	136
Reducing CO₂ emissions	38	Appendix 4:	
Why this is important	39	List of Operating Companies	141
Our priorities	40		
Actions and results	41	Reference information	143
Case studies	51		
Sourcing sustainably	57		
Why this is important	58		
Our priorities	59		
Actions and results	60		
Case studies	67		
Advocating responsible consumption	73		
Why this is important	74		
Our priorities	75		
Actions and results	76		
Case studies	82		
Values and behaviours	89		
Our values	90		
Health & Safety	91		
Healthcare and well-being	94		
Integrity	96		
Employees' and human rights	97		
Developing our people	99		
Investing in our communities	100		
Creating economic and social impact	103		
Case studies	104		

The big picture

CEO Foreword



Jean-François van Boxmeer, Chairman of the Executive Board/CEO

150 years ago, Gerard Adriaan Heineken founded our Company. From day one he was driven by the desire to create a business that was both successful and sustainable. A visionary, his focus was on creating a high-quality beer that tasted the same wherever it was enjoyed and on conducting business in a way that had a lasting and positive impact on society.

The city of Amsterdam benefited significantly from his decision to start a business in his home town. He built employee housing, invested in social programmes and helped to make Amsterdam a centre for culture. He was also a pioneer in engaging with stakeholders, listened to residents' concerns about the noise and smell of his brewery and took the decision to relocate it from the centre of town to the outskirts of the city.

Creating shared value

Fast forward 150 years and the values on which HEINEKEN was built remain at the core of how we think and conduct business. Nothing demonstrates this better than 'Brewing a Better Future', our **long-term approach** to sustainability and one of our key operational priorities for the business.

Its aim is to create shared value across all of our stakeholders by focusing on the delivery of concrete commitments in four areas that we can directly impact through our operations:

- Protecting water resources
- Reducing CO₂ emissions
- Sourcing sustainably
- Advocating responsible consumption.

HEINEKEN is a global company that spans many industries – agriculture, manufacturing, hospitality, and transport to name just a few. Our focused approach creates a strong platform for meaningful engagement and sharing ideas across all our stakeholders. This engagement is beginning to stimulate new ideas and thinking that have a clear, positive impact on our business and for society – our local sourcing initiatives in Africa and our highly differentiated approach to advocating responsible consumption are just two examples.

Making progress

As you read this report, you will see that we are making progress - not only against **our 2015 goals** - but also towards the ambitious **targets we have set for 2020**. I am particularly pleased that despite a disappointing financial and operational performance in 2013, we maintained our momentum in relation to the delivery of these long-term commitments.

CEO Foreword continued

We again reduced our average water consumption to 4.1 hectolitre water per hectolitre of beer, cider, soft drinks and water. On a community level, we remain on track for our breweries in water stressed areas to complete their [Source Water Vulnerability Assessment](#) and to put in place Source Water Protection Plans that will help us meet our water compensation target.

We reduced the CO₂ emissions in our breweries further and have now achieved a 26% reduction since 2008, driven in 2013 to a large degree by increased energy efficiency and the use of renewable energy sources.

We have increased our local sourcing of raw materials in Africa to approximately 46% - our target is 60% by 2020 - and in 2013 we started three new [Public-Private Partnership](#) projects in Ethiopia, Rwanda and Sierra Leone linked to this commitment.

Advocating Responsible Consumption also took a major step forward with the development of the Heineken® brand's [Dance More, Drink Slow](#) campaign. This is the second campaign in our approach to make moderate drinking aspirational. It is a unique approach but one that we believe is the best way to impact consumer behaviour. On an industry level too we saw good progress against the [global commitments](#) with KPIs, reporting and monitoring standards agreed and established.

On a less positive note however, it remains a matter of deep regret and sadness that nine people lost their lives in 2013 working with or for our Company. This is a reduction compared with 2012 but it remains unacceptable. The families and friends of those individuals have my deepest condolences. Over the last two years, regardless of location, we have put in place plans aimed at reducing accidents and fatalities through better practices and behavioural change. Both are essential to make genuine, lasting progress.

Looking forward: turning challenges into opportunities

Looking forward, we are much better positioned to confront some of the unprecedented economic, societal and climate changes under way across our planet. These changes are giving rise to major challenges such as greater income disparity, high levels of youth unemployment, water shortage and urbanisation. It is clear that there is no single answer to any one of these critical issues and that no single entity can alone provide a solution.

However, I believe that we have a responsibility to think about how we can turn these challenges into opportunity. It is a tough task but we have little option if we are to leave a stronger, better society for future generations. In 1864, Gerard Adriaan Heineken recognised this. He faced issues and worked with others to take action. We are doing the same now.

I am confident that through the combined will and endeavour of our 85,000 employees, our business partners and the growing number of NGOs and experts with which we engage we will continue to report positive, if not always perfect, progress.

Please enjoy the report and as always I encourage you to share your opinions on where you think we are performing well and where we need to do more.

Jean-François van Boxmeer
Chairman of the Executive Board/CEO
Amsterdam, 10 April 2014

The big picture

Perspective on progress

“2013 was a year of transition enabled by progress.”

Sean O'Neill, Chief Corporate Relations Officer



2013 marks the start of the next chapter in our sustainability journey. Our strong foundations enabled us to think about a more focused, deeper agenda for the future together with our stakeholders. We identified four key areas where we can make the biggest difference: *Protecting water resources, Reducing CO₂ emissions, Sourcing sustainably and Advocating responsible consumption*. There are now a total of 11 targets across these areas. Each area has a **2020 target with the next three-year milestone in **2015**.**

Given that Sustainability is one of our key business and operational priorities, we have strengthened its governance. We have established a **Corporate Affairs Committee** that will oversee and challenge our sustainability progress. The Committee, which is chaired by our CEO, ensures the delivery of our plans and has established clear, functional ownership and alignment across the business.

We have managed to remove some of the previous terminology that created clutter in order to make it easier for our people and our external stakeholders to understand what HEINEKEN is really doing. This more focused agenda has allowed us to create a more understandable Sustainability Report. Understanding our sustainability objectives better makes it easier for everyone to do their part.

Changes to our geographic footprint in 2013 will also impact our sustainability agenda. Our acquisition of Asia-Pacific Breweries (APB) means further integrating 17 Operating Companies, a complex process but one that is well under way. As 2013 is the first full year of consolidation, we included the performance of our newly acquired operations in the overall results. The small number of indicators that these operations have not yet reported are highlighted in the report. Overall, the performance of APB in 2013 had a slightly negative impact on our water and CO₂ performance, but a relatively positive influence on our safety performance. Additionally our decision to build a **greenfield brewery in Myanmar** means a complete implementation of our global approach to employees' and human rights and our Supplier Code.

There is no doubt that we are moving closer to the targets we set for 2020 in each of the four focus areas, and to the 2015 milestones that help keep us on track. Many objective, external indicators also confirm we are making progress. We achieved our **highest ever scores** in the Dow Jones Sustainability Index, Carbon Disclosure Project, Responsible Supply Chain Benchmark and Dutch Transparency Benchmark. Alongside this, our 2012 Sustainability Report was recognised as the year's best report by Ethical Corp. Additionally, we received a significant number of **awards and recognitions** for many of our initiatives.

But we recognise that we still have a long way to go. The world is facing unprecedented global challenges such as population growth, climate change, access to natural resources, and food and water scarcity. These challenges will directly and indirectly impact all businesses, not only HEINEKEN. That is why we need both to understand and act to mitigate the impact of these risks across all stakeholders. It is our belief that there is genuine economic and social opportunity for all our stakeholders when we as a business successfully address these issues.

This report reflects how we are putting our resources and energy behind finding that success.

The big picture

What we said and what we've done



In order to meet our 2020 ambition the journey on each commitment is broken down into both three-year milestones (the next being at the end of 2015) and one-year deliverable targets.

In this overview you will find the 2015 milestone we are trying to reach plus the progress we have made against each milestone in 2013.

Focus area	What we said we will do by 2015	What we've done in 2013
Water 	Reduce our specific water consumption in the breweries to 3.9 hl/hl ¹	On track Water consumption decreased to 4.1 hl/hl. (Without newly acquired sites efficiency would have been 4.0 hl/hl) 
	100% of our production units ² in water-scarce and distressed areas will have a Source Water Protection Plan	On track Ten (43%) of our production units have drafted a Source Water Protection Plan 
CO₂ 	Reduce CO ₂ emissions in production by 27% ³ (equivalent to CO ₂ -eq/hl)	On track CO ₂ emissions reduced from 8.4 kg CO ₂ eq/hl in 2012 to 7.7 kg CO ₂ eq/hl in 2013. This is a reduction of 26% compared with the baseline year 2008 (without newly acquired sites reduction would have been 7.3 CO ₂ -eq/hl / 30%) 
	Reduce the CO ₂ emissions of our fridges by 42% ⁴	On track 99% of the 116.000 fridges that HEINEKEN purchased in 2013 were 'green'. The average reduction of CO ₂ emissions has improved from 38% to 40% in 2013, compared with the baseline year 2010 

¹Baseline 2008

²Twenty-three production units

³Baseline 2008

⁴Baseline 2010

The big picture

Brewing a Better Future

Approach, focus and commitments

Brewing a Better Future is HEINEKEN's long-term approach to creating shared, sustainable value: for our Company, for society and for the planet. It forms the basis of the sustainability priority within the Company's global strategy.

Launched in 2010, Brewing a Better Future focuses on four key areas where we can make the biggest difference: Protecting water resources, Reducing CO₂ emissions, Sourcing sustainably and Advocating responsible consumption. Each of these areas is highly relevant to our day-to-day business operations, and to our stakeholders.



Brewing a Better Future continued

Each focus area is underpinned by clear commitments that state our ambitions for 2020 with three-year milestones to be achieved by 2015. Our 2020 commitments:



Protecting water resources

- Reduce specific water consumption in the breweries by 25%¹ to 3.7 hl/hl
- Aim for significant water compensation/balancing by our production units in water-scarce and distressed areas.



Reducing CO₂ emissions

- In production by 40%²
- Of our fridges by 50%³
- Of distribution by 20%⁴ in Europe and the Americas.⁵



Sourcing sustainably

- Aim for at least 50% of our main raw materials from sustainable sources⁶
- Deliver 60% of agricultural raw materials in Africa via local sourcing within the continent
- Ongoing compliance with our Supplier Code procedure.



Advocating responsible consumption

- Make responsible consumption aspirational through Heineken®
- Every market in scope⁷ has and reports publicly on a measurable partnership aimed at addressing alcohol abuse
- Deliver **global industry commitments**.

¹Baseline 2008

²Baseline 2008

³Baseline 2010

⁴Baseline 2011

⁵Scope is WE, CEE and Americas, 23 of our largest operations: Belgium, Finland, France, Ireland, Italy, Netherlands, Portugal, Spain, Switzerland, UK, Austria, Belarus, Croatia, Czech Republic, Greece, Hungary, Poland, Romania, Russia, Serbia, Slovakia, Brazil, Mexico, USA

⁶Based upon volume, in scope are barley, hops, cider apples, fruit concentrates, sugar, rice, sorghum, wheat, maize

⁷Out of scope are Islamic markets and small export markets where we don't have staff or a presence

Brewing a Better Future continued

Defining our priorities – materiality analysis

The Brewing a Better Future priorities have been defined in conversation with our **stakeholders**. To help us in our assessment we hosted a series of ‘expert meetings’ in 2012 and we continued with a new series of meetings in 2013.

These dialogue sessions are instrumental in helping us to build – and monitor – a prioritised materiality matrix containing the issues, risks and opportunities that are most relevant to our business and stakeholders.

Other sources we use are the results of our annual reputation research, global trend reports, benchmarks and ongoing internal risk analysis.

We use the following criteria to help us judge if something is material:

- Does this issue have a significant current or potential impact on our Company?
- Is this issue of significant concern to our stakeholders?
- Do we have a reasonable degree of control over this issue?



Brewing a Better Future continued

Link with Business Strategy



Sustainability is one of the six key priorities in our Strategy to Win. Our focus is to further embed and integrate sustainability within HEINEKEN, creating real sustainable value for all our stakeholders and enable the Company to achieve its other five business objectives:

Grow the Heineken® brand

The Heineken® brand is a key strategic asset and the undisputed leader in the international premium segment (IPS).

Read more: [Making responsible consumption aspirational through the Heineken® brand, case study 'Dance More, Drink Slow'](#)

Consumer-inspired, customer-oriented and brand-led

HEINEKEN is committed to being part of the conversation with consumers and being recognised as the preferred partner for its customers.

Read more: [Value chain, Case studies section 'Advocate responsible consumption', case study 'A cool way to combat global warming'](#)

Capture the opportunities in emerging markets

HEINEKEN has transformed its emerging market presence in recent years through a clear acquisition strategy, strong organic growth and our excellent joint venture partnerships.

Read more: [Perspective on progress, Local sourcing, Investing in our communities, Creating economic and social impact, Healthcare and well-being](#)

Leverage the benefits of HEINEKEN's global scale

HEINEKEN is investing in new business initiatives aimed at better leveraging the global scale of its operations.

Read more: [Supplier Code governance, case study 'How HEINEKEN and EcoVadis help suppliers become more sustainable', Sustainable sourcing of agricultural materials, Employees' and human rights](#)

Drive personal leadership

HEINEKEN employs more than 85,000 people in more than 70 countries. As our business continues to grow in scale and complexity, people are our main source of competitive advantage.

Read more: [Developing our people](#)

For more information about the six business priorities and 2013 performance highlights read our online [2013 Annual Report](#).

Brewing a Better Future continued

Global governance

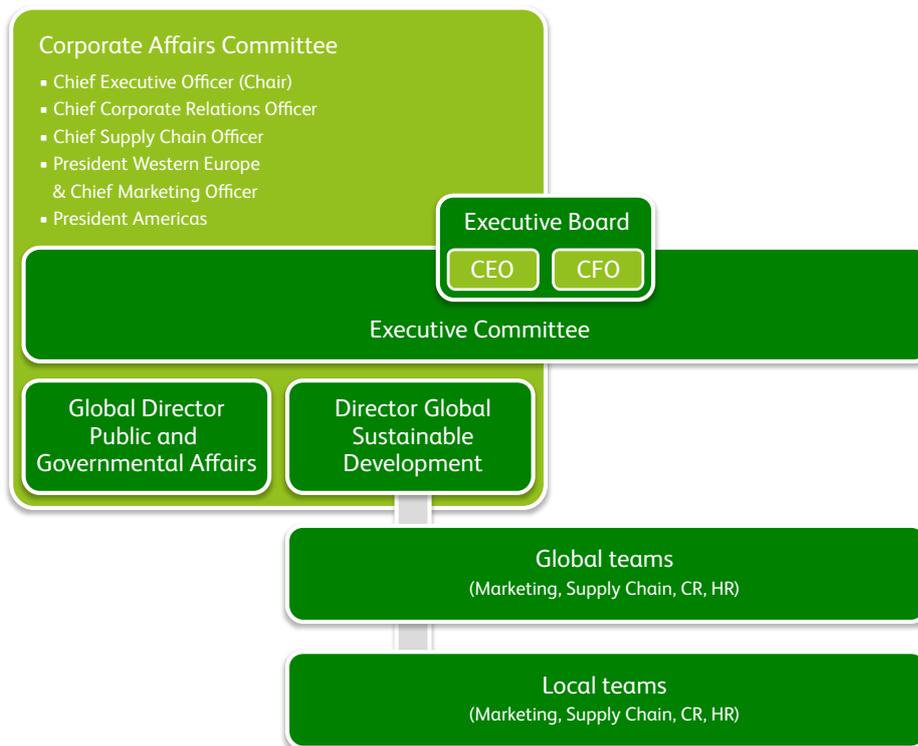
Our governance model for Brewing a Better Future covers both global and local levels.

In 2013, we updated our sustainability governance model at global level. A Corporate Affairs Committee (CAC) was formed to oversee a range of corporate areas, including sustainability. The CAC is chaired by our CEO supported by other executive members: the Chief Corporate Relations Officer, Chief Supply Chain Officer, President Western Europe & Chief Marketing Officer, President Americas. The Group is supported by expert input from specialists. The Committee is responsible for delivery of our plans and establishing clear functional ownership and alignment across the business.

On a day-to-day basis, Brewing a Better Future is governed by a global team of representatives from the Supply Chain, Marketing, HR, Control & Accounting and Corporate Relations functions. The team is 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 Corporate Affairs Committee and on the agenda of every management team in our Operating Businesses.

At a local level, each Operating Company has its own three-year plan and a local sustainability committee responsible for its execution. It is this market-based approach that we believe is fundamental to success.

Global governance



Building sustainability into performance plans

Sustainability remains an ongoing part of the performance plans of HEINEKEN's senior management. It is one of the five merit areas for senior managers in their Annual Performance Appraisal.

In 2013, almost 75% of senior managers had an objective based on sustainability. The basis for the objective-setting is the four focus areas and the values and behaviours, which have been created as objectives for each Operating Company and function.

The Executive level of the Company has objectives related to **stakeholder dialogue** and acting as both an internal and external sustainability ambassador. For the Executive Board members, an element of their discretionary incentive, decided by the Supervisory Board, has also been linked to the success of Brewing a Better Future and progress on sustainability.

Brewing a Better Future continued

Measurement and reporting

Brewing a Better Future is one of the six Company strategic priorities. It therefore forms part of the Company Scorecard used for measuring progress on each of these priorities.

Progress on these objectives is measured and reported as part of the quarterly business cycle and appraised once a year.

This is done via a dedicated measurement system called 'Green Gauge'. The system measures progress on each commitment across all HEINEKEN companies and allows us to assess delivery by commitment, Operating Company, region, function and global company.

Upgraded in 2012, the Green Gauge system uses a simple traffic light approach to indicate performance in 17 key areas and indicates whether an objective is on target, near target or off-target. These results are shared with Operating Company general managers, regional presidents, and the [Corporate Affairs Committee](#) as standard agenda items.

In addition to its consolidated global report, in 2013 HEINEKEN published 39 local sustainability reports or fact sheets (up from 33 reports in 2012, 27 in 2011, and 21 in 2010). Through the local reports we document the variety of sustainability processes and initiatives that are emerging locally and that are shaping our global thinking about sustainable development. They are also an effective platform for local stakeholder dialogue. All local 2012 reports can be viewed on our [website](#).



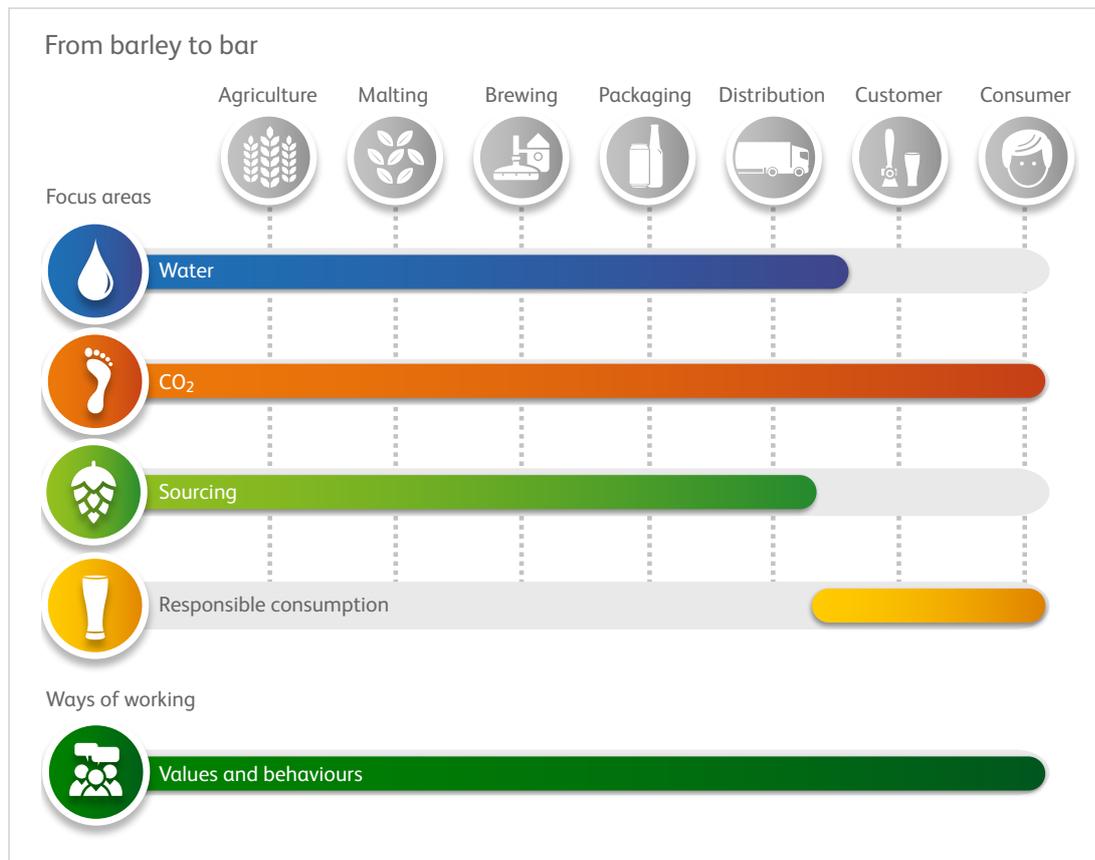
The big picture

Value chain

Our approach to sustainability covers the entire value chain ‘from barley to bar’. It means that from the point at which the barley and hops are planted through to the point at which the consumer has enjoyed their beverage and disposed of the packaging, we have considered how to improve the sustainability of each step.

Procurement continues to be an area of increasing importance. In 2013, we added a dedicated manager for global procurement activities related to sustainability in order to support, challenge and work with our key suppliers in relation to sustainability. We continue to have dedicated sustainability managers in Supply Chain and Marketing.

We target improvements throughout our value chain, from barley to bar



Agriculture

Our main raw materials are barley and hops. In addition, mainly in the UK, we use bittersweet cider apples for cider-making. Nearly 30% of the total UK apple crop is used by HEINEKEN to make its ciders. We also use other raw materials such as maize, rice, sorghum, sugar and apple juice concentrate. Barley for malting represents about 1.3% of all grain harvested globally. Grains (barley, wheat, corn) are grown in rotating harvest schedules. Other crops grown in the harvest schedules may include rapeseed, sunflower and others. HEINEKEN is one of the world's top three users of malting barley.

HEINEKEN, along with more than 50 other leading companies, is a member of the [Sustainable Agriculture Initiative \(SAI\)](#). The SAI Platform is the only global food industry initiative for sustainable agriculture, with the overall aim to support the production of safe, high-quality agricultural products, in a way that protects and improves the natural environment, the social and economic conditions of farmers, their employees and local communities, and safeguards the health and welfare of all farmed species.

In Africa, local sourcing is a major priority for us. Sourcing crops locally creates shared value in several ways: as a company, we reduce transport costs; environmentally, we reduce the travel distance of crops with less imports; and the local communities become financially empowered and independent with improved livelihoods, jobs and income. [See case study.](#)

Value chain continued

Malting

We malt barley in our own malteries and also buy malt from third parties. Malting consumes energy and water and necessitates transport. We implement energy and water reduction programmes in our own malteries and engage our suppliers in discussions in relation to their usage. Where feasible we switch from road to shipping when transporting barley and malt.

Brewing, cider-making and soft drink production

Each of these processes consumes energy and water. Reducing energy and water consumption means increasing energy and water efficiency and switching to other more environmentally friendly energy sources where feasible. Energy and water reduction is achieved by optimising the production processes. Each brewery, cider mill and soft drink production site has a specific target and we have an interactive, best-in-class IT system that allows us to share good practices between them.

Packaging material

Our products are packed in cans, bottles and kegs, in the case of beer sold as cellar beer. Improving the impact of packaging can be achieved by optimising the production of the packaging, changing the design and increasing the recycling and re-use rate. In 2012, we conducted an environmental performance assessment with five global suppliers of beverage cans and seven global suppliers of glass bottles. The gaps identified in these assessments, with HEINEKEN's 2020 sustainability targets providing direction, will result in the creation of improvement plans with those suppliers in 2014. An example of our packaging improvement initiatives can be seen in [this case study](#).

Distribution

All our products need to be transported to our customers using several modes of transport, including road, rail and ocean freight as well as inland barges. Wherever we can, we optimise the distribution by changing the form of transport, training drivers, using more efficient engines, improved design of vehicles and re-assessment of distribution networks.

Customers

Most of our beers and ciders are consumed cold and thus cooled at the point of consumption via fridges (beer in bottles, cans or smaller kegs) or draught equipment (for beer in kegs). For new fridges purchased by HEINEKEN across all its brands, we have defined green standards with which they have to comply. Each year the standards are adjusted to ensure that we continue to progress towards our 2020 goals. In addition, we continue to develop greener draught equipment such as the David (XL) Green in recent years and the SmartDispense® system in 2013. [See case study](#).

Consumers

Our consumers have a large role to play in sustainability via the responsible consumption of our brands. Accordingly, advocating responsible consumption is a key part of our Brewing a Better Future approach. We have a clear set of standards and rules for responsible commercial communication, covering both offline and online communication. In the last two years we have pioneered the creation of advertising that makes responsible consumption aspirational for consumers. In 2013, we committed to invest 10% of our media spend in key markets on the Heineken® brand to support this campaign. The two campaigns – 'Sunrise' and the new 'Dance More, Drink Slow' (in partnership with world-famous DJ Armin van Buuren) are leading-edge examples of our commitment to this vital area. [See case study](#).

We also actively engage partners including other companies, NGOs and governments to assist us in reaching people and increasing the effectiveness of the message. As an industry, we have put in place a [set of binding commitments](#) aimed at reducing alcohol-related harm.

The big picture

Stakeholder dialogue



Crucial to our Brewing a Better Future journey are our stakeholders. They help us to stay focused and tell us when they feel we are moving off-track. We communicate and engage with stakeholders in three ways: reputation research, expert meetings and ongoing stakeholder dialogue.

Reputation research

In 2013, we completed our largest ever reputation research cycle, talking to more than 7,000 stakeholders across 31 markets. Our annual Reputation Research survey covers 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. It focuses on seven key dimensions, one of which is 'responsible and sustainable'.

Outcomes are used for assessing materiality, analysing gaps and related action planning, at a global and local level.

Expert meetings

For the second time since we began Brewing a Better Future, a broad group of stakeholders, including scientists, peers, suppliers, government and NGOs met with our internal specialists to share knowledge and insights on our sustainability performance and where we can improve in key areas.

Each meeting was dedicated to one of the four focus areas, with the objective to:

1. Get feedback on strategy, commitments and progress
2. Share opportunities and dilemmas
3. Discuss trends and innovation.

Ongoing stakeholder dialogue

We maintain an ongoing dialogue with a wide range of stakeholders at both a global and local level.

In 2013, all of our Executive Committee members¹ actively participated in senior-level stakeholder meetings with relevant external stakeholders, including the World Trade Organization, World Economic Forum, Dutch Sustainable Growth Coalition and ministers and members of national and European parliaments amongst a great many others. For a complete overview of our global stakeholder dialogue, see the next section.

In addition to global stakeholder dialogue, our Operating Companies are engaged in regular conversation with key local stakeholders. This input is used as the basis to refine the local sustainability action plans.

Thirty-nine Operating Companies published a sustainability report or fact sheet, up from 33 the previous year. We believe it not only increases our public accountability and demonstrates our genuine commitment to transparency, but also creates a strong platform for engaging with local stakeholders.

¹With the exception of our Chief Strategy Officer who started his role in August 2013

Stakeholder dialogue continued

Our stakeholder groups



Governments

At a corporate level we continue to engage with international organisations and government stakeholders to discuss our investments, our business strategy and our determination to be a sustainable business by addressing issues such as alcohol abuse or water consumption. Our participation in the [European Alcohol & Health Forum](#) is an example of this government-level engagement. We also have ongoing dialogue in markets with national government stakeholders across a range of issues, from our efforts to combat alcohol abuse through local partnerships to employment and environmental issues or our contribution to the local economy.

Suppliers

During 2013, we engaged with our key barley (mainly France), hops (US and Germany) and cider apple (UK) suppliers on sustainable sourcing practices. We continued working together with our key glass and can suppliers to reduce emissions in the design and production of our packaging. We significantly increased the number of suppliers participating in the [EcoVadis assessment](#): almost 750 suppliers have now gone through the entire assessment, identifying areas for improvement.

NGOs and international organisations

Throughout 2013, we had an ongoing dialogue with NGOs on a wide range of topics, including CO₂ reduction, water stewardship, human rights and animal rights. These NGOs included [Greenpeace](#), [WWF](#), [Amnesty International](#), [Human Rights Watch](#) and [The Humane Society](#). A selection of NGOs was also consulted via our expert meetings. For more feedback on specific issues, please check the [Employees' & Human Rights Policy section](#).

Stakeholder dialogue continued

Investors

As a listed company, we maintain regular dialogue with shareholder groups and regulators, e.g. the [Dutch Association of Investors for Sustainable Development \(VBDO\)](#) and the [Guilé Foundation](#). We are also in routine contact with [Eumedion](#)¹ and other investor groups on a variety of governance and regulatory issues. This is done through a combination of meetings, correspondence, the Annual General Meeting and focused discussions on specific topics or issues. We see a growing number of investors and analysts include sustainability considerations within their decision-making process. In June 2013, we organised – for the first time – an Investors Conference in Paris fully dedicated to our Brewing a Better Future agenda.

Employees

In 2013, employees in 16 Operating Companies were invited to take part in the HEINEKEN Climate Survey. More than 85% of invited employees responded and shared their opinion about working at HEINEKEN. The survey assesses the working climate on 11 different dimensions, including personal development, direction and alignment, the relationship between employees and their managers and customer orientation. Safety questions were included for the second time in this year's survey. The results are used for action planning on a local level and shared with employees through 'TeamTalk' dialogue sessions. This year it was optional for Operating Companies to participate. In 2014, the mandatory HEINEKEN Climate Survey will be conducted for all Operating Companies worldwide.

Employee representatives

We maintain strong links with employee representatives. In Europe, we have regular, formal meetings with both European and local HEINEKEN Works Councils. In addition, we hold meetings and discussions with European unions such as EFFAT (European Federation of Food, Agriculture and Tourism Trade Unions) and local trade unions such as the Dutch FNV, CNV, De Unie and MHP HEINEKEN. Alongside key operational and employment issues, subjects discussed in 2013 included our strategic priorities and our refocused Brewing a Better Future sustainability agenda. A committee of [The Social and Economic Council of the Netherlands \(SER\)](#), the main advisory body to the Dutch Government and the Parliament on national and international social and economic policy, visited HEINEKEN's head office to engage in a dialogue about human rights and related due diligence. Several union federations are represented in the SER and on this specific committee, which focuses on international corporate social responsibility.

Consumers

Consumers are at the heart of our business. We measure their attitudes towards our brands on several levels, including how responsible they perceive Heineken® to be in relation to other brands in their local market. The questions include how responsibly the brand is perceived to act towards the environment and natural resources and how it encourages responsible consumption. In more than 90% of the monitored countries Heineken® is perceived to be on par or above average in relation to competing brands.

Industry associations

In 2013, we continued our significant highly active involvement with a large number of industry platforms and roundtables, including [Green Freight Europe](#) and the Beverage Industry Environmental Roundtable (BIER). For more information see:

- [Working with partners](#)
- [Partnerships in responsible consumption](#)

¹ Eumedion is the forum and source for corporate governance and sustainability

Stakeholder dialogue continued

What our stakeholders told us; how we responded

Our 2013 Reputation Research shows a continued and positive overall reputation for the HEINEKEN Company:

- A high level of trust by the majority of our stakeholders
- Admired for our strong brands, marketing and brewing expertise
- Seen as a company that takes its responsibility
- Seen as a well-performing and successful business with a clear purpose
- Appreciated for the relationships we build
- Strong employees who are respected and seen as good ambassadors for the Company.

Ongoing stakeholder dialogue has also identified challenges and opportunities for improvement. This is what we heard and did in response:

“Further enhance the responsible consumption agenda”

How we responded:

- We invested in and launched the next phase of our commitment to make the Heineken® brand the platform for making responsible consumption more aspirational: ‘Dance More, Drink Slow’
- We actively engaged with 12 other global alcohol companies in preparing and implementing our [collective commitments](#) to help reduce harmful drinking
- 36 markets now have a partnership relating to responsible consumption
- We joined fellow members of the Brewers of Europe to formulate and develop a project to address road safety in Europe: SMART.

“Improve the communication of current sustainability initiatives”

How we responded:

- 39 of our markets published a local sustainability report or fact sheet (up from 33 in 2012)
- Almost all Operating Companies in scope had a formalised stakeholder dialogue performance target
- We initiated an Investors conference solely focusing on our Sustainability Journey
- We issued 22 tweets about Company-wide sustainability efforts through @HEINEKENCorp
- We facilitated three senior-level media interviews around our sustainability efforts
- We have been present at more than [10 major sustainability-related conferences](#).

“Show more leadership in the environmental area”

How we responded:

- We continue to develop even greener draught equipment such as the SmartDispense® system
- We co-developed a [world-class beverage cooler](#), which is 80% more energy efficient than related beverage coolers from 2010
- We were recognised in the category of ‘Best environmental sustainability initiative of the year’ at the Canadean International Beer Awards in Prague for The David XL Green draught beer cooling system. Launched in 2012, the system has now been rolled out to 18 HEINEKEN territories.

“Increase visibility and leadership of local management teams on key issues”

How we responded:

- We joined a multi-stakeholder consortium in Mexico to establish the [Monterrey Metropolitan Water Fund](#)
- We joined a [Public-Private Partnership](#) in Ethiopia to ensure long-term water availability for the region of Harar
- We started [three new Public-Private Partnership projects](#) on local sourcing in Ethiopia, Rwanda and Sierra Leone.
- All of our Executive Committee members¹ actively participated in senior-level stakeholder meetings with relevant external stakeholders

“Employees’ and Human Rights”

See the ‘Human Rights & Other Issues’ section on how we responded on specific topics.

¹With the exception of our Chief Strategy Officer who started his role in August 2013

Stakeholder dialogue continued

Working with partners

In 2013, we were actively involved at a global level in a significant number of organisations in order to further our aims for both business and society. Among the most notable are:

Organisation	Activities
<p>AIM-PROGRESS</p> 	<p>AIM-PROGRESS is a forum of consumer goods manufacturers and suppliers assembled to enable and promote responsible sourcing practices and sustainable production systems</p>
<p>World Economic Forum (WEF)</p> 	<p>We are an Industry Partner of the WEF. We are involved in three working groups: New Vision for Agriculture, Water Management and the Wellness Alliance</p>
<p>The Clinton Global Initiative (CGI)</p> 	<p>The mission of the CGI is to turn ideas into action; it convenes global leaders to create and implement innovative solutions to the world's most pressing challenges</p>
<p>Green Freight Europe</p> 	<p>HEINEKEN is a founding member of this innovative multi-industry-led initiative focused on reducing the environmental impact of European road transport</p>
<p>The Dutch Sustainable Growth Coalition</p> 	<p>The members of this coalition have committed themselves to proactively drive and promote sustainable growth business models</p>
<p>Global Reporting Initiative (GRI)</p> 	<p>Promotes the use of sustainability reporting as a way for organisations to become more sustainable and contribute to sustainable development</p>
<p>The Sustainable Agriculture Initiative platform (SAI)</p> 	<p>The main food industry initiative supporting the development of sustainable agriculture worldwide</p>
<p>Private Investors in Africa (PIA)</p> 	<p>A business coalition that aims to harness business knowledge to contribute tangibly and effectively to the continent's future</p>
<p>The European Roundtable</p> 	<p>A leading group of 50 European industrialists committed to economic advancement across Europe. HEINEKEN's CEO, Jean-François van Boxmeer, is a member of the Steering Committee</p>

Stakeholder dialogue continued

Organisation

Activities

Beverage Industry Environmental Roundtable (BIER)



A partnership of global beverage companies, which focus on water stewardship, energy and climate change and stakeholder engagement

The European Cooperative for Rural Development (EUCORD)



An NGO that – in co-operation with HEINEKEN and other private sector companies – helps people living in poverty in developing countries improve their well-being

The Stop TB Partnership



A collective force that is transforming the fight against tuberculosis (TB) in more than 100 countries

European Organization for Packaging and the Environment (EUROPEN)



An industry and trade organisation open to any company with an economic interest in packaging and packaged products. It presents the opinion of the packaging value chain on topics related to packaging and the environment

International Center for Alcohol Policies



ICAP is a not-for-profit organisation, supported by major producers of beverage alcohol. Its goal is to promote understanding of the role of alcohol in society, help reduce the abuse of alcohol worldwide, and encourage dialogue and pursue partnerships involving the beverage alcohol industry, governments, the public health community, and others interested in alcohol policy

Global Alcohol Producers Group (GAPG)



Provides a channel for the leading alcohol beverage companies for dialogue and advocacy with the World Health Organization (WHO), member state governments and other governmental and non-governmental stakeholders on health issues and potential solutions involving harmful drinking

The Consumer Goods Forum (CGF)



A global, parity-based industry network, driven by its members. It brings together the CEOs and senior management of more than 400 retailers, manufacturers, service providers and other stakeholders across 70 countries and reflects the diversity of the industry in geography, size, product category and format

World Federation of Advertisers (WFA)



WFA is the only global organisation representing the common interests of marketers. It brings together the biggest markets and marketers worldwide, representing roughly 90% of global marketing communications spend. WFA champions responsible and effective marketing communications

Clean Cargo Working Group



The Clean Cargo Working Group is a global business-to-business initiative made up of leading cargo carriers and their customers, dedicated to environmental performance improvement in marine container transport through measurement, evaluation, and reporting

Stakeholder dialogue continued

Organisation	Activities
<p>UN Global Compact LEAD</p>  <p>United Nations Global Compact</p>	<p>Recognises the critical need to support UN Global Compact members in achieving higher levels of corporate sustainability performance. HEINEKEN was a founding member¹</p>
<p>FoodDrinkEurope</p> 	<p>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</p>
<p>Future Fuel Program</p> 	<p>In 2012, HEINEKEN joined Dutch airline KLM and biofuel supplier SkyNRG as launching customer of the 'Future Fuel Programme' to co-fund the development of sustainable jet fuel. The initiative is supported by World Wide Fund for Nature Netherlands</p>
<p>GBCHealth</p>  <p>GBCHealth</p>	<p>GBCHealth serves as a hub for private sector engagement on the world's most pressing global health issues. Since 2001, GBCHealth has worked with members – individually and in partnership with one another – to tackle the challenges of HIV/AIDS, tuberculosis, malaria, diabetes and other health issues facing the workplace and communities where business is conducted</p>

¹ Although we strongly support LEAD, we decided to end our membership starting 2014

Stakeholder dialogue continued

United Nations Global Compact

HEINEKEN has been a signatory to the UN Global Compact (UNGC) since 2006. The UNGC is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with **10 universally accepted principles** in the areas of **human rights, labour, environment** and **anti-corruption**. By doing so, business, as a primary driver of globalisation, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere. Launched in 2000, it now has more than 10,000 participants from 130 countries. 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.



United Nations Global Compact

HEINEKEN Support for the Global Compact 10 Principles

UNGC Principles	HEINEKEN approach	Where to find out more
Human Rights		
<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p>	<p>From 1 January 2012, HEINEKEN has a formal global Employees' & Human Rights Policy in place. Communication and rollout of the policy took place in 2012. An e-learning module 'Employees' & Human Rights' is available in our Sustainability Academy.</p> <p>Since 2013, the Employees' and Human Rights Policy has become an underlying policy of the Code of Business Conduct.</p> <p>Twenty-one out of 68 Operating Companies have finished the implementation process in 2013.</p> <p>In 2013, we announced our re-entry into Myanmar via a greenfield brewery. We have engaged with key political and civil society stakeholders to ensure we fully understand the potential challenges of operating in the country. The new company will implement our Employees' & Human Rights Policy.</p>	<p>Employees' & Human Rights Policy</p> <p>Values and behaviours – Employees' and human rights</p>
Labour		
<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: the elimination of all forms of forced and compulsory labour;</p> <p>Principle 5: the effective abolition of child labour; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>	<p>HEINEKEN upholds the UNGC principles 3, 4, 5 and 6 regarding labour rights through the HEINEKEN Employees' & Human Rights Policy. We maintain strong links with employee representatives at both international and local level.</p> <p>The HEINEKEN Supplier Code, applicable to all our suppliers, provides clear guidelines for how we expect them to act in the areas of Integrity and Business Conduct, Human Rights, and the Environment.</p>	<p>Employees' & Human Rights Policy</p> <p>Values and behaviours – Employees' & human rights</p> <p>GRI table – Social: Human Rights</p> <p>Supplier Code</p>

Stakeholder dialogue continued

UNGC Principles	HEINEKEN approach	Where to find out more
Environment		
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p>	<p>HEINEKEN has set commitments to improve the environmental impact of its brands and business throughout the value chain. This is reflected in its policies. In addition, environmental good practices are part of the Supplier Code which has to be signed by all suppliers.</p>	<p>Our Policies</p> <p>Protecting water resources</p>
<p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p>	<p>We also participate in industry initiatives to promote, learn and share information and best practice that contributes to greater environmental responsibility. We do this via many of the organisations listed in the ‘Working with partners’ section .</p>	<p>Reducing CO₂ emissions</p>
<p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	<p>We do this via many of the organisations listed in the ‘Working with partners’ section .</p>	
Anti-corruption		
<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>On 1 January 2013, we launched our revised HEINEKEN Code of Business Conduct, marking a step forward in our approach to integrity within HEINEKEN.</p>	<p>Code of Business Conduct</p>
	<p>Via the signing of our Supplier Code, we expect similar conduct from our suppliers.</p>	<p>Supplier Code</p> <p>Values and behaviours – Integrity</p>
	<p>In 2013, we revised our ‘Speak Up’ Policy, which came into effect at the beginning of 2014 across our business: it is a tool for employees to raise any concerns about suspected misconduct within the Company. The Speak Up Policy is available to everyone working for or on behalf of HEINEKEN. It is also open to any parties with whom our Company has or has had some type of business relationship (such as business partners, suppliers, shareholders, agents, distributors, representatives and customers) who wish to raise a concern about misconduct within our Company.</p>	<p>Speak Up Policy</p>

Stakeholder dialogue continued

Roundtables and conferences



Throughout 2013, HEINEKEN actively participated in, and presented during, numerous roundtables, panels and conferences on sustainability. A small selection:

- The UN Global Compact's CEO Water Mandate meetings in Mumbai and Stockholm
- The World Water Week in Stockholm
- The World Economic Forum in Davos, and regional meeting in Cape Town
- The GRI Global Launch Event of the GRI 4 Framework in Amsterdam
- The World Water Day in The Hague, and related debate organised by Amnesty International
- The Budapest Global Water Summit
- Aquatech, International Water Week, Amsterdam
- CSR Conferences in Prague, Budapest and London
- The Sustainable Value Chain event in Zurich
- What's Brewing global analyst presentation, Paris
- UN Global Compact consultation on the creation of a set of Sustainable Agriculture Business Principles in The Hague
- The Economist Conference 'Feeding the World' in Amsterdam
- The 2nd United Nations Forum on Business and Human Rights in Geneva
- UN high-level panel on the Post-2015 Development Agenda in The Hague.

The big picture

Benchmarks and achievements



In our quest to create genuine shared value, we are committed to improving the quality and quantity of data for stakeholders to judge our performance. This requires benchmarking our performance against other companies in the sector and publishing and sharing our findings.

Dow Jones Sustainability Index

We received our highest ever score in 2013. We qualified for inclusion in the 2014 Sustainability Yearbook and received the RobecoSAM Bronze Class award, which means our score was within in the range of 5% to 10% of the score of the Industry Leader. We achieved a significant improvement in our climate strategy and occupational health and safety. We also remained best-in-class in the areas of water-related risk and responsibility for alcoholic products. Areas where there is the greatest opportunity for improvement are health and nutrition, and packaging. We will consider these areas within the Corporate Affairs Committee agenda in 2014.



FTSE4Good

For the 10th consecutive year, we maintained our inclusion in the Index. For the Environmental, Social and Governance (ESG) rating, HEINEKEN achieved an absolute score of 4.1 out of 5, and a relative supersector score of 93 out of 100.



FTSE4Good

Investors Carbon Disclosure Project

We again participated in the Investors Carbon Disclosure Project (CDP) to measure and disclose our carbon-reduction activities. Our disclosure score improved to 96 points out of 100 (from 88 in 2012 and 59 in 2011). We maintained our B performance rating. Overall, this resulted in a ranking in the CDP Benelux Leadership Index. We lead the Consumer Staples category. Please see the [full ranking here](#).



CDP Water Disclosure

Water is one of the most important resources for the planet and essential for us as a brewer. HEINEKEN took part for the third time in the CDP Water Disclosure Global Survey, reporting on water usage, water-related risks and responses to these risks. More than 1,000 companies from around the world have been asked to report vital water-related information to CDP this year, with close to 60% responding. No rankings have yet been provided. [Read the CDP report here](#).



Benchmarks and achievements continued

Other benchmarks and achievements

- For the second consecutive year, HEINEKEN was mentioned as a 'frontrunner' in the [Dutch Transparency Benchmark](#) with an overall score of 193 out of 200 points. HEINEKEN now ranks 10th. The Dutch Transparency Benchmark is conducted by the Ministry of Economic Affairs and assesses the transparency of Corporate Social Responsibility reporting by the top 500 Dutch companies.
- We participated in the [Responsible Supply Chain Benchmark 2013](#) of the Dutch Association of Investors for Sustainable Development (VBDO). This benchmark looks specifically at how companies work with suppliers. HEINEKEN was ranked third in the overall list of 40 multinational companies, up from sixth position in 2012. We received a special mention for our stakeholder management and partnerships.
- At the [Canadean International Beer Awards in Prague](#), two of our innovative cooling draught systems were recognised in the 'Best environmental/sustainability initiative of the year' category. First place was awarded to the David XL Green draught beer cooler.
- During the annual CR Reporting and Communications Summit in London, organised by Ethical Corp, our global 2012 Sustainability Report was voted the best report.
- HEINEKEN UK achieved Platinum Plus, the highest ranking in the [Corporate Responsibility \(CR\) Index](#), for the third consecutive year. We are the only alcohol company to achieve this. HEINEKEN UK was also named one of Britain's Top Employers in 2013, for the second year running, by the CRF Institute.
- HEINEKEN UK's pub business, Star Pubs & Bars, won the [ASDA Enterprise Growth Award](#) as part of Business in the Community's annual Responsible Business Awards. Star Pubs & Bars were nominated for our lessee support programme, which is designed to help lessees grow their businesses, which in turn has a positive effect on their local communities.
- Athenian Brewery in Greece received the Platinum Award in the National Corporate Responsibility Index for the second consecutive year. This is the fourth year in a row that Athenian Brewery has been awarded in the Index. The brewery's volunteering programme 'Together for Good' was awarded during the Corporate Responsibility Distinction Awards.
- Heineken France received, for the fifth straight year, the Top Employers France award, recognising its talent development and leadership programme.
- In Austria, Brau Union received the Pegasus Award and the Best Business Award for its leadership in sustainability. The company also received an award for the way the brewery is supporting chronically ill employees. The Göss brewery was recognised by the Austrian 'Klimaschutzpreis' as one of the best environmental projects in 2013.
- In Poland, Grupa Żywiec received an honourable mention for its CSR Report, specifically for the way it demonstrates the integrated impact on society. The contest is organised by Responsible Business Forum, PwC and SGS.
- HEINEKEN Russia received the 'Innovation in Education' award from the Annual Russian Education Forum for 'I am Responsible for Myself', a partnership project to help teenagers to think for themselves and make sensible decisions about alcohol consumption.
- HEINEKEN Hungaria won the Ozone Green Award for its 'Month of Caring' programme, as well as for the local community and volunteering initiatives.
- HEINEKEN in Mexico received, for the seventh consecutive year, the award for 'Socially Responsible Company' from the Mexican Center for Philanthropy. Our Mexican operations also received an award for its reading programme 'Magic Words'.
- HEINEKEN in Panama received the 'Golden Palm' award – from the Union of Industrialists of Panama – for demonstrated savings in water use.
- HEINEKEN Brasil received three awards: Jacaré Brewery was awarded the Corporate Citizen Company Award for its community engagement; while the Araraquara Brewery received the Gold Award and the Social Responsibility Award from the regional industry association.
- HEINEKEN in Indonesia, Multi Bintang Indonesia, received the Indonesian Employers of Choice Award 2013, organised by HAY Group in co-operation with SWA Magazine.
- HEINEKEN Asia Pacific was crowned the winner at ACCA Singapore's Sustainability Reporting Awards 2013. The award recognises organisations in Singapore for their excellence in environmental, social and sustainability reporting. ACCA (Association of Chartered Certified Accountants) is the global body for professional accountants.
- HEINEKEN Asia Pacific won the Bronze Award in CSR Excellence at the Marketing Excellence Awards in Singapore, for the Drink Savvy platform: the first website by an Asian brewer to educate and engage consumers on well-informed and responsible decisions about drinking alcohol. [See case study.](#)
- APB Singapore received the Excellence in Energy Management Award, a category of the Energy Efficiency National Partnership Awards 2013. The award recognises companies that have demonstrated a high level of commitment to excellence in energy management.

The big picture

Accountability and assurance

This online report and the printed summary version are key elements of our public accountability and demonstrate our genuine commitment to transparency.

They complement our Annual Report, our [corporate website](#) and the [39 local market sustainability 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 [UN Global Compact](#).

GRI conducted an [Application Level Check](#) and concluded that the report fulfils the requirement of Application Level B+.

For more information about the scope of this report, and how we gather and audit our data, see [Appendix 2: Reporting Basis](#).



Assurance

We believe that the data and statements in this report should be externally assured. We have asked KPMG to provide us with independent, limited assurance on the full report with regards to both the facts and the wording. KPMG summarises its activities and conclusions in the next paragraph.

For more information about our internal audit approach, see [Appendix 2 Reporting Basis](#).

In December 2013, we announced that our Supervisory Board will recommend to the 2014 Annual General Meeting of Shareholders the appointment of Deloitte as the Company's auditor for both financial and sustainability reporting with effect from the 2015 financial year. This recommendation follows the new Dutch law that an audit firm may not conduct a statutory audit of a listed company for more than eight consecutive years. HEINEKEN's auditor, KPMG, will remain in place until the conclusion of the audit process for the 2014 financial year.

Independent Assurance Report from KPMG

To the readers of the HEINEKEN Sustainability Report 2013

We were engaged by the Executive Board of Heineken N.V. (further 'HEINEKEN') to provide assurance on the HEINEKEN Sustainability Report 2013 (further 'The Report'). The Executive Board is responsible for the preparation of The Report, including the identification of material issues and the determination of the GRI Application Level. Our responsibility is to issue an assurance report based on the engagement outlined below.

What was included in the scope of our assurance engagement?

Our engagement was designed to provide limited assurance on whether The Report is presented fairly, in all material respects, in accordance with the reporting criteria. We do not provide any assurance on the achievability of the objectives, targets and expectations of HEINEKEN. 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.

Accountability and assurance continued

Which reporting criteria did HEINEKEN use?

HEINEKEN applies the Sustainability Reporting Guidelines G3.1 of the Global Reporting Initiative, supported by internally developed guidelines, as described in the 'Reporting Basis'. It is important to view the performance data in the context of these criteria.

We conducted our engagement in accordance with the Dutch Standard 3410N: 'Assurance engagements relating to sustainability reports'. This standard requires, among others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to provide assurance on sustainability information, and that they comply with the requirements of the Code of Ethics for Professional Accountants of the International Federation of Accountants to ensure their independence.

What did we do to reach our conclusions?

Our procedures included the following:

- A risk analysis, including a media search, to identify relevant environmental, safety and social issues for HEINEKEN in the reporting period
- Reviewing the suitability of the internal reporting guidelines
- Evaluating the design and implementation of the systems and processes for the collection, processing and control of the information in The Report
- Interviews with relevant staff at corporate level responsible for providing the information in The Report and carrying out internal control and consolidation procedures on the data in the report
- Evaluating internal and external documentation, based on sampling, to determine whether the information in The Report is supported by sufficient evidence
- An analytical review of the data and trend explanations submitted by all production sites for consolidation at corporate level
- Reviewing the relevant work of internal audit.

Conclusions

Based on the procedures performed, as described above, nothing has come to our attention to indicate that The Report is not fairly presented, in all material respects, in accordance with the reporting criteria.

Amsterdam, 9 April 2014

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



Protecting water resources

Water is vital for life and critical for the well-being of the communities and ecosystems in which we operate. Balancing the needs of the community with our need is at the heart of our approach to water.

Protecting water resources

Why this is important



“We are clearly making progress. As a global company we can be leaders in effective water usage.”

Marc Gross, Chief Supply Chain Officer



Water is vital for life and critical for the well-being of the communities and ecosystems in which we operate. Balancing the needs of the community with our need is at the heart of our approach to water.

Yet water scarcity is becoming a serious global problem. Less than 1% of the world's water is accessible and drinkable. Globally, fresh water resources are under pressure and water scarcity already affects 4 out of every 10 people. Demand for water has doubled during the past 50 years and is expected to increase a further 40% by 2030. In water-scarce areas this may result in increased competition for water among industry, the general population, agriculture and ecosystems.

Amongst those entities that need water are companies like HEINEKEN. Water is central to our needs. We use it in our finished product – beer is 95% water – and throughout our supply chain, including in the growth and maintenance of crops.

As one of the world's largest brewers, and a signatory to the [United Nations CEO Water Mandate](#) we recognise that we have a responsibility to promote responsible water use and encourage our suppliers to do the same.

We describe our approach for addressing water-related issues around the world as 'Water Stewardship'. For all our water-related investments, we consider how they benefit the wider community, and not just the gains for our breweries.

Balancing the needs of the community with our own needs is at the heart of our approach to water within HEINEKEN.

Protecting water resources

Our priorities



HEINEKEN has established these focus areas related to water stewardship:

- Reduce the amount of water used in production
- Ensure the responsible discharge of brewery effluent
- Reduce the amount of water used in the rest of our supply chain, notably agriculture
- Protect our water resources in water-scarce and water-distressed areas
- Compensate for the water that is not returned to the local water cycle: 'water balancing'.

Our goal is twofold: to reduce specific water consumption by engaging in activities that address avoidable losses and to minimise our impact by balancing as far as possible any water used in our operations that cannot be returned to the local watershed, specifically for water-scarce and water-distressed areas. This includes the water in our products and the unavoidable evaporation losses that occur when we produce beer. By stimulating, financing and supporting local water initiatives we can help conserve or restore water retention in the watershed.

By continuing to pursue these initiatives, in line with our Brewing a Better Future targets, HEINEKEN will also continue to be an industry leader in the protection of water resources.

Protecting water resources

Actions and results

What we said we will do by 2015

Reduce our specific water consumption in the breweries to 3.9 hl/hl¹

100% of our production units² in water-scarce and distressed areas will have a Source Water Protection Plan

What we've done in 2013

On track
Water consumption decreased to 4.1 hl/hl. (Without newly acquired sites efficiency would have been 4.0 hl/hl)

On track
Ten (43%) of our production units have drafted a Source Water Protection Plan



Reducing water consumption in our breweries



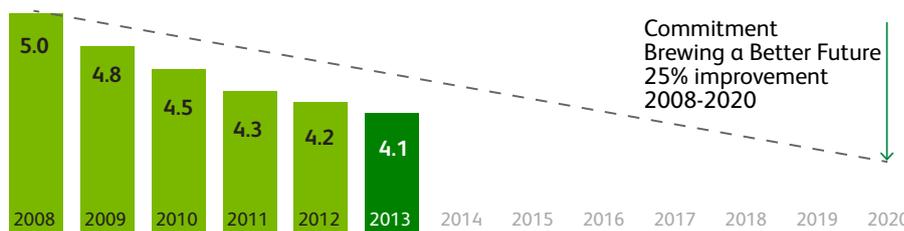
In 2013, we achieved a specific water consumption figure of 4.1 hl/hl, down from 4.2 hl/hl in 2012. This is a 20% reduction compared with 2008, the baseline year. This means we are well on the way towards our 2020 target. Without the newly acquired sites, the water consumption would be 4.0 hl/hl.

Forty-four of our production units are already below the target of 3.7 hl/hl, representing more than 45% of total production volume in 2013. There are 21 smaller sites (representing just 3% of our volume) operating above 7 hl/hl.

To accomplish this reduction, we prioritise improvement projects in our breweries in the areas where we see the biggest gap between current and benchmark water consumption levels. These projects vary per brewery. Sample projects include **reduction of water treatment plant losses** and optimisation of bottle washer operations.

The brewery in Sango-Otta (Nigeria) reduced its water consumption by improving their water management practices in the packaging department. These practices include the installation of new equipment and introduction of optimisation projects. Two of our Italian breweries, in Pollein and Comun Nuovo, installed alternative cooling equipment, which allowed them to stop the use of once-through cooling water, thereby reducing their water consumption.

Specific water consumption: actual performance hl/hl beer + soft drink + cider + water



¹ Baseline 2008

² Twenty-three production units

Actions and results continued

Wastewater treatment



In 2013, our production facilities discharged an estimated total of 23.1 kton of organic load into surface water compared with 24.4 kton in 2012. In 2013, the newly acquired sites discharged 1.5 kton organic load into surface water. Eleven sites, mainly in Africa, were not able to report accurate numbers for the organic load discharged to surface water. Therefore the reported value is based on estimates for these specific sites. Data reporting on this indicator will be improved for 2014.

Effluent organic load discharged to surface water

kton CO₂ discharged by beer + softdrink + cider + water production units

2013	23.1
2012	24.4
2011	18.8

Breweries can reduce the impact on the environment by improving production processes, including how water is handled once it has been used by the brewery to make beer. HEINEKEN continues to seek innovative ways to improve this process. As an example, see how [our new wastewater treatment plant in Ethiopia](#) is improving the handling of its wastewater.

Water management in agriculture



Water usage in growing our crops represents approximately 90% of our total water footprint. We are partly addressing this challenge, which we cannot directly control, through our sustainable sourcing activities.

HEINEKEN is an active member of the Sustainable Agriculture Initiative (SAI). SAI has begun discussions to encourage collaboration with SAI member companies related to water risks. For additional details, [please see our section on Sourcing sustainably](#).

Actions and results continued

Protecting water resources in water-scarce and water-distressed areas



Monterrey, Mexico

In order to use our resources most effectively, we have mapped and prioritised areas of the world in terms of water-related risk. We now have identified 23 'Priority One' sites, which represent those sites on which we will focus our immediate efforts. This increase, from 20 such sites identified in 2012, is due to the inclusion of our newly acquired Asia Pacific Breweries operations in 2013. Our approach is based on two steps:

1. Source Water Vulnerability Assessments (SVAs). These assessments, completed in conjunction with external consultants, provide relevant information related to fresh water resources and determines how vulnerable a local area is in terms of water risk. (See case study – SVAs.)
2. On the basis of the SVAs, a Source Water Protection Programmes (SWPP) is completed. These provide a step-by-step method for evaluating and implementing water protection measures. At all our Priority One sites, Water Sustainability teams were established.

In 2013, the activities related to implementing SWPPs focused on our operations in Spain, Mexico, Ethiopia, Egypt and Nigeria:

- In **Spain**, we organised three workshops to train the Water Sustainability team and to truly integrate the programme into the organisation. The team has developed their SWPP, identifying several potential water-balancing projects and possible project partners. The process of establishing these long-term partnerships will now be carefully overseen by the local management team and we anticipate that they will be endorsed in the course of 2014. Our Spanish Operating Company reduced water consumption from 4.6 hl/hl in 2008 to 4.0 in 2013.
- In **Mexico**, two workshops and four SVAs have been conducted and a SWPP successfully completed in 2013. Our Mexican Operating Company reduced water consumption from 3.73 hl/hl in 2010 (first year as a HEINEKEN company) to 3.6 hl/hl.
- In **Egypt**, after the preparation of the SVA, further activities have been put on hold due to the local political situation. Efforts will continue as soon as it is safe and when we can co-operate with local organisations to execute the needed long-term actions.
- In **Nigeria**, the preparation of the SVA fieldwork has been completed. A first workshop was organised in Lagos in January 2014. The SVAs are ongoing and SWPPs will be completed by 2014.
- In **Ethiopia**, the SVAs for our two breweries have been completed. The first training workshop was held in December 2013. The process to develop an SWPP has begun and will be completed by 2014.

By 2015, each of the Priority One sites should have a SWPP in place and each will have started redressing the water balance. In 2013, the programme was under way at 18 facilities in six different countries.

Actions and results continued

	Spain	Mexico	Ethiopia	Nigeria	Egypt	Indonesia
No. of facilities	4	4	2	3	3	2
Workshops	3	2	1	1 (Jan 2014)	Postponed	–
Training	Completed	Completed	Ongoing	Ongoing	–	–
Status SVA	Completed	Completed	Completed	Started	Temporarily halted	Started
SWPP	Draft completed	Draft completed	Draft completed	Not yet started	Not yet started	Not yet started
SWPP endorsed	2014	2014	2014	2015	2015	2015

Water balancing



To protect our water resources in water-scarce and water-distressed areas, we work to redress the water balance¹ by financing and supporting local projects that aim to:

- conserve or restore water quantity, quality or biodiversity in the local watershed; and/or
- improve access to clean water for the local communities.

We realise these projects in close collaboration with our key stakeholders in the specific watershed and preferably in partnership with a local NGO.

In December 2013, Harar Brewery, HEINEKEN's Ethiopian Operating Company, along with the government of Harar Regional State, Vitens Evides International B.V. and other partners, [announced the formal launch](#) of a Public-Private Partnership (PPP). The objective is to ensure long-term water availability in Harar where over 300,000 people are currently facing water shortages. HEINEKEN's focus will be on two of the programme areas in particular: assessing the water needs of the region between now and 20 years' time, and providing access to water for 25,000 people in rural areas by building sand dams for sustainable groundwater storage. The project is co-funded by the Dutch Ministry of Foreign Affairs through the Sustainable Water Fund and will run until 2017.

In 2013, we also joined a multi-stakeholder consortium in Mexico to establish the Monterrey Metropolitan Water Fund. This fund will focus on the preservation of the watershed of the San Juan River, which supplies more than 4 million people in and around Monterrey. [For more information see case study.](#)

¹ The volume to be balanced consists of the volume of water put in the bottles, plus unavoidable losses by evaporation and the moisture in by-products (approximately 1.5 hl/hl). This water leaves the local watershed and cannot be (re)used by the communities and/or ecosystems downstream of the brewery

Protecting water resources

Case studies

Global

Water protection: getting the facts first



In order to ensure our water usage has a minimal impact on the community in areas where water scarcity is an issue, HEINEKEN conducts Source Vulnerability Assessments (SVA), which serve as a basis for local Source Water Protection Plans.

Carried out by a water resources expert, the objective of an SVA is to obtain a clear picture of the local water situation, identify relevant stakeholders and explore the need for activities that increase water retention or promote the health of ecosystems. The SVA study consists of both desktop study and fieldwork, carried out in four stages:

- Investigations start with a compilation, review and validation of data relevant to the watershed. The expert reviews all possible sources of water for the Company's brewery
- The second stage involves creating an inventory of water-related vulnerabilities or risks at the facility and at the current watershed level. The SVA lists possible events, such as drought or shortages, each with a likelihood of occurrence and possible impact. The report then prioritises these vulnerabilities, with the highest impact listed first
- A stakeholder map is created, which shows the key stakeholders along with their interests, power to influence and willingness to partner with HEINEKEN. The Water Sustainability team within HEINEKEN reviews this map, makes adjustments where needed and prepares a stakeholder engagement plan
- The final stage involves the identification of potential community or ecological projects to redress the water balance, including a possible partner to help us execute them.

In 2013, HEINEKEN completed SVAs for four breweries in Mexico, four in Spain and two in Ethiopia. In addition, desktop reviews were completed for breweries in both Nigeria and Egypt. These areas will receive additional study in 2014.

[Click here to learn more about our approach to water stewardship.](#)

Case studies continued

Mexico Monterrey unites to protect its water



Clean, fresh water isn't just essential to our business. It is vital for the communities in which we operate, particularly in regions that face irregular water supply as a result of drought or flooding. In September 2013, HEINEKEN in Mexico joined a consortium with other companies, universities, civil society organisations and government institutions to establish the **Monterrey Metropolitan Water Fund (FAMM)**.

Monterrey is one of the most important industrial capitals in Mexico and Latin America. Since its foundation, the city and its metropolitan area have suffered the effects of flooding and extreme droughts with devastating consequences for people and their property. The growth that Monterrey has experienced in recent years has put pressure on the watershed, creating negative impacts on the quantity and quality of water in the area.



The Monterrey Metropolitan Water Fund will focus on the preservation of the watershed of the San Juan River, which supplies more than 4 million people in and around Monterrey. There are four key objectives: helping to mitigate flooding, improving water infiltration, raising awareness about water, and working alongside government to attract resources which favour the watershed.

Healthy watersheds naturally regulate water flow: releasing water in times of drought, holding and slowing down its flow in times of flood and filtering out nutrients that are harmful to downstream users. Conservation actions will help reduce the disastrous consequences of extreme natural events, such as hurricanes and storms, and generate greater awareness amongst the community for a stronger commitment to the conservation of water and nature.

HEINEKEN's involvement in the Fund takes two forms. Our local brewery Cuahtémoc Moctezuma in Monterrey is a direct participant in FAMM as part of our water-balancing commitment. Additionally, the FEMSA Foundation (created by FEMSA whose brewing activities were acquired by HEINEKEN in 2010) is one of the founding organisations of the **Latin America Water Funds Partnership** together with the Nature Conservancy.

This large-scale initiative is designed to create and strengthen Water Funds across the region. FAMM is one of currently 17 funds operated by the Partnership. Recently, the efforts of the Partnership were chosen from more than 1,000 applicants to receive the 'Next Century Innovators Award' given by the Rockefeller Foundation as part of its centennial celebration activities.

Collaborative initiatives such as FAMM are often viewed as win-win. In addition to mitigating important water risks for all water users, water resources themselves are kept healthy and flowing for local communities and businesses, and natural systems are protected, safeguarding livelihoods for the local people, habitat for wildlife and freshwater resources. [Click here to learn more about our approach to water stewardship.](#)

Case studies continued

Ethiopia

Cleaner waste water with additional benefits



HEINEKEN's approach to sustainability often relies on innovation to improve an existing process. In the case of our Ethiopian Operating Company, we were able to provide a cleaner environmental solution, which is also creating an additional benefit to local crops.

After the acquisition of the Harar Brewery by HEINEKEN in 2011, the decision was made to replace the existing wastewater treatment plant with an entirely new one. The performance of the existing plant did not meet our quality standards, nor did it meet the projected capacity requirements for the coming years.



Operation of the new wastewater treatment plant started in December 2013, and has already significantly improved the quality of the brewery's effluent released into the environment. Effluent refers to the flow of water leaving the brewery, after it has been used in the brewing process.

In addition, by using the excess solids produced by the plant as organic fertiliser, we can reduce the use of chemical fertilisers and save energy at the same time.

With this objective in mind, Harar Brewery is the sponsor of a research project carried out by Haramaya University, whose purpose is to evaluate the impact of the solids as organic fertiliser on soil quality and agricultural productivity. The results so far are very satisfactory and show an improvement of the crop yield. Further testing will take place in 2014.

[Click here to learn more about our approach to water stewardship.](#)



Reducing CO₂ emissions

In 2013, we made good progress in reducing our CO₂ emissions. Our focus is on reducing the total carbon footprint of our products across the value chain.



Reducing CO₂ emissions

Why this is important



“Investment and innovation are key if we are to find new ways to reduce energy consumption in the production and distribution of our products.”

Marc Gross, Chief Supply Chain Officer



CO₂ emissions directly contribute to climate change, causing temperatures and sea levels to rise. This in turn has an impact on the availability and cost of raw materials and other resources.

As a leading global company, we believe it is our responsibility to play an active role in the reduction of CO₂ emissions across the value chain, from barley to bar. We have set ambitious targets for doing so within the brewing, cooling, and distribution parts of our business. Additionally, we are actively working together with suppliers to reduce emissions in the design and production of our packaging, and with markets to focus on recycling and reusing after use.

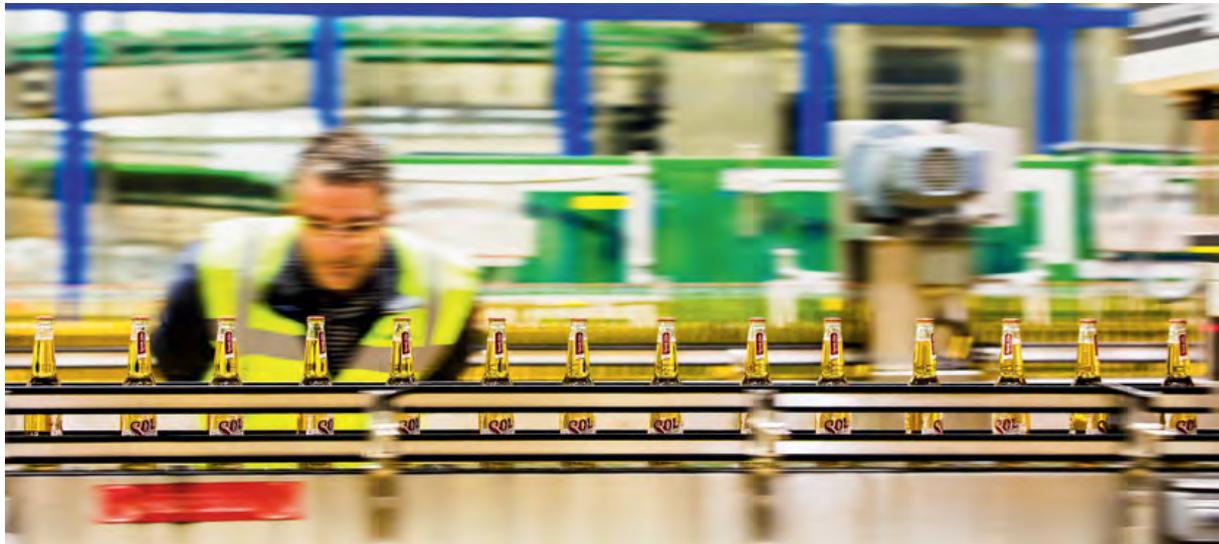
See our [Carbon Footprint paragraph](#) for more information about how we calculate our footprint throughout the value chain.

In our breweries, we increasingly use renewable energy sources like solar, wind and biogas. We are working with suppliers to reduce emissions in the design and production of our packaging, and with customers to focus on recycling and reusing the products they consume.

We also share our knowledge and learn from others via participation in groups and surveys such as the [Investors' Carbon Disclosure Project](#), [Green Freight Europe](#) and the [Clean Cargo Working Group](#).

Reducing CO₂ emissions

Our priorities



Our priority by 2020 is to reduce our CO₂ emissions:

- **40% lower emissions in production**

We use energy for heating and power throughout our production processes – from brewing to packaging. We are cutting emissions by implementing good practices at each stage, reducing losses, optimising equipment, and making renewable energy sources like solar and wind power part of the energy mix.

- **50% lower emissions of our fridges**

We are working with suppliers to develop best-in-class draught equipment technology and make sure that all our fridges comply with our global fridge policy.

- **20% lower emissions of distribution in Europe and the Americas**

Reducing kilometres driven, improving fuel efficiency, and switching to other modes of transport are helping us reduce emissions in distribution.

Reducing CO₂ emissions

Actions and results

What we said we will do by 2015

Reduce CO₂ emissions in production by 27%¹
(equivalent to CO₂-eq/hl)

Reduce the CO₂ emissions of our fridges by 42%²

Reduce the CO₂ emissions of distribution by 10%³
in Europe and the Americas

What we've done in 2013

On track
CO₂ emissions reduced from 8.4 kg CO₂ eq/hl in 2012 to 7.7 kg CO₂ eq/hl in 2013. This is a reduction of 26% compared with the baseline year 2008 (without newly acquired sites reduction would have been 7.3 CO₂-eq/hl / 30%) 

On track
99% of the 116.000 fridges that HEINEKEN purchased in 2013 were 'green'. The average reduction of CO₂ emissions has improved from 38% to 40% in 2013, compared with the baseline year 2010 

More to do
Out of 23 operations in scope, 21 operations have now validated results. Fourteen performed better compared with the plan for 2013 

HEINEKEN's carbon footprint

HEINEKEN has developed a comprehensive carbon footprint model that calculates the greenhouse gas emissions of beverage production, in order to better identify areas for improvement in our value chain. In 2012, we calculated the carbon footprint for the 24 largest Operating Companies in Europe, Africa and the Americas based on 2011 data. The graph presented below represents 92% of the HEINEKEN Company volume at that time. The HEINEKEN Company carbon footprint calculated in 2012 is approximately 68 kg CO₂ eq/hl (greenhouse gas emissions in CO₂ equivalent per hectolitre).

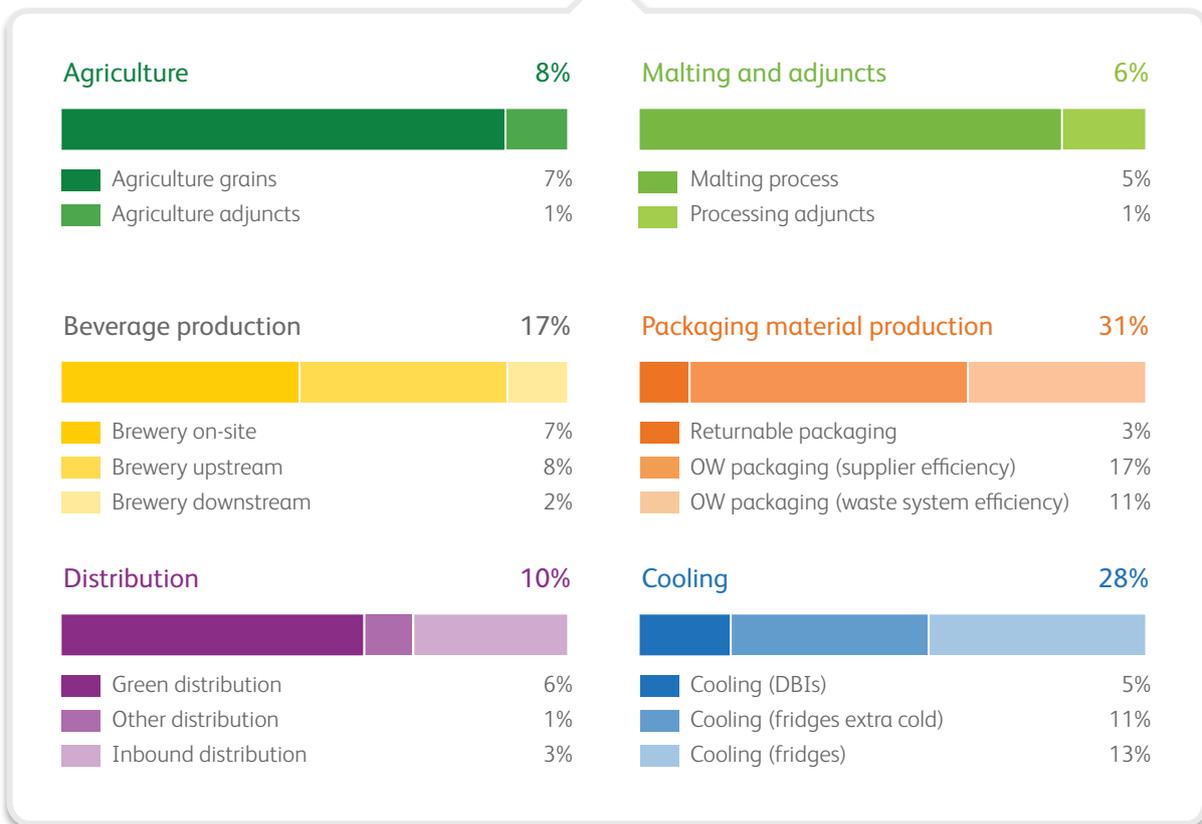
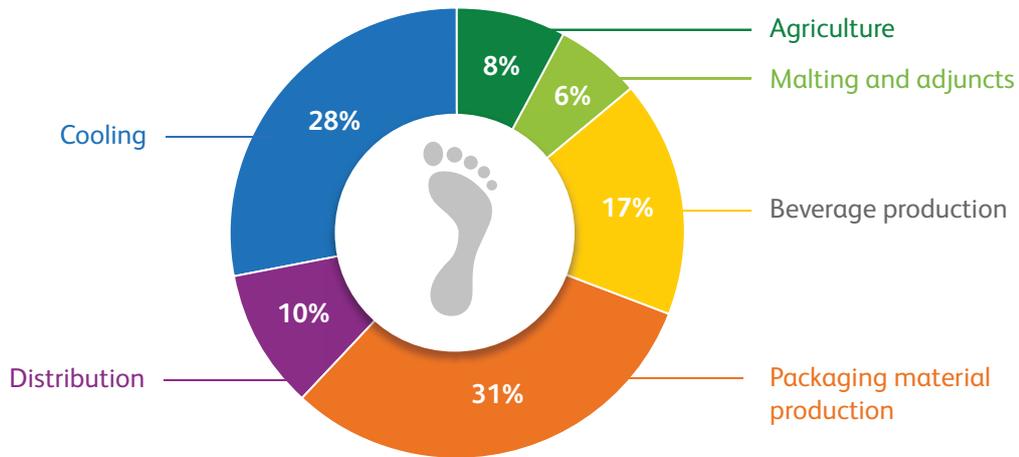
The HEINEKEN Company results will be updated every three years. The next update is planned for the 2015 Sustainability Report and will include the newly acquired Asia Pacific Breweries. In the intermediate years the focus is on analysis of hotspots, improvement efforts to reduce emissions and training on the greenhouse gas model.

¹ Baseline 2008

² Baseline 2010

³ Baseline 2010/2011, scope is WE, CEE and Americas, 23 of our largest operations: Belgium, France, Ireland, Italy, Netherlands, Portugal, Spain, Switzerland, UK, Austria, Belarus, Croatia, Czech Republic, Greece, Hungary, Poland, Romania, Russia, Serbia, Slovakia, Brazil, Mexico, USA

Actions and results continued



Remark: Total percentage may not add up to 100% due to rounding.
Green distribution = HEINEKEN controlled outbound distribution.

Actions and results continued

CO₂ emissions in production



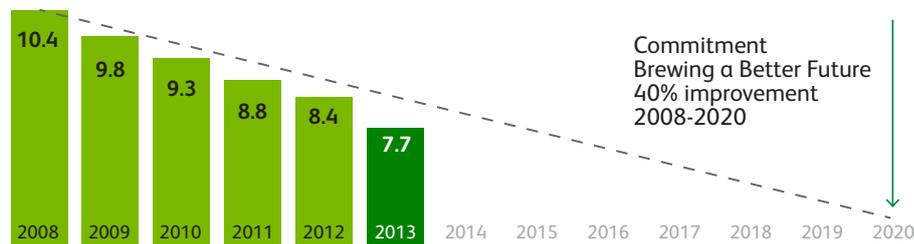
In 2013, we reduced our greenhouse gas emissions from 8.4 kg CO₂ eq/hl in 2012 to 7.7 kg CO₂ eq/hl in 2013. This figure includes emissions from the newly acquired sites. Without the newly acquired sites, this figure would be 7.3 kg CO₂ eq/hl. The reported figures include emissions from logistics on-site (0.125 kg CO₂ eq/hl) and the contribution of lost cooling agents (equivalent to 0.120 kg CO₂ eq/hl).

This positive result means we are ahead of the milestone we set for our 2020 target. This can be attributed to four main factors:

- Increased use of more environmental friendly cooling agents. In 2013, cooling agents contributed 0.120 kg CO₂ eq/hl, compared to 0.157 kg CO₂ eq/hl in 2011. This is an improvement of 23.5%
- Improved energy efficiency of our operations (we saved 3.9% in one year)
- Increased on-site production of renewable energy, including new solar energy plants
- Greater focus on sustainable procurement, leading to the purchase of more renewable electricity at our breweries in several countries. The percentage of renewable electricity increased from 9.3% in 2012 to 18% in 2013.

Specific greenhouse gas emissions: actual performance

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



Actions and results continued

Reducing energy consumption

For the production of our beverages both thermal and electrical energy is needed:

- Thermal energy is energy that comes from heat, and relates to the amount of fuel used on site for heat production
- Electrical energy relates to the amount of electricity used on site.

Combined, the thermal and electrical energy consumption makes up the HEINEKEN total energy consumption.

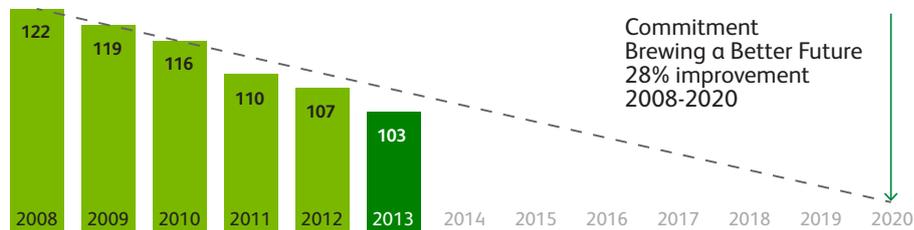
HEINEKEN's total specific energy consumption ambition was previously stated to use 125 MJ to produce 1 hl of beer, cider, soft drinks and water by 2020. In 2013, we changed our definition of total specific energy consumption in order to better account for modern energy production methods. We changed our energy consumption definition because more electricity is now being generated from other sources besides fossil fuels. We have now adopted the more accurate and industry-accepted definition of total specific energy consumption as: Thermal energy (MJ/hl) + 3.6 x electrical energy (kWh/hl).

Most of our energy consumption is related to beverage production, a small proportion (1.9 MJ/hl) is used for internal logistics on-site. Targets are set and savings are realised in the beverage production, so for reasons of clarity we exclude the energy used by logistics. Our CO₂ reduction targets can be achieved by energy-efficiency programmes as described above. By changing fossil fuels for renewables we achieve further CO₂ savings. In order to promote the use of on-site generated biogas we decided to report purchased energy consumption only. In 2013, we used 1.2 MJ/hl from biogas generated in owned on-site wastewater treatment plants.

Based on this new definition, we re-state our total specific energy consumption ambition by 2020 to be 86 MJ/hl to produce 1 hl of beer, cider, soft drinks and water. The base year 2008 value is recalculated as: 122 MJ/hl.

Total specific energy consumption: actual performance

MJ/hl beer + soft drink + cider + water



Thermal energy

In 2013, we achieved a specific thermal energy consumption for beverage production of 72.8 MJ/hl, down from 77.1 MJ/hl in 2012. Without the newly acquired sites, the thermal energy consumption would be approximately the same.

Our brewery in Ibadan (Nigeria) achieved a reduction in their thermal energy consumption by replacing old equipment with a new packaging line and new boiler burners. Also, in Vialonga (Portugal), a new brewhouse was installed, thereby increasing thermal efficiency. Several breweries that were divested over the course of 2013 such as the one in Cuiaba (Brazil) and Rechitsa (Belarus) were less efficient.

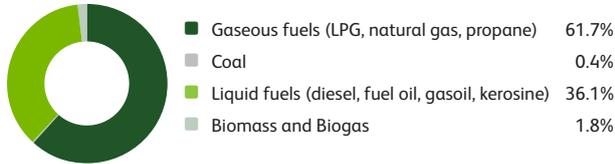
Specific thermal energy consumption

MJ/hl beer + soft drink + cider + water

2013	72.8
2012	77.1
2011	79.5

Actions and results continued

Types of fuel used



Electricity consumption

The overall electricity consumption is about the same as in 2012; we consumed 8.38 kWh per hl. Without the newly acquired sites, the electricity consumption would be slightly lower at 8.3 kWh per hl. The environmental impact of electricity consumption is improved by moving to renewable electricity sources.

Specific electricity consumption

kWh/hl beer + soft drink + cider + water

2013	8.4
2012	8.4
2011	8.5

Making renewables part of the energy mix



Solar panels on the roof of HEINEKEN Netherlands' 's-Hertogenbosch brewery produce enough energy to brew white beer Wieckse Witte

HEINEKEN participates in [Solar Brew](#), funded by the European Union. The objective of the project is to demonstrate the technical and economical feasibility of large-scale solar thermal system integration in the brewing process for the first time. Solar Brew currently covers three distinct areas of solar thermal energy for:

- Brewing (at Leoben-Göss, Austria)
- Packaging (at Valencia, Spain)
- Malting (at Vialonga, Portugal).

In 2013, we completed the first part of the Solar Brew project at our brewery in Leoben-Göss, Austria. [See our case study](#). This project is one of the final steps needed for the brewery to become a CO₂-neutral production site.

In 's-Hertogenbosch, the Netherlands, we completed a large solar electricity plant. The 3,632 solar panels are sufficient for the production process of the [Wieckse Witte line of beers to be fully brewed using solar energy](#).

In Zoeterwoude, the Netherlands, we planned to start building four wind turbines in the fourth quarter of 2013. We received a temporary permit in December 2013 and will proceed with the project in 2014. We estimate energy production will start in 2015.

We aim to develop similar projects in the future, but face a significant challenge in some markets where high taxes are being placed on the import of solar panels, in addition to the taxing of solar energy itself. We will continue our leading efforts to increase the use of solar energy in the brewing process where economically feasible.

Actions and results continued

Reducing CO₂ emissions in distribution



HEINEKEN reduced its level of CO₂ in distribution in 21 out of 23 Operating Companies in scope. Fourteen out of 21 performed better than planned. Two Operating Companies have not yet validated data.

The CO₂ reduction in distribution focuses on six core areas:

- Transport efficiency – reducing kilometres driven within distribution operations
- Fuel efficiency – reducing fuel consumption of our vehicles
- Modal efficiency – switching to more carbon-efficient vehicles or transport modes
- Establishing strategic alliances in logistics – collaborative fleet usage
- Total Productive Management (TPM) in logistics – operational excellence within all distribution operations
- Engaging with suppliers and external initiatives – sharing best practices in CO₂ reduction.

Transport efficiency:

In 2013, HEINEKEN Romania implemented an advanced freight management system resulting in a CO₂ reduction, for logistics of more than 22.8% per hectolitre traded compared with the baseline year. This system, which helps to optimise routes and vehicle usage, will be rolled out to other HEINEKEN Operating Companies.

Fuel efficiency:

Driver training programmes and improved vehicle design contribute to greater fuel efficiency. In 2013, a focus on these two areas by Grupa Żywiec, HEINEKEN's operations in Poland, contributed to a 7.7% reduction in CO₂ emissions, in logistics, compared with the baseline year.

Modal efficiency:

The rollout by HEINEKEN Netherlands of Europe's largest electric truck in October 2013 was a significant step in modal efficiency. The truck, with a daily range of 200 kilometres, was the result of a multi-stakeholder initiative. [See case study.](#)

Strategic alliances in logistics:

In 2013, HEINEKEN Brazil demonstrated how valuable strategic alliances could be when they collaborate with other shippers on selected routes, avoiding empty trips and reducing overall kilometres. This alliance contributed to an overall reduction of 5.2% in CO₂ emissions, for logistics, compared with the baseline year. [See case study.](#)

Engaging with external initiatives and suppliers:

We incorporate sustainability criteria in the procurement of transportation services, making sure that our suppliers consider CO₂ emissions in all logistics decisions. HEINEKEN also maintains an active and open dialogue with external stakeholders and engages in external initiatives such as [Green Freight Europe](#), [Smartway](#) and [Clean Cargo](#) that aim to improve the environmental performance of the transport industry overall. The HEINEKEN Brasil example above is a good demonstration of this, showing that by working together with operators and logistics service providers we can improve the efficiency of our fleets.

Actions and results continued

Reducing CO₂ emission from fridges



Cooling is essential to our consumers' enjoyment of our beverages. However, cooling is also a significant contributor to our total carbon footprint. To reduce this, we install 'green' fridges, both in cases where we replace an old fridge and in cases where we install a fridge in a new location.

A 'green' fridge in 2012 had three characteristics: the use of hydrocarbon refrigerant, LED illumination and an energy management system, wherever legally and technically possible. Each year the specifications are adjusted towards better performance – for example, in 2013 we added a fourth requirement for energy-efficient fans. In total, 99% of the 116,00 fridges that HEINEKEN purchased in 2013 had one or more of these 'green' characteristics and 50% are compliant with all four. The average saving has improved from 38% to 40% in 2013. Our green cooling efforts continued in 2013, with several success stories. We reduced the energy consumption of our new fridges by 40% against the baseline set in 2010. This keeps us on track for our 2020 target.

Over the last few years, we have participated in a consortium – called **iCool** – to develop a world-class efficient, glass-door beverage cooler. In 2013, as the result of this co-operation, a prototype fridge was developed that is 80% more energy-efficient than related beverage coolers from 2010. Commercial testing of the iCool fridge is currently being explored. [See case study.](#)

In 2013, HEINEKEN was recognised in the category of 'Best environmental sustainability initiative of the year' at the Canadian International Beer Awards in Prague for The David XL Green draught beer cooling system. Launched in 2012, the system has now been rolled out to 18 HEINEKEN markets.

Actions and results continued

Packaging



Packaging material

Packaging material production is the largest source of CO₂ emissions within HEINEKEN's operations. In 2013, the packaging programme focused on improvement of our designs, our supply base and optimising the end-of-life for our packaging.

In 2013, we worked with our key glass and can suppliers to reduce energy usage by:

- Reducing the weight of our packaging [See case study France – Desperados bottle](#)
- Creating efficiency improvements [See case study – Metalfrío/EcoVadis](#).

HEINEKEN is a member of the [European Organization for Packaging and the Environment \(EUROPEN\)](#). We are currently involved in a project related to the EU Packaging and Packaging Waste Directive, aimed at optimising collection and recycling in Europe.

Graphic breakdown of different types of packaging and their contribution to emissions



The Ecodesign Packaging Procedure

For any new packaging initiative HEINEKEN uses a specific methodology, the Ecodesign Packaging Procedure (EPP). This framework is integrated within our global innovation process. It provides a structured methodology for ecodesign, including tools and recommendations for teams to use to make design decisions.

When creating new packaging, designers must be aware that their decisions have a broad impact, almost always on multiple stages of the life cycle. This graphic illustrates the various areas to consider:

Actions and results continued



The EPP follows three key sustainability principles for packaging:



We have combined packaging improvements with our Consumer Value Engineering programme. In 2013, we completed 13 packaging EcoDesign projects in nine countries. In these projects we redesigned our packaging while still delivering the same proposition to our consumers. The results show that we have saved approximately 4,000 tons of packaging material, equal to 10.5 kilotons of CO₂ eq.

Actions and results continued

Waste

Waste Recycling

Total waste generation and recycling rate of co-products, packaging and industrial waste remained almost the same: 96.7%, compared with 96.9% in 2012. This slight difference is mainly due to the newly acquired sites. 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.

The specific amount of non-recycled industrial waste resulting from the production of beer, cider, soft drinks and water increased slightly: from 0.51 kg per hl in 2012 to 0.54 kg per hl in 2013. Without the newly acquired sites, this figure would have remained 0.51 kg/hl.

In 2013, the non-recycled industrial waste produced increased slightly from 0.51 kg/hl to 0.54 kg/hl beer, soft drinks, cider and water produced. Without the newly acquired sites, the non-recycled industrial waste produced would amount to 0.50 kg/hl.

Non-recycled co-products, packaging and industrial waste

kg/hl beer + soft drink + cider + water

2013	0.54
2012	0.51
2011	0.73

Waste recycling in reporting year

Waste recycling in reporting year	% recycled per category
Total co-products, packaging and industrial waste	96.7
Total wastewater sludge	79.3
Total hazardous waste	56.8

% recycled of totals

Total waste	96.5
-------------	------

Environmental compliance

The number of reportable complaints related to an environmental safety or industrial safety accident with off-site effect increased slightly from 29 in 2012 to 35 in 2013. Half of these complaints are related to nuisance by noise. Complaints related to pollution are the second most reported.

In 2013, we recorded 33 accidents with the potential to cause harm to human life, property or the ecosystem and/or that could cause nuisance to a third party. This shows continuous improvement compared to previous years. The two main causes for these accidents were equipment failure and brewery operations in general.

Environmental and safety complaints

Number of complaints

2013	35
2012	29
2011	33

Environmental and safety accidents

Number of accidents

2013	33
2012	42
2011	70

Reducing CO₂ emissions

Case studies

Global

iCOOL: developing a world-class efficient refrigerator



HEINEKEN is an end-user partner of a consortium created to develop a much more efficient commercial refrigerator known as the iCOOL. This project is another step towards our strategy to reduce CO₂ emissions across our operations.

The iCOOL project was completed in 2013, with a prototype tested before it is to be rolled out commercially in the coming years. Advancements in the technology allow the size of the cooling system to be reduced and insulation to be improved, thereby significantly increasing the energy efficiency of commercial beverage coolers. To achieve this, a small modification to existing cooling designs is the primary requirement, made possible by this unique patent-protected technology.

Multiple stakeholders were involved in developing iCOOL, with financial support from the European Union's Seventh Framework Programme for Research and Technological Development (FP7). HEINEKEN's involvement consisted of setting the correct design specifications, providing the test standards and giving technical and commercial guidance for the different stages of the project.

Compared with a standard commercial refrigerator from 2010, the iCOOL prototype delivers more than an 80% improvement in energy consumption (measured as kilowatt/hour per annum).

The commercial launch of iCOOL is currently being explored.

[Click here to learn more about our approach to CO₂ reduction.](#)

Case studies continued

Netherlands

Europe's largest electric truck will drive down emissions



In October 2013, HEINEKEN Netherlands proudly rolled out Europe's largest electric truck in the port city of Rotterdam. The 19-tonne truck, with a load capacity of 9 tonnes and a range of 200 kilometres, is being used to distribute Heineken® beers within the city.

The truck is the result of a multi-sector partnership. The team at HEINEKEN Netherlands joined forces with the City of Rotterdam, Erasmus University and private transport companies Hytruck and G. van der Heijden Distribution BV, drawing on their skills and expertise to create a vehicle that delivers on its promise to be emission-friendly.

The new truck will provide 22 tonnes of CO₂ emissions savings annually. Furthermore, electric transport limits the exhaust of small particles, sulphur oxides (SO_x) and nitrogen oxides (NO_x), thus improving livability in cities.

The success of the initiative has underlined the viability of additional vehicles of this kind joining the fleet. Plans are already under way to have three 19-tonne electric trucks in Rotterdam and four 12-tonne versions on the streets of Amsterdam in the near future.

Our long-term ambition is to have all major cities in the Netherlands wholesale distribution area running on electric-powered vehicles.

[Click here to learn more about our approach to CO₂ reduction.](#)

Case studies continued

United Kingdom A cool way to combat global warming



In 2013, HEINEKEN UK introduced an innovative draught cooling solution to hundreds of pubs and bars across the country, called SmartDispense. The technology chills the beer as it leaves the keg, removing the need for cellar or under-bar cooling systems. **SmartDispense** delivers a significant cost saving to bar owners, a better quality pint of beer to consumers and a greener solution overall.

SmartDispense was developed based on research which showed that in the UK more than 90% of the energy used to maintain cellar temperatures at 12°C (the ideal temperature for cask ale to secondary ferment) was wasted. By eliminating the need for cellar cooling, we identified an opportunity to create a more energy-efficient method for draught dispense. Additional 'smart' features of the system allow the cleaning to be reduced, meaning fewer chemicals used and less water consumption. SmartDispense also uses greener refrigerants, reducing the Global Warming Potential (GWP) below the industry standard.

A trial carried out in seven sites across an eight-month period demonstrated that businesses with SmartDispense reduced their energy consumption by an average of 41% and reduced waste in line cleaning by 75%.

Over 350 HEINEKEN UK outlets introduced SmartDispense into their business in 2013. Our ambition is to increase this number in 2014, with a particular focus on rolling out the technology to our lessees through our UK pub business, Star Pubs & Bars.

[Click here to learn more about our approach to CO₂ reduction.](#)

Case studies continued

Austria Gösser brewery on the road to CO₂ neutrality



Gösser is synonymous with unspoilt natural resources and optimum raw materials. The environment is therefore particularly important to one of Austria's best beers. HEINEKEN's Brau Union Österreich has embarked on a pioneering ambition to develop Göss Brewery as the leading CO₂-neutral brewery in Europe.

Close to 40% of the brewery's heat requirement is met from waste heat discharged from a neighbouring sawmill, and 90% of the waste heat generated in the brewing process is used to heat water. In 2013, a new boiling system was introduced in the brewing process, which helps to save just under 200,000 kilowatt-hours of power and over 6,400 m³ of water per year.

A further milestone on this journey was celebrated on 18 September 2013 with the official start-up of a new solar plant, which occupies an area of 1,500 m² and in the future will generate part of the heat required for the brewing process in the brewhouse.

In addition, 100% of the external power used in the Göss Brewery is green electricity, as is the case in all the breweries operated by Brau Union Österreich.

[Click on the video](#) above to learn more about how our colleagues at Göss Brewery work together with partners on becoming a fully CO₂-neutral operation.

[Click here to learn more about our approach to CO₂ reduction.](#)

Case studies continued

France

Desperados introduces new lightweight bottle



As part of our commitment to reduce our carbon footprint, HEINEKEN France signed a 'Pacte Point Vert' – essentially an agreement to work on a range of environmentally-friendly initiatives – with packaging specialist Eco-Emballages in 2012. In 2013, as part of this commitment, we introduced a new, lighter Desperados bottle.

The challenges in bottle re-design are complex. A wide range of factors must be considered and tested, from manufacturing safety standards for distribution and consumer use, to durability during transportation and the ability to wash the bottles effectively.

For the new Desperados bottles, this required the input of both internal and external stakeholders, among them HEINEKEN employees in France and the Netherlands and external consultants, including Solving Efeso, American Glass Research and our own glass suppliers.

The new bottle, which was launched in November 2012, is 20% lighter than the previous version. This was achieved by reducing the height of the bottle, and 'rounding' the 'shoulder' of the bottle, allowing less glass to be used in that area.

The lighter bottle represents an annual decrease of 6,000 tonnes of glass and 5,000 tonnes of CO₂.

Globally, HEINEKEN's efforts to reduce CO₂ by use of this new bottle will be rolled out to the USA, Brazil and Vietnam.

[Click here to learn more about our approach to CO₂ reduction.](#)

Case studies continued

Brazil

Using trains to reduce CO₂ emissions



Brazil's rapidly growing economy poses some significant challenges to logistics and distribution operations that are often under strain due to increasing demand. In 2013, HEINEKEN Brasil came up with a green solution to this issue.

Logistics operations in Brazil in general are challenging, with very long distances to travel and an under-developed road network. In terms of distribution, we must also compete with other companies and industries for access to delivery trucks. During peak periods, such as the sugar cane season, there is often a shortage of trucks.

For HEINEKEN Brasil, a solution to these problems needed to be addressed for the long-term. Naturally, we also had to look for options that fitted with our Brewing a Better Future strategy to reduce CO₂ emissions.

Working together with several stakeholders, including a local Coca-Cola distributor and distribution logistics experts RG Log, we ran a pilot programme to begin using trains as an alternative.

In a period of just two and a half months, the analysis, the plans and the implementation were conducted together with key customers and the train company. The success of the pilot means we will see a continuation of this programme in the near future. Negotiations with potential customers are ongoing.

As an added benefit, we are often able to bring the stock closer to the customers by using rail terminals as stock buffers. We therefore reduce CO₂ as trucks do not need to travel as far to the customer's location.

The end result means we expect to reduce CO₂ emissions by 302 tonnes annually with this new method of distribution, a reduction of 40% from current levels. We also provide a blueprint for other HEINEKEN companies to use if they need a similar solution. And of course, we are able to provide our customers with more reliable deliveries.

[Click here to learn more about our approach to CO₂ reduction.](#)



Sourcing sustainably

As the demand for food crops rises, responsible agriculture and sourcing have never been more important. We want to operate in a way that improves the quality of life for communities, helps the environment and ensures a consistent supply of our raw materials.



Sourcing sustainably

Why this is important



“The long-term success of our Company goes hand-in-hand with the success of our partners. Sourcing locally with sustainable solutions benefits us all.”

Siep Hiemstra, Regional President Africa and Middle East



As global demand for food continues to grow, responsible agriculture and sourcing have never been more important.

The key issue facing global agriculture is how to increase productivity in a more sustainable way to meet this rising demand. Sustainable sourcing also makes a real contribution to both poverty reduction and food security.

We want to operate in a way that improves the quality of life for local individuals and communities, helps the environment and ensures a consistent supply of our raw materials.

Through our local sourcing projects, we are helping smallholder farmers to improve yields and compete against imported crops. This increases the incomes from their farms, making a significant contribution to the alleviation of poverty and food security at a local level. Most importantly, we are empowering them economically, allowing them and their families an improved standard of living. Local sourcing also benefits HEINEKEN; it eliminates import duties, secures a sustainable supply of raw materials and reduces our transport-related environmental footprint.

In addition, much of our impact on the environment and resources indirectly lies with our suppliers. They are key to helping us reach our sourcing commitments. We are working together to ensure we implement the right practices throughout our value chain, and we ask them to respect and abide by the values expressed in our Supplier Code.

Sourcing sustainably

Our priorities



We have made the following commitments to reach by 2020:

- **50% of our main raw materials to be supplied from sustainable sources**

By sourcing sustainably we help to raise farming standards and support farmers all over the world in adopting improved environmental and social standards. We have adopted the Sustainable Agriculture Initiative (SAI) principles that will be the basis for implementing sustainable practices with our agricultural suppliers.

- **60% of agricultural raw materials used in Africa to be locally sourced within the continent**

Our presence as a large buyer of crops and a manufacturer and brewer in Africa has positive economic effects on local communities. Continuing our efforts to improve the livelihoods of farmers and their families in the region through sourcing projects remains a high priority.

- **Ongoing compliance with our Supplier Code Procedures**

The HEINEKEN Supplier Code, applicable to all our suppliers, provides clear guidelines for how we expect them to act in the areas of Integrity and Business Conduct, Human Rights, and the Environment. As a global market leader, we use our influence to encourage suppliers to adhere to these guidelines and to request their suppliers to do the same, supporting us in making a positive contribution to society.

Sourcing sustainably

Actions and results

What we said we will do by 2015

Aim for sustainable sourcing of raw materials for crop year 2015: 20% (barley), 40% (hops), 60% (bittersweet apples for cider)¹

50%² of agricultural raw materials used in Africa to be locally sourced³ within the continent

Four-step Supplier Code Procedure operational within all Operating Companies

What we've done in 2013

On track
Sustainable sourcing procedures approved and being rolled out with our key suppliers

Started development of reporting system to monitor progress on commitments, which we will pilot with suppliers in 2014

On track
Increased our local sourcing from 45% in 2012⁴ to approximately 46%

Started three new **Public-Private Partnership projects** in Ethiopia, Rwanda and Sierra Leone

Appointed a Local Sourcing Director to increase focus and coordination between projects

On track
All majority-owned Operating Companies, excluding APB, were in scope for the Supplier Code Procedure, the speed of rollout depending on the maturity of the Operating Company



¹Based upon volume

²Based upon tonnage

³With local sourcing we refer to sourcing within the region of Africa & Middle East

⁴The 2012 Sustainability Report stated 48% local sourcing. This has been revised to reflect two definition changes;

(i) hops and grapes have been added for the first time,

(ii) only agricultural raw materials cultivated in Africa are included (i.e. raw materials, which are imported and processed locally before entering the HEINEKEN supply chain are excluded)

Actions and results continued

Sustainable sourcing of agricultural materials



As yet it is too early to report progress against our sustainable sourcing targets for two reasons:

1. Our focus in 2013 has been on creating procedures for how we procure sustainable agricultural materials, starting with barley, hops and apples. These procedures include assurance protocols and have been introduced to our key suppliers, who in turn are encouraged to work with farmers who grow their crops sustainably
2. We are developing a Company-wide system that can reliably measure and report progress on our sustainable sourcing targets and we aim to test this with suppliers in 2014.

The procedures we have introduced to our key suppliers are based on the principles and practices of the [Sustainable Agriculture Initiative Platform \(SAI\)](#), a food industry organisation of multinational companies working towards a more sustainable food chain. We were the first brewer to join the SAI and we are an active member of the arable and fruit working groups.

The scope for our work on sustainable agriculture covers the soil, water, biodiversity, air, greenhouse gas, waste, working conditions, training of farm workers, impact on the local economy, as well as several elements of economic sustainability and sustainable farming management systems.

The [SAI Farmer Self-Assessment](#) is an industry-wide tool to communicate and align sustainability expectations and definitions between the food and drink sector and supplying farmers. HEINEKEN is currently testing this tool and using it as our benchmark for assessing local codes of practice used in the countries where our raw materials are grown.

Water

Based on water footprint studies from four markets, we estimate that the water used to grow crops for our beers accounts for approximately 90% of our water impact. Agriculture is therefore an obvious area in which to focus efforts to reduce the water footprint.

The challenge remains that – for the majority of our raw material input – we do not have direct relationships with farmers, which in turn means that we need to influence water usage through our partners in the supply chain. This is one of the reasons why we have adopted the SAI Principles and Practices for HEINEKEN inputs. Responsible water usage is part of these principles. For farmers this means, for instance, understanding local water issues and having a water management plan for the farm. We are currently addressing possible collaboration with other companies, through SAI, to assess water risks and identify possible mitigation measures within key sourcing regions that coincide with production plants.

Water management concerns are also addressed in the SAI Farmer Self-Assessment, which HEINEKEN is currently piloting.

We recognise, however, that addressing water concerns in sourcing areas only through these channels is not sufficient. We will therefore continue to work in 2014 with our stakeholders and suppliers to discuss this topic and find ways where we can improve our impact.

Actions and results continued

Reducing carbon footprint: Cool Farm Tool

HEINEKEN is focused on reducing the carbon footprint and also sees the importance and need for solutions to lower greenhouse gas emissions from agricultural production. As a founding partner of the Cool Farm Institute, together with leading academics and major food and drink industry players, we were actively involved in the development of the [Cool Farm Tool](#). This online greenhouse gas calculator helps growers to assess and improve the environmental and economic performance of their businesses.

The Cool Farm Tool has since been tested and adopted by a range of multinational companies who are using it to work with their suppliers to measure, manage, and reduce greenhouse gas emissions in an effort to mitigate global climate change. The online version of the Cool Farm Tool was launched in January 2014 and is free to use for individual farmers. The Cool Farm Institute has plans to extend the tool's capabilities to other key environmental metrics, such as water and biodiversity.

Biodiversity

HEINEKEN recognises the importance of biodiversity. The challenge, however, is understanding the complexity of biodiversity. This is a frequent topic of conversation within the Beverage Industry Environmental Roundtable and SAI, and with our stakeholders. HEINEKEN has several initiatives in place locally where we engage with communities, governments and farmers on this topic, which helps us to further our understanding:

- In the Netherlands, we are a co-founder and active member of the [Skylark Foundation](#). Through the foundation we help farmers to develop good practice in sustainable agriculture, which heavily depends on soil biodiversity. In 2013, the Foundation celebrated its 10th anniversary, and now has more than 400 participating farmers.
- Our brewery in Zoeterwoude, the biggest in Europe, started a partnership called '[Green Circles](#)' together with the Province of South-Holland and research institute Alterra (Wageningen University). Green Circles aspires to realise a climate neutral brewery, a sustainable regional economy and a pleasant living environment in the Zoeterwoude region. 'Biodiversity at the Brewery' is one of the projects, in which the brewery terrain was transformed to promote biodiversity, without disrupting the industrial character of the site. Bee Motels were installed and stiff patches of grass became fields of flowers, providing nutrition for bees and birds, and a colourful new lunch walk for the employees.
- In Spain, in 2012, HEINEKEN signed a five-year agreement with the Andalusian Government and the leading supplier of malt, aimed at protecting biodiversity, particularly endangered bird species. During 2013, several farmers were supported with activities to preserve and improve the habitat of the great buzzard. HEINEKEN Spain also signed, together with 11 other major Spanish businesses, the [Biodiversity Pact](#). This project, in co-operation with the State Administration, aims to combine economic development with the protection of biodiversity.

Actions and results continued

Local sourcing



In 2013, we sourced approximately 46% of our African raw materials locally¹, an increase versus the 45% in 2012. We restated our 2012 figure (originally 48%) as we updated our definition of local sourcing on two levels:

1. Hops and grapes have been added for the first time
2. Only agricultural raw materials cultivated in Africa are included, which means that we exclude raw materials that are imported and processed locally before entering the HEINEKEN supply chain.

We currently source agricultural raw materials locally in 11 Operating Companies. We have projects running in eight countries across Africa, involving more than 100,000 farmer families.

In 2013, we finalised an impact assessment of our local rice sourcing project in the Democratic Republic of Congo. [See case study.](#)

We also launched the Community Revenue Enhancement through Agricultural Technology Extension (CREATE) programme in 2013 to help accelerate our sourcing initiatives in the region. In partnership with the Dutch Ministry of Foreign Affairs and the European Cooperative for Rural Development (EUCORD) we started three new projects in Ethiopia, Rwanda and Sierra Leone. [See case study.](#)

Additionally, we moved towards more centralised governance by appointing a Local Sourcing Director to increase focus and coordination between projects.

We also run local sourcing projects outside Africa. HEINEKEN's 2012 pledge to play a catalysing role in the development of the Haitian economy continued in 2013, as we made further progress in our local sourcing initiative. During President Clinton's Agricultural Investment Trip to Haiti in March 2013, we announced an investment of USD40 million to upgrade and expand our Haitian brewery, which includes investment in regional programmes that will help build the capability of smallholder farmers. The announcement comes after HEINEKEN made a USD15 million [Clinton Global Initiative \(CGI\) commitment](#), in collaboration with the Smallholder Farmers Alliance, to locally source 20% of all raw materials for brewed products and 40% of their packaging materials. By 2018, the commitment is expected to bolster Haiti's packaging industry and to improve the livelihood of 18,000 farmers by sourcing their sorghum for HEINEKEN products.

¹ Local sourcing means all agricultural raw materials used in HEINEKEN's production processes within the Africa & Middle East Region that were cultivated in a country in the Region. It is measured against total agricultural raw materials used in production in the AME region and the unit of measurement is tonnes consumed in the brewery/production site. The outputs are expressed in both absolute weight and as a % of total raw materials

Actions and results continued

Local sourcing: creating shared value		
For Farmers		For HEINEKEN
Improve their livelihoods (healthcare, nutrition, household utensils, farming implements...)	1	Long-term and secure sustainable source of raw materials
Improve agricultural knowledge (seeds, varieties, better use of the soil)	2	Reduce exposure to unavailability or potential volatile prices
Increase productivity (total and average production, average yield/competitiveness)	3	Less transport cost, shorten supply chain
Increase profitability (income generated by production)	4	Reduce carbon footprint
Increase food security (more and better daily meals)	5	

Supplier Code governance¹

Our suppliers are key to achieving our sourcing commitments as much of our impact indirectly lies with them. So we are working together with all our suppliers of product-related and non-product related products and services to ensure we use and implement the right practices throughout our value chain and ask our suppliers to respect and abide by the values expressed in our [Supplier Code](#).

1 Step 1 – Signing



We aspire only to do business with suppliers who share our values. By signing the HEINEKEN Supplier Code, our suppliers agree to comply with key elements of integrity, environmental and human rights, which are based on a specific number of relevant [International Labour Organisation standards](#).

At the end of 2013, more than 42,000 of our suppliers had signed the Supplier Code, an increase of 8,000 over the previous year.

¹ APB excluded, will be included as of 2014

Actions and results continued

2 Step 2 – Risk analysis



The intensity with which we monitor compliance against our Supplier Code depends on the risk profile of a supplier. Using our Supplier Risk Analysis (SRA) tool, we identify potential high-risk suppliers based on their type of business and level of supplier-specific risk. All potential high-risk suppliers are required to go through Step 3 of the programme.

In 2013, we added around 18,000 suppliers, bringing the total number up to 35,000 and covering 40 Operating Companies.

3 Step 3 – Monitoring

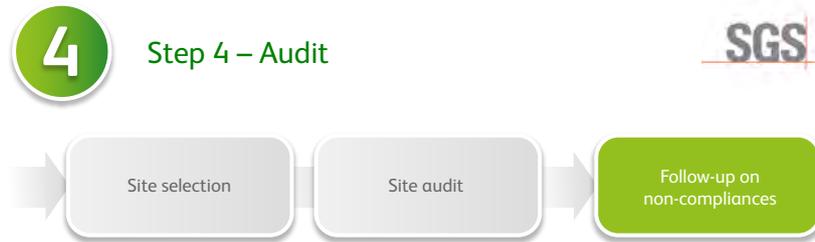


We use the EcoVadis collaborative platform and related scorecard to assess compliance with our Supplier Code as well as to monitor performance and identify areas for improvement. The assessment is completed by the supplier through the delivery of supporting evidence, and a 360° scan performed by EcoVadis.

In 2013, we increased the rollout of EcoVadis among our globally managed suppliers and in the Operating Companies in Western Europe and Central and Eastern Europe. Since the start of the rollout in 2011 more than 1,200 suppliers have been invited to the [EcoVadis platform](#), and close to 750 of those suppliers have gone through the entire assessment process, a significant increase compared to 2012 (139 suppliers).

Suppliers considered high-risk, based on the scorecard, would be subject to a site audit according to Step 4. Of the suppliers scored in 2013, six are considered high-risk. Thirty-nine of them were invited to demonstrate how they intend to improve their score in a next assessment, even though they did not score below the threshold for high-risk suppliers.

Actions and results continued



The final step in the Supplier Code programme is a site audit by a third party using our Supplier Code as the basis. By auditing using the SMETA 4-pillar protocol¹ we can contribute to, and leverage, the database of audits conducted by members of [AIM-PROGRESS](#), the global responsible sourcing platform used by close to 40 of the world's leading consumer goods companies.

We are in the process of following up on the nine audits conducted in 2012, and audits will be conducted in 2014 for those suppliers scoring below an acceptable level on the EcoVadis platform in 2013.

Although HEINEKEN has no direct or indirect link to the Rana Plaza disaster that occurred in April 2013, it has led us to monitor our presence in Bangladesh more closely. We don't directly do business with suppliers in Bangladesh, but we do feel the need to co-operate with the suppliers who source from Bangladesh on our behalf. We have, therefore, planned and followed up on audits for the manufacturing sites in Bangladesh supplying us with merchandise materials.

We prefer a continuous improvement approach to achieve compliance with the key elements of the Supplier Code. If cases of non-compliance are found we will discuss with our suppliers how they will be corrected, assuming the commitment from the supplier to correct the non-compliance within a given timeline. If there is no commitment or lack of corrective measures, HEINEKEN will cease to do business with that supplier and will ultimately terminate the contract.

In 2013, 56 contracts were terminated, triggered by the supplier's lack of commitment to our Supplier Code programme. Most of these rejections were due to a lack of commitment to signing the Supplier Code; a small number was due to a lack of commitment from the supplier to go through the EcoVadis assessment.

In 2014, we will start to assess how we can use performance against sustainability criteria as a means to award more business to suppliers showing their commitment to sustainability.

¹ SMETA (Sedex Members Ethical Trade Audit) describes an audit procedure, which is a compilation of good practice in ethical audit technique

Sourcing sustainably

Case studies

Global

How HEINEKEN and EcoVadis help suppliers become more sustainable



More than 42,000 companies have signed HEINEKEN's **Supplier Code**, thereby agreeing to certain standards of sustainability in their business operations. We use the services of **EcoVadis** in order to help our suppliers develop and adhere to these standards, and to identify gaps in their performance that need to be addressed. **Metalfrío Solutions**, one of the world's largest producers of refrigerators, is a supplier to HEINEKEN. An interview with Ozlem Karacaoglu, Key Accounts Manager at Metalfrío:

How do you work with HEINEKEN?

"Metalfrío provides cooling solutions to HEINEKEN for both on-premise and off-premise placement. HEINEKEN is a very important business partner for our company, and many product and process developments have been developed as a result of working together. Since continuous improvement is one of the targets of our company, we value all assessment processes, supportive actions and directions advised by our partners. HEINEKEN gave us the inspiration to bring our processes to the next step."

What are the main benefits to your company of going through the EcoVadis process?

"The entire process helped us focus and prioritise our actions. We established our own carbon management strategy and action plan, developed a carbon management mentality and set key performance indicators to reduce our carbon impact in each stage of our manufacturing process, much earlier than originally planned.

"We also updated our supplier assessment system by including social and environmental indicators into our assessment criteria, including human rights and business ethics."

Did you experience any challenges or difficulties as a result of this process?

"There were some cases where we faced challenging issues. In particular, translating documents and training employees in new environmental processes in a limited time. In these instances, we used an external consultant to help us. The important detail in these challenges is that we did not need to do it entirely on our own – external parties can play a role in helping move us forward in our sustainability goals."

What do you recommend to fellow suppliers invited to EcoVadis by HEINEKEN?

"Our recommendation for fellow suppliers is to embrace this concept, get assessed and invest toward improving the weak points. We strongly recommend defining and following up key performance indicators and always consider them on each process for continuous improvement."

[Click here to learn more about our approach to sustainable sourcing.](#)

Case studies continued

“I think that many companies have a Corporate Social Responsibility programme. The way we manage it at HEINEKEN is that it is more than paperwork. With EcoVadis we do a risk assessment and supplier assessments on-site when necessary. Together with our suppliers we put in more effort to live our values and can have real impact through suppliers like MetalFrio.”

Reaction from Hans Donker, Global Category Buyer Fridges, HEINEKEN



“EcoVadis is supporting 100 leading multinationals, and HEINEKEN has been deploying one of our most impressive programmes in 2013. This despite a challenging decentralised structure involving 55 regional Operating Companies as well as Group Procurement. One of the Best Practices clearly attributing to the effectiveness of the programme at HEINEKEN was the clear involvement of the whole procurement organisation as each and everyone’s objectives were aligned with the corporate objectives through their annual targets. This has clearly helped the effectiveness of the supplier’s participation and buyer’s involvement in rolling out the Supplier Code procedure.”

Reaction from Pierre-Francois Thaler, Co-President, EcoVadis



[Click here to learn more about our Supplier Code Governance.](#)

Case studies continued

Ethiopia, Sierra Leone and Rwanda CREATE-ing local sourcing opportunities



Local sourcing is a key part of HEINEKEN's partner for growth strategy and supporting the communities in which we operate is a central Company belief. To help financially empower farmers and their communities, we have set an ambitious target to source 60% of our agricultural raw materials locally by 2020. In 2013, we launched the Community Revenue Enhancement through Agricultural Technology Extension (CREATE) programme to accelerate our sourcing initiatives in the region.

CREATE is supported by the Dutch Ministry of Foreign Affairs and the [European Cooperative for Rural Development \(EUCORD\)](#), as well as a number of NGOs. HEINEKEN has the overall responsibility for the implementation of the project and we will contribute more than USD4 million from 2013 to 2017.

This Public-Private Partnership approach is an effective way to share expertise and collaborate with local governments to help local farmers to improve their agricultural practices.

The objectives of the CREATE project include:

- Reducing the number of seeds imported from other countries
- Developing the knowledge and skills of local farmers through support and training
- Improving income for thousands of farmers and their families.

Beer can be made from many different grains, including barley, rice, sorghum and maize. The relevant crop in each country depends on the local conditions and the CREATE project focuses on malt barley in Ethiopia, maize in Rwanda and sorghum in Sierra Leone.

Ethiopia

Supplying higher-yielding barley seeds and training are key elements of the CREATE project in Ethiopia. EUCORD will train the farmers on soil preparation, planting, fertiliser use and how to treat barley post-harvest. This will help them to further improve their productivity as well as the quality and quantity of their crops.

HEINEKEN has committed itself to buying this barley as an ingredient for local brewing, providing security for the farmers and their families. This agreed demand enables collaboration with local microfinance organisations, which allows farmers to obtain short-term loans to buy the better seeds and fertilisers needed to improve yields.

In the coming years, the project will reach 20,000 farmers and we aim to produce 20,000 tonnes of local barley. The Ethiopian Government's Agricultural Transformation Agency (ATA) is a key partner in the development of the Ethiopian barley supply chain. It provides support with other governmental agencies at both the federal and regional levels, as well as providing input on specific agricultural information needs. The Ethiopian Institute of Agricultural Research (EIAR) contributes with research, knowledge and experience on improved barley varieties for the local Ethiopian growing conditions.

Case studies continued

Sierra Leone

The CREATE initiative in Sierra Leone started in 2013. One of the project's primary objectives is to increase the income of at least 2,000 farmers and their families engaged in sorghum cultivation. Another goal is to improve the quality and quantity of the sorghum being produced, as we aim to produce more than 1,000 tonnes of sorghum per year.

Key stakeholders in this project include HEINEKEN Operating Company Sierra Leone Brewery Limited (SLBL), the Ministry of Agriculture, the Sierra Leone Agricultural Research Institute (SLARI), as well as the farmers and communities who supply sorghum to SLBL.

As a result of this initiative, SLBL is currently sourcing 44% of its agricultural raw materials locally.

Rwanda

The CREATE project in Rwanda aims to increase food security and improve livelihoods of smallholder farmers by further developing local maize production.

The project builds on the existing Bramin Farm joint venture between Bralirwa and local maize miller Minimex, which has already created 120 new jobs and trained employees in modern maize farming methods and in the maintenance and repair of farm machinery.

Farmers in the CREATE project will be supported with improved seeds and training, and the crops they grow will be connected to local HEINEKEN Operating Company Bralirwa's maize supply chain.

[Click here to learn more about our approach to local sourcing.](#)

Case studies continued

Democratic Republic of Congo

A deeper understanding of the benefits of sourcing rice locally



The rice project in the Democratic Republic of Congo serves as an excellent example of what a committed approach to local sourcing can achieve. Working in partnership with the Dutch Ministry of Foreign Affairs, the European Cooperative for Rural Development and specialist agricultural NGOs, we have trained smallholder farmers to produce consistent volumes of high-quality rice. As a result, farmers' average production and income have increased significantly.

Bralima, HEINEKEN's Operating Company in the DRC, is directly involved in the project across eight local regions – Kinshasa, Kisangani, Bumba, Nsioni, Ngele, Budjala, Bukavu, and Lubumbashi. Each region has benefited from the project since it launched in 2008 (Kinshasa and Ngele's initiatives started in 2011); 73% of the farmers have indicated the project improved their livelihoods, and Kinshasa, for example, has seen the average income per farmer increase by 324%. Meanwhile in Ngele, food security – the average number of daily meals – has increased by 59% since the project began.

Total rice production in the project area has increased by 62% and, as a result of training, individual smallholder farmers have seen their average annual production increase by 62%. This increase in farming knowledge and productivity has allowed Bralima to source 79% of its rice needs locally in 2013. This is a significant increase since 2008, when the company needed to import almost all of its rice from outside the DRC.

A direct effect of this can be felt across the country; by purchasing close to 40,000 tonnes of local rice within DRC, Bralima has redirected USD26 million into the local economy. In total, it generates income for more than 58,000 farmer families.

The successes achieved in the DRC demonstrate clearly the benefits of a dedicated effort to increase local sourcing. The combined resources of HEINEKEN, the specialist NGOs and government organisations have provided a concrete and long-lasting improvement in the livelihood for many thousands of people throughout the country.

[Click here to learn more about our approach to local sourcing.](#)

Case studies continued

Mexico

Driving Centre to help drive sustainable agriculture forward



In 2013, Cuauhtémoc Moctezuma, HEINEKEN's Mexican Operating Company, worked closely with a number of government agencies and agricultural organisations to help make sustainable agriculture a reality.

In assessing the situation in Mexico's malt barley crop areas, it became clear that many traditional farming systems in Mexico are in need of improvement. The degradation of resources such as water and crops is not environmentally sustainable; and the resulting lower profitability for many companies and local communities would not be economically sustainable in the longer term.

Cuauhtémoc Moctezuma, NGOs, private companies and the farmers themselves aim to improve and upgrade farming practices in Mexico. In order to accomplish this, Cuauhtémoc Moctezuma helped launch the 'Driving Centre' late in 2012, and continued to support it throughout 2013.

The Driving Centres (known locally as Centros Impulsores) are the physical location in which the different parties in the malting barley agro-industrial chain interact and link to each other, to plan, manage and provide services to the producers. The Centre plays a highly important role in creating a sustainable agriculture environment in Mexico, as it provides over a dozen functions, including technology transfer between producers, financial services, and a machinery centre. These services improve the sustainability of the industry as a whole in Mexico, with increased knowledge of crop practices and financial assistance.

There are three Driving Centres in total, located in Hidalgo, Tlaxcala and Guanajuato. Growers make up the majority of the participants, representing 7,350 acres of total land. HEINEKEN annually provides almost 3.3 million pesos (around USD250,000) to help operate the Centres.

The principles of agricultural conservation and precision agriculture techniques are now being adopted in much of the areas dedicated to the production of malt barley.

[Click here to learn more about our approach to sustainable sourcing.](#)



Advocating responsible consumption

We take our role seriously to help reduce the incidence and impact of harmful drinking. Our goal is to make moderate responsible consumption aspirational.



Advocating responsible consumption

Why this is important



“We believe that we can make positive behaviour aspirational by utilising our creativity.”

Alexis Nasard, Chief Marketing Officer and President Western Europe



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

HEINEKEN has a long history of encouraging responsible consumption and we take this role seriously. For us the goal is to make moderate, responsible consumption aspirational. We know that when brands communicate directly, the message resonates more strongly with consumers.

The vast majority of people enjoy our products responsibly. However, there are still too many people who don't. There are clear health and behavioural risks associated with consuming too much alcohol, either over time or on single occasions. For some occasions and some people, it is better not to drink at all. Harmful drinking is damaging not just to the individuals themselves and the people around them, but to our industry, society, and our own reputation.

We also realise that alcohol abuse is a complex societal issue without simple solutions or a one-size-fits-all approach. Different regions have their own cultural attitudes towards alcohol, and accompanying challenges. It requires more than producers simply taking action. It demands a concerted approach from multiple players. Governments, NGOs, 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.

Advocating responsible consumption

Our priorities



HEINEKEN has identified three areas in which we can most effectively encourage responsible attitudes to alcohol and discourage alcohol misuse:

- **Advocating responsible consumption through our brands**

Our flagship Heineken® brand is instantly recognised all over the world and our local brands are often trusted leaders in their respective regions. Through the power and reach of our brands, we can bring a message that responsible consumption is aspirational directly to our consumers.

- **Building partnerships in each of our markets**

We work closely together with local governments, NGOs and specialists to encourage responsible consumption and reduce harm caused by abuses such as under-age drinking or drinking and driving. Our aim is to have a measurable partnership that addresses alcohol abuse in every market.

- **Taking action at industry level**

In collaboration with 12 global producers of beer, wine and spirits we have **committed to action in five key areas**: under-age drinking, marketing codes of practice, consumer information and product innovation, drink-driving and retailer support. These collective commitments are in support of the World Health Organization's Global Strategy to Reduce the Harmful Use of Alcohol.

Advocating responsible consumption

Actions and results

What we said we will do by 2015

We commit to invest a minimum of 10% of our media spend¹ for Heineken® in supporting our dedicated responsible consumption campaign in at least 50% of our market volume²

Every market in scope³ has a partnership to address alcohol-related harm. All partnerships meet HEINEKEN's seven-point partnership criteria

Precise goals for 2015 to be decided in conjunction with industry via ICAP and GAPG organisations

What we've done in 2013

On track
Developed "Dance More, Drink Slow" campaign throughout the year, with official launch held on January 2014. Media investment commitment included as of 2014 budget



On track
Out of 40 markets in scope, 36 now have at least one partnership. From 2013, we have begun actively assessing the impact of these partnerships on alcohol-related harm and are currently working with markets and partners to improve measurement and reporting of their projects



More to do
Global commitments KPIs developed and being implemented. In each of the action areas preparatory work was done in 2013, [see table overview](#)



Making responsible consumption aspirational through the Heineken® brand



Heineken® is the world's most international premium beer brand and is enjoyed by consumers in virtually every country on the planet. It makes sense, therefore, that we use the brand to spearhead our brand-related responsible consumption activity. We do so via the Enjoy Heineken® Responsibly (EHR) campaign on many touch points with our consumers.

Since its launch in 2004, this initiative has grown from a phrase on packaging to a global integrated campaign that includes a dedicated website in 29 languages in 88 countries, advertising boarding at all major sponsorships, its own dedicated logo displayed on all types of commercial communication and packaging, and discussions with consumers.

As with the brand itself, we believe in innovation to achieve real consumer impact. The 2011 launch of the 'Sunrise' advertising campaign marked a step change in the way responsibility advertising is developed within HEINEKEN. This commercial, made for both online and offline use, is fully integrated into the Heineken® brand's global 'Open your World' campaign and aims to change habits by advocating positive behaviour, rather than criticising bad behaviour. In 2013, we continued to spread the message that 'Sunrise belongs to moderate drinkers'.

¹ In the original commitment we called this metric 'media share of voice' but we changed this into 'media spend', as this is a better measurable yardstick of our financial commitment. (Share of voice is relative to competition and can vary from country to country and is therefore harder to measure.)

² Market scope covering in total at least 50% of Heineken® global volume. We focus our efforts on the larger markets where we can make the biggest impact, out of scope are those markets where we are unable to run our responsible consumption campaign due to local (legal and religious) restrictions on alcohol advertising

³ Out of scope are Islamic markets and small export markets where we don't have staff or a presence

Actions and results continued

Speaking at a Marketers event in Cannes in July 2013, HEINEKEN CEO Jean-François van Boxmeer challenged marketers to make moderation aspirational. We rose to that challenge by creating the 'Dance More, Drink Slow' responsible consumption campaign and forming a partnership with world-famous DJ Armin van Buuren. It brings the moderation message to a different place: directly to the club and the dance floor. [See case study.](#)

We also continued to support our global message of responsible consumption through other global and local brands. See [this case study](#) about how Newcastle Brown Ale launched the winter 'Cabbie' limited edition in the United States, becoming the very first product in the HEINEKEN portfolio to embed a responsible consumption message directly in its brand identity.

Marketing and selling responsibly



We aim to ensure that all of our HEINEKEN Company commercial communication is responsible, consistent and conforms to our strict rules. Our [Rules on Responsible Commercial Communication](#) help 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 consumption of beer and cider in moderation and we only place commercial communication where we believe that at least 70% of the audience is more than 18 years or the relevant legal purchase age (if older).

Recognising the need for more detailed guidance in the digital environment we also have specific Rules on Digital Commercial Communication. These rules cover areas such as video use, online privacy and security, with a specific focus on age verification, particularly in social media.

We are working with the signatories to the [Global Commitments](#) to reduce harmful use of alcohol, to strengthen and expand our marketing codes of practice. We also work with the [Brewers of Europe](#), [The European Forum on Alcohol and Health](#) and the [World Federation of Advertisers](#) to reinforce advertising self-regulation across Europe.

Reported complaints

Despite our strict rules, in 2013 seven complaints were registered in relation to responsible consumption in commercial communication in four separate countries. All complaints were investigated and resolved. Three complaints were upheld. In one case our media purchasing agency mistakenly paid for ten advertising slots during children's programmes, clearly against our commercial guidelines. The agency admitted the mistake, corrected it and paid the fine. In another case the tag line in a brand campaign was voluntarily altered. Finally, a competitor suggested that a TV commercial had the effect of targeting minors. It was voluntarily withdrawn. Four complaints were not upheld. Two were resolved in court and two via direct communication.

Actions and results continued

Employee ambassadors



We have an internal alcohol information and prevention programme, Cool@Work, to ensure that our own people show leadership in drinking responsibly. The programme also outlines the education and support we offer employees requiring assistance with an alcohol problem. In 2013, the programme was assessed and the policy rewritten.

Our global ambassadorship programme, We Love Beer, encourages our employees to be knowledgeable about our products and about using them in moderation. Launched in September 2012, the programme continued to gain momentum throughout 2013. By the close of 2013, we had trained approximately 430 beer ambassadors in 13 countries (Brazil, Czech Republic, Greece, Ireland, Italy, Macedonia, Netherlands, Poland, Portugal, Slovakia, Croatia, Serbia, Romania and Head Office). Ambassadors are engaged in all sorts of activities to share with colleagues the positive story of beer: a story that has a past rooted in craft and tradition and a future based on responsibility and sustainability. [See video here.](#)

Working in partnership with NGOs and third parties



In 2013, we increased the number of markets in which we have partnerships focusing on combatting alcohol abuse from 33 to 36. The partnership approach allows each partner to use its expertise and resources to achieve a better solution. Each partnership needs to meet HEINEKEN's seven-point partnership criteria:

1. Addressing a priority issue for the local market
2. Working together with a credible and effective partner
3. Finding ways to provide more than funding
4. Agreed objectives, actions, measures and targets
5. Set up measurement and evaluation
6. Collect evidence to show value and impact
7. Communicate and share outcomes.

[See our case studies for some examples.](#)

Actions and results continued

Progress on Global Industry Commitments

In 2012, HEINEKEN joined 12 other global alcohol players¹ to announce significant collective commitments to help reduce harmful drinking. The commitments support the World Health Organization's (WHO) Global Strategy to Reduce Harmful Use of Alcohol and welcome the positive role it identifies for producers, distributors, marketers, and sellers of alcohol products.

The commitments work will be coordinated by two global industry platforms, the International Center for Alcohol Policies (ICAP) and the Global Alcohol Producers Group (GAPG).

There will be five annual progress reports to stakeholders' in relation to the signatories' commitments in reducing the harmful use of alcohol for the reporting years 2013-2017. Two external organisations have been appointed to support a robust reporting process: Accenture was appointed to help to define the KPIs related to these commitments and KPMG will audit the reporting on the KPIs. **The first report** will be produced in 2014, and readers of our Sustainability Report are encouraged to review it in conjunction with these commitments in mind.

The five commitments consist of 10 action areas. In each of the action areas preparatory work was done in 2013.

1. Reducing under-age drinking

Action area	Actions in 2013
Seek enforcement or introduction of government regulation of under-age purchase and consumption	An overview was prepared of all countries that do not have a minimum drinking or purchasing age. HEINEKEN will take the lead in Vietnam, Haïti and Greece to ensure it is implemented
Develop, promote and disseminate educational materials and programmes designed to prevent and reduce under-age purchase and consumption	An overview of existing education programmes and initiatives has been compiled

2. Strengthening and expanding marketing codes of practice

Action area	Actions in 2013
Take measures in 2013 so that print, electronic, broadcast and digital media in which we advertise our products have a minimum 70% adult audience	In co-operation with the World Federation of Advertisers (WFA) a reliable methodology was developed to monitor compliance with the 70% adult audience rule for television. An external agency, Ebiquity, will assist HEINEKEN with collecting the data from the signatory companies for 2013. The focus for 2013 is on the top 50 advertising countries less those where alcohol advertising on TV is banned. The monitoring will not include the US, as application of 70/30 is monitored by the Federal Trade Commission (FTC)
Develop during 2013 a set of global guiding principles for alcohol beverage marketing in digital media that will require the content of any online marketing to meet the same high standards that apply to our traditional marketing activities	Guidelines are developed and in use. The HEINEKEN Rules on Digital Commercial Communication are fully in line with these guidelines
Over the next five years, we commit to take steps to enable non-industry participation where none already exists in self-regulatory processes that enforce Code standards	A review of the current practices and a gap analysis will be ready in 2014

¹The signatory companies are:

Anheuser-Busch InBev; Bacardi; Beam, Inc.; Brewers Association of Japan; Brown-Forman Corporation; Carlsberg; Diageo; Heineken; Japan Spirits & Liqueurs Makers Association; Molson Coors; Pernod Ricard; SABMiller and UB Group

Actions and results continued

Include appropriate contractual language in our agreements with our advertising agencies, where practicable and legal, that will require them to abide by our responsible marketing and promotional codes for our products

HEINEKEN is introducing a standard clause in all its global and local contracts, which is expected to be completed in 2014

3. Providing consumer information and responsible product innovation

Action area

Not to produce any beverage alcohol products that contain excessive amounts of added stimulants, such as caffeine, guarana and taurine, and will not market any beverage alcohol product or promote any beverage alcohol combination as delivering energizing or stimulating effects

Actions in 2013

A review of all signatory products containing stimulants was prepared. We found only one HEINEKEN product that contains any stimulant at all. This low level of guarana is well within the guideline limits

Develop in two years a standard set of easily understood symbols or equivalent words to discourage (1) drinking and driving, (2) consumption by those under-age and (3) consumption by pregnant women to be applied globally (except where similar information is already legally required, prohibited or already provided by voluntary agreements). Over the next five years these symbols or words in these three areas will appear individually or in combination on our packaging

Inventory of existing symbols was made and the signatories will agree three symbols and equivalent text in 2014. We expect to have implemented this commitment by the end of 2015

4. Reducing drinking and driving

Action area

At the end of 2014, we commit to assess existing pilots and decide which are successful and locally sustainable. We also undertake to replicate those that prove to be successful in at least six additional countries, covering all continents, but focusing on the developing world, in the next five years

Actions in 2013

Existing pilots in China, Colombia, Mexico, Nigeria, Russia and Vietnam are supported and continued in 2014 and the experiences will be used for replication in other markets

5. Enlisting the support of retailers to reduce harmful drinking

Action area

Invite leading international retailers with whom we have commercial relationships to join us in launching a responsible retailing initiative. The primary aim of the initiative will be to create 'guiding principles of responsible beverage alcohol retailing', which will focus on identifying and cataloguing best practice guidelines for responsible beverage alcohol retailing

Actions in 2013

The signatory companies engaged leading international retailers, individually and through the Consumer Goods Forum. In early 2014, a roundtable with retailers will take place to agree a common approach to ensure responsible selling and promotion of alcohol

Actions and results continued

Working in partnership with the industry

HEINEKEN continued its active involvement with the [International Centre for Alcohol Policies \(ICAP\)](#) in 2013, including a financial contribution. ICAP deals with a number of policy issues related to the misuse of alcohol at a global level. We also continued our engagement with the [Global Alcohol Producers Group \(GAPG\)](#). This group provides a channel for the leading alcohol beverage companies for dialogue and advocacy with the World Health Organization, member state governments and other governmental and non-governmental stakeholders on health issues and potential solutions involving harmful drinking.

In April 2013, HEINEKEN attended the [European Union's Alcohol and Health Forum](#) – a platform for companies to tackle alcohol-related harm at European level. We presented our involvement in [Global Initiatives to Reduce Harmful Drinking](#), in combination with two other industry partners.

HEINEKEN joined fellow members of the [Brewers of Europe](#) in May 2013 to discuss and formulate a plan to address road safety, along with the EU Health Commissioner. As a result, a new project, [Sober Mobility Across Road Transport \(SMART\)](#) has been developed. This partnership between [Brewers of Europe](#) and the pan-European NGO [European Transport Safety Council \(ETSC\)](#) aims to contribute to the reduction of alcohol-related road deaths and injuries.

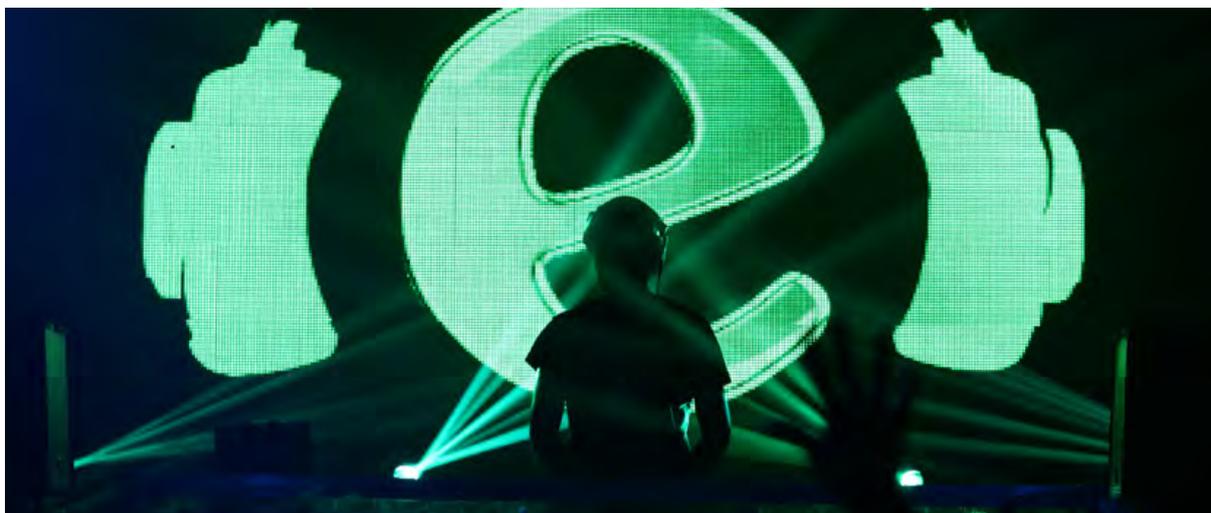
[The Responsible Marketing Pact](#), signed by HEINEKEN in 2012, is a shared commitment taken by the world's leading beer, wine and spirits producers, together with the EU and the World Federation of Advertisers. Signatories agree to implement common standards for responsible advertising and marketing to reduce visibly and minimise the appeal of alcohol marketing communications to minors.

Advocating responsible consumption

Case studies

Global

Dance More, Drink Slow



HEINEKEN has started a moderation movement, in partnership with DJ Armin van Buuren. ‘Dance More, Drink Slow’ shows how nights are enjoyed more when you are in control. This initiative is part of our long-term commitment to tackle the misuse of alcohol, including our pledge to use our flagship Heineken® brand to help make moderate consumption aspirational.

This is the first global responsible drinking campaign to target consumers on and around the dance floor. Armin van Buuren, the world-renowned Dutch DJ, is the new face and sound of the campaign. His ‘Save My Night’ track was developed exclusively for Heineken® with a clear invitation to consume alcohol moderately and enjoy the evening. The moderation message is simple: stay in control and you can enjoy your night more.

The ‘Dance More, Drink Slow’ campaign has also been brought to life through ‘The Experiment’, a film featuring Armin van Buuren. The social experiment focuses on two separate nights out in the same club in Miami with the only difference being the DJ. The film demonstrates the influence a DJ has on consumers to change their behaviour to dance more and consequently drink slow. ‘The Experiment’ demonstrates the exciting possibilities that naturally occur on a night out when drinking responsibly.

The partnership with Armin van Buuren will use social media (#DMDS on Twitter and Facebook), the campaign video (‘The Experiment’) and the song itself to reach a global audience throughout the year.

“The reason I have partnered with Heineken® on ‘Dance More, Drink Slow’ is because we have a fantastic opportunity, and responsibility, to connect with our audience and affect behaviour change,” says Armin van Buuren.

We believe that showing positive drinking behaviour and providing consumers with aspirational examples over time will help us to encourage a change in attitude towards moderate drinking. Through ‘Dance More, Drink Slow’ we want to change perceptions so that drinking in moderation becomes the cool option.

[Watch ‘Save my Night’ here](#)

[Click here to learn more about our approach to responsible consumption.](#)

Case studies continued

Poland & Croatia

18+ campaign engages customers and consumers in responsible consumption



HEINEKEN is committed to advocating responsible consumption. The 'I am 18+' campaigns are prime examples of how we translate this priority into effective action.

Run by both Grupa Żywiec in Poland and Karlovačka pivovara in Croatia, the campaigns used training and engaging messaging to educate bartenders and young people about the need to keep alcohol out of the hands of under-age drinkers.

At 20 events organised or sponsored by Grupa Żywiec in 2013, more than 700 bartenders were trained to verify the age of consumers buying beer. After positive verification, consumers were given an 'I am 18+' armband, signalling not only their age but also their agreement not to purchase alcohol for minors. More than 26,000 armbands were distributed during the year.

In Croatia, the Karlovačka pivovara team printed armbands for all legal-age drinkers at its annual Beer Days, a popular beer event that attracts thousands of beer lovers. More than 3,000 armbands were handed out over the course of 10 days. In addition, bar owners at the event attended a special meeting where the concepts of responsible consumption and how to communicate them were presented. Participants were asked to support Karlovačka pivovara's above efforts and to inform their servers about the purpose of the armbands. The message was also communicated beyond the event itself through local radio and online media channels.

[Click here to learn more about our approach to responsible consumption.](#)

Case studies continued

Italy & Serbia

Innovative campaigns tackle drinking and driving



Drinking and driving remains a serious concern for HEINEKEN. In Serbia and Italy, two innovative campaigns have been attempting to address the issue.

In Serbia, the simple tagline ‘Guys, who drives home?’ was used to raise awareness among 18-30 year olds, the group most likely to drive after drinking. Another element of the campaign involved promoting the use of public transport as a safe alternative. The Public Transport Company (GSP) proved to be an effective stakeholder to spread the message to a wide audience by placing the campaign posters at a number of stops.

HEINEKEN Serbia used a multi-platform approach to get the same message across at the Belgrade Beer Fest in August 2013. Leaflets, online and print media, even special HEINEKEN-marked buses were all used to reach the more than 700,000 people who attended the five-day affair.

A similar campaign run by HEINEKEN Italy in 2013 encouraged the use of public transport by young people after a night on the town. As part of the ‘[Good Morning Milano](#)’ campaign promoting responsible consumption, HEINEKEN collaborated with the Milan Municipality, the city’s public transportation company, and consumer association Movimento Consumatori to distribute 80,000 maps of the night bus system throughout the busy months of May, June and July. This was done to make consumers aware of the 24-hour buses available on weekend evenings. The campaign also encouraged users to upload their best Milan photos to the website, images taken from dusk to dawn.

The effectiveness of the campaign was clear: more than 6,000 page views to the [Good Morning Milano](#) website, and coverage in more than 70 articles.

[Click here to learn more about our approach to responsible consumption.](#)

Case studies continued

Nigeria

'Don't drink and drive': A simple message for safer roads



In 2013, one of our biggest Nigerian operations, Nigerian Breweries (NB), once again took an active role in combating the problem of drinking and driving, holding large-scale educational rallies. These rallies are targeted at frequent road users, primarily commercial drivers.

Public roads are a major source of transportation in Nigeria. In order to promote road safety and raise awareness of the harmful effects of drinking and driving, particularly among commercial drivers, NB has run an educational campaign since 2008. The message is clear and to the point: 'Don't Drink and Drive'.

In 2013, NB organised four 'Don't Drink and Drive' rallies in motor parks across south-west Nigeria, attracting 1,080 participants. The rallies focused on providing education materials on the dangers of drinking and driving, as well as presentations on the topic by local law enforcement personnel.

To help get the campaign message across effectively, NB has partnered with a key government stakeholder, the Federal Road Safety Corps (FRSC) as well as the National Union of Road Transport Workers. The FRSC helps to create the promotional materials to inform the participants about the dangers of drinking and driving, and the Union ensures that its members are made aware of the events and encouraged to attend.

In September 2013, the International Centre for Alcohol Policies (ICAP) evaluated the 'Don't Drink and Drive' initiative in Nigeria. Although better monitoring systems would have enabled more detailed analysis, the researchers concluded that it is likely that the effort has started to make a difference to the drivers' habits regarding drinking and driving.

[Click here to learn more about our approach to responsible consumption.](#)

Case studies continued

Asia Pacific

Have a Good Night Out campaign spreads fun in responsible drinking



HEINEKEN Asia Pacific's award-winning Drink Savvy platform is the first website by an Asian brewer to educate and engage consumers on well-informed and responsible decisions about drinking alcohol. For the fourth year running, Drink Savvy launched 'How to Have a Good Night Out', an interactive and fun campaign.

The campaign featured a series of six tongue-in-cheek animated 'lessons' about responsible drinking habits. These videos were disseminated to the public via various media outlets, including the campaign website and our Drink Savvy Facebook and YouTube pages. Consumers were also challenged to create their own video on how to have a good night out, and then share it with friends. The best entry won an exclusive VIP package for two to Heineken® Sensation 2013.

Across the Asia Pacific region, local campaigns were also launched to spread and reinforce the message. Countries which developed microsites of the 'Have a Good Night Out' website or launched their own awareness campaign include Singapore, Laos, Cambodia, China, Indonesia, Vietnam, Solomon Islands, Mongolia, and Thailand.

The 10-week campaign achieved the highest record of reach and engagement in the history of Drink Savvy:

- Over 7,500 people between 18-34 years old participated online across five key South-East Asia markets, more than double the previous year's total
- The 'lessons' videos were viewed more than 1.1 million times on the microsite and social media platforms such as YouTube and Facebook in just 10 weeks
- The videos were then shared almost two million times by participants and visitors
- The Facebook community grew 129% this year to almost 30,000 followers, with more than 16,000 new fans who 'liked' and shared responsible drinking messages.

In addition, in November, the campaign won bronze in the Corporate Social Responsibility category at Singapore's Marketing Excellence Awards.

[Click here to learn more about our approach to responsible consumption.](#)

Case studies continued

Papua New Guinea & Indonesia Drinking responsibly means serving responsibly



In both Papua New Guinea and Indonesia, HEINEKEN has put in place training programmes to educate those serving alcohol about responsible service and consumption. These initiatives are intended to spread the message that drinking safely is everyone's responsibility.

In Port Moresby, Papua New Guinea, South Pacific Brewery (SP) expanded a free specialised training programme in Responsible Service of Alcohol (RSA), designed for employees at hotels and pubs serving SP products. Originally held once in 2012, the training expanded to five new locations in 2013.

In two-hour sessions conducted by South Pacific Brewery employees, the RSA training demonstrates important steps that can be taken to minimise problems associated with excessive drinking. The sessions inform serving staff of their responsibilities and teach them important precautionary measures, such as what to do when clients become abusive. The concept is straightforward: once training recipients are aware of their rights and responsibilities they will be able to protect their business, properties and people's lives.

In January 2013, HEINEKEN's Multi Bintang Indonesia brewery (MBI) launched their '21+' awareness campaign in partnership with 7-Eleven and Circle K convenience stores. This campaign aims to educate store employees about the need for responsible selling to consumers by emphasising that HEINEKEN products must only be sold to those at the legal drinking age in Indonesia of 21 and above.

Training material, developed by MBI, includes basic information about alcohol beverages, rules and regulations on alcohol, how to do age screening, the issue of under-age drinking and the harm caused as a result of irresponsible consumption. To ensure programme continuity, MBI also rolled out Training for Trainers, a programme tailored for human resource personnel or trainers of the participating convenience store operators.

The '21+' awareness campaign involves the collaboration of corporate relations, sales and marketing functions. To date, over 1,000 store employees across 200 outlets have received the message that responsible consumption is everyone's responsibility.

[Click here to learn more about our approach to responsible consumption.](#)

Case studies continued

USA

Taxi app hails a new era in responsible consumption



In November 2013, Newcastle Brown Ale launched the winter 'Cabbie' limited edition in the USA, becoming the very first product in the HEINEKEN portfolio to embed a responsible consumption message directly in its brand identity. This seasonal ale named 'Newcastle Cabbie', makes reference to hailing a taxi (or 'cab') to take you home.

HEINEKEN USA began working with Taxi Magic in 2010 to bring a new level of safety to customers throughout the year. Taxi Magic is one of the first free online and mobile taxi booking services that is directly integrated with taxi dispatch systems across the USA. In 2013, HEINEKEN wanted to take their exclusive partnership with Taxi Magic further and developed the Cabbie concept. The goal of the programme is to encourage new and existing users of the Taxi Magic app to use the technology to get home safely from a night out.

The programme's point-of-sale items as well as secondary packaging featured a promotional code that awards consumers a USD5 credit when they downloaded the Taxi Magic app and input the code CABBIE, as well as the option to give a USD5 credit to a friend.

By the end of 2013, 2,835 text messages had been sent using the service, and over 600 people had taken advantage of the CABBIE code promotion. Closely combining a beer's specific brand name with the message of responsible consumption is a new concept in the industry, and one that HEINEKEN is proud to bring to the market.

[Click here to learn more about our approach to responsible consumption.](#)



Values and behaviours

Our values represent what we stand for as a corporate citizen, a business partner and an employer. How we behave and how we work together is key to our success.



Values and behaviours

Our values



While the pace of business today is rapid and often changing, HEINEKEN's three values remain strong and constant:

- Passion for quality
- Enjoyment: we bring enjoyment to life
- Respect for individuals, society and the planet.

Brewing a Better Future is integral to our way of working. Health, safety, and employees' and human rights have long been embedded in our culture and processes. Through our Code of Business Conduct we are committed to conducting business with fairness, integrity and respect for the law and our values. We also have a long history of contributing to the communities in which we operate.

Values and behaviours

Health & Safety



Keeping employees healthy and safe is a vital part of HEINEKEN's values and behaviours. It has a direct effect on every employee's sense of engagement with their work and the Company, on our business performance and on the broader community.

Fatal accidents

It is a matter of considerable regret that in 2013, nine people lost their lives working within the HEINEKEN Company (compared with 10 fatalities in 2012), and remains a point of ongoing attention and concern for us. Of the nine people who lost their lives, four were direct HEINEKEN employees and five were employed by contractors or suppliers. Five fatalities occurred in Mexico, three in DRC and one in Uganda.

Once again, the number of fatalities in Mexico reflects the high level of crime-related violence. Of the five deaths, four were the result of shootings that occurred in retail stores owned by the Company or involved security personnel employed at our sites. Our operation in Mexico is in regular contact with the relevant authorities to ensure assistance in addressing the violence, and continues taking a wide range of measures like 'safe cash' procedures, instructions and training on how to act in case of an assault or shooting and security visits to retail stores. These measures have resulted in a reduction of assaults by 40% in the last two years. However, it remains a challenge to avoid fatalities, as some are a direct result of drug-related crime.

In relation to the other fatalities, three were due to traffic accidents, one due to a crane that fell on a wall, which collapsed and killed a contractor, and one the result of an individual becoming trapped by machinery. In all cases an investigation was conducted by the Operating Company, supervised by either Global Health and Safety or Global Supply Chain and an improvement plan was made. In all cases a global safety alert was sent around to the whole company. The two fatalities that occurred in production in 2013 led to measures to mitigate risk related to contractor management and CO₂ exposure.

Accidents and safety performance

We have always published our safety statistics in relation to production. However, the majority of accidents take place outside production. 2012 was the first full year of data collection across the entire business. In 2013 we began auditing this data collection process and we found a number of issues pertaining to the reliability of the safety data outside production. This is due largely to there being a greater number of employees and a less well-developed reporting process than in production. We have therefore decided to show the safety trend from the last three years using only production data. We present the Company-wide safety data as an indication of the relative balance between production and non-production related accidents.

In production, the average accident frequency for production and on-site logistics employees continued to decrease significantly, from 1.16 accidents per 100 FTEs in 2012 to 0.88 accidents per 100 FTEs in 2013.

Health and safety continued

Safety data for Production Units*

	Production only*		
	2011	2012	2013**
Fatalities and permanent disabilities			
Fatalities of company personnel	1	1	1
Fatalities of contractor personnel	4	2	1
Permanent disabilities of company personnel	3	6	3
Accidents (Absolute values)			
Accidents of company personnel	326	328	244
Accidents of contractor personnel	113	112	108
Lost days of company personnel	10,258	10,220	6,950
Total workforce (FTE)	25,830	28,215	27,793
Accidents (Relative values)			
Accident Frequency (cases per 100 FTE)	1.25	1.16	0.88
Accident Severity (average lost days per 100 FTE)	40	36	25

*As in previous years we provide the trends and figures on production unit data. This includes the production facilities and the logistics as they happen at the production facilities

**2013 data from Global reporting system (2011 and 2012 from different system used in previous years' reports)

Accident frequency

Cases/100 FTE, HEINEKEN Production Units



Accident severity

Lost calendar days/100 FTE, HEINEKEN Production Units



In 2013, we recorded a total of 1,311 accidents among employees for the whole of HEINEKEN, of which 806 were in logistics and distribution staff, 229 in production staff, 247 were in sales and marketing staff, and 29 in support functions.

Health and safety continued

Activities to improve health and safety

Safety is a high priority amongst our senior managers and general managers. We want to ensure that it is systematically addressed across the whole of the Company. A global safety strategy was presented at our global senior leadership forum in March 2013. The strategy addresses five areas ('the 5 Cs'): *Compliance, Competence, Calibration, Cultural and Leadership and Continuous Improvement*. The safety strategy is determined and monitored by the Company-wide Safety Committee, made up of senior management and functional experts from various regions as well as Sales, Supply Chain and Human Resources.

In line with our strategy in 2013, we started the following initiatives to improve safety and enhance the safety culture:

- We set up safety leadership workshops for our Operating Companies' management teams to drive safety across the Operating Companies. Two workshops were given in the first year, reaching 68 leaders.
- We launched eight new safety e-learning modules. The use of e-learning modules is monitored in the Green Gauge system: in 2013, 79% of Operating Companies had achieved their targets.
- We launched the Accident Reporting and Information Software (ARISO) programme. Previously, three different global systems were used for accident reporting. Operating Companies can now enter data into one place, analyse it locally and use it for reporting. ARISO also provides overviews and key reports on safety globally.
- The Compliance Assessment Programme (CAP) was launched to assess gaps in compliance with the Occupational Health and Safety Policy and provide support in developing a plan to address these gaps. Twenty-three Operating Companies were assessed in 2013 and improvement plans made, these are being followed up.

In addition to the initiatives implemented under the 5C strategy, the following Company-wide activities took place in 2013:

- On 26 April 2013, World Health & Safety Day, 20 HEINEKEN Operating Companies participated in a competition, showing their approach to the theme 'Working Together on Risk Prevention'. Commonwealth Brewery Limited in the Bahamas won for their structured, thorough approach to risk prevention, teaching practical competence in health and safety.
- In May 2013, we hosted a global safety conference in Paris, attended by CEO Jean-François van Boxmeer and senior management members from around the world. The conference featured external speakers on behavioural-based safety. Twenty-eight Operating Companies participated in a best practice competition, sharing their expertise with the entire Company.
- The planned expansion of the Safety Heroes programme – which uses motivational aspects to improve safety outside production – did not take place. We widened the scope of the programme to increase safe behaviour of forklift truck drivers.

Values and behaviours

Healthcare and well-being



Our aim at HEINEKEN is to maintain a healthy workforce, ensure healthy working conditions and work environments and enable employees to maintain a healthy lifestyle if they choose. We provide a global framework that outlines a basic level of healthcare to guide what Operating Companies offer employees and their families.

In many parts of the world, the public health system or 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. This is done especially in the African Operating Companies, with programmes that have been running for many years. In 2013, we continued our focus on the provision of healthcare (including malaria and HIV treatment) in Africa. Working with Dutch NGO PharmAccess we provide HIV medication for employees and their dependants, even if they leave the Company. The programme is being extended to new Operating Companies in Nigeria and Ethiopia where links to existing programmes are being made and the medical staff trained.

Medical care in our Operating Companies in Africa:

	2009	2010	2011	2012	2013
Employees with access to HEINEKEN clinics in Africa*	8,597	10,179	9,843	11,310	8,522
Employees and family members with access to HEINEKEN clinics in Africa	28,368	29,330	29,551	35,164	33,588
Total number of consultations in HEINEKEN clinics in Africa	118,672	136,739	137,098	141,307	133,319

*Includes all employees of operations in Africa & Middle East where HEINEKEN has its own medical staff: Nigeria, DRC, Rwanda, Burundi, Sierra Leone and Egypt. Congo has been excluded this year from the overview, as this is a 50% joint venture

Healthcare and Well-being continued

Selected illnesses treated in the HEINEKEN clinics in Africa:

	2009	2010	2011	2012	2013
Total malaria cases	5,457	7,283	8,429	10,077	9,081
TB new cases during the year	23	29	24	33	18
Cases of hypertension under treatment end of year	901	1,326	1,246	1,258	1,093
Cases of diabetes under treatment end of year	247	402	400	381	403
HIV New cases	39	26	9	53	13
HIV cases in the programme	428	456	440	456	400
HIV cases on ARV treatment	303	332	343	355	328

The number of cases of malaria has increased because more breweries in Africa have come into scope, notably in Nigeria. For the same reason the number of HIV cases has increased compared with 2012.

Malaria remains a major challenge for the workforce in Africa, and despite progress being made, there are areas still with a very high burden. In addition, there are still challenges of correct diagnosis in some places that rely partly on external providers.

Worldwide we offer direct medical care at 38 sites to more than 43,000 colleagues and family members by HEINEKEN doctors. Almost 190,000 consultations were performed by our medical staff in these sites.

Values and behaviours

Integrity



On 1 January 2013, we launched our revised HEINEKEN Code of Business Conduct, marking a step forward in our approach to integrity within HEINEKEN. Our Code of Business Conduct has been communicated worldwide and is now available in more than 30 languages both online and in printed booklets form.

Our Company is committed to conducting business with fairness, integrity and respect for the law and our values. In spite of this commitment, employees might one day suspect or observe misconduct. In such cases, they are encouraged to 'speak up' and bring the matter to attention, giving us the opportunity to address the issue and take appropriate action.

In 2013, we revised our 'Speak Up' Policy, which came into effect at the beginning of 2014. This policy encourages our people to speak up in confidence and without fear of retaliation when observing or suspecting misconduct. The Speak Up Policy replaces the existing HEINEKEN Whistleblowing procedure and is fully aligned with the HEINEKEN Code of Business Conduct. It also describes what our people can expect from our Company if they speak up. The Speak Up Policy is available to everyone working for or on behalf of HEINEKEN. It is also open to any parties with whom we have had some type of business relationship (such as business partners, suppliers, shareholders, agents, distributors, representatives and customers) and who wish to raise a concern about misconduct within HEINEKEN. Similar to our Code of Business Conduct the Speak Up Policy will be made available in more than 30 languages. In each Operating Company and at Head Office a Speak Up service is available through which employees can raise their concern in confidence and in their own language.

For more information about the policy and how it works, see our [PDF of Speak Up Policy](#).

In 2013, we received 177 reports through our Speak Up Service (compared with 115 reports in 2012). Of these, 26% concerned fraud, 24% misconduct/inappropriate behaviour, 11% a conflict of interest, 11% discrimination and harassment, and the remaining 28% a variety of other reports. Appropriate corrective and preventative actions are taken depending on the nature and outcome of each case. These actions may take the form of process and control improvements, recollection of any financial loss and/or disciplinary measures. With the increasing awareness within our Company of our Code of Conduct and the Speak Up Policy, a further increase of reports can be expected.

Values and behaviours

Employees' and human rights

Since 2012, we have adopted a global **Employees' and Human Rights Policy** that clearly sets out the standards we expect our employees and our suppliers to live up to.

This policy is applicable to all Operating Companies and subsidiaries in which HEINEKEN holds a majority share or has management control. It lays out 11 clear standards on employees' and human rights, including non-discrimination and forced labour and harassment, as well as implementation and grievance procedures. Since 2013, the Employees' and Human Rights Policy has become an underlying policy of the [Code of Business Conduct](#).

Twenty-one out of 68 Operating Companies have finished the implementation process. We recognise that this needs to be accelerated. We have therefore decided to reinforce the role of the regional management with regard to the implementation of the Employees' and Human Rights Policy. Regional management in all five HEINEKEN regions will support the local management and help them with the development of action plans aimed at full implementation and embedding of the policy.

Through the [HEINEKEN Supplier Code](#) we expect all our suppliers in the value chain to respect employees' and human rights in their operations, and this topic is part of the related [governance procedure](#). Part of the challenge we – and many multinational organisations – are facing is the complexity of the value chain and the extent to which we can take responsibility.

Human rights topics in 2013

Russia: Winter Olympic Games 2014 in Sochi and Holland Heineken House

For more than 20 years we have been a partner of NOC*NSF, the Dutch Olympic Committee, and we support the Dutch Olympic team wherever the Games bring them. We deliver a unique experience for athletes, their families and the fans through the Holland Heineken House. In July 2013, we announced a new edition of the House for the Winter Olympic Games in Sochi, Russia. In that same period public debate developed regarding Russian legislation in relation to lesbian, gay, bi-sexual and transgender issues. We engaged in dialogue with Amnesty International, Human Rights Watch and the Dutch LGBT (lesbian, gay, bisexual, and transgender) organisation COC on this topic.

Amnesty was invited to give a presentation on human rights and how Russia's approach might manifest itself to crew members of the Holland Heineken House whilst in Sochi. Additionally, the first in a series of NOC*NSF-initiated multi-stakeholder meetings on the issue of Sports and Ethics, was held at the Holland Heineken House during the Winter Olympics in 2014.

Myanmar: re-entering the country

In 2013, we announced our re-entry into Myanmar via a greenfield brewery. Our announcement followed the European Union Council decision of April 2013 to lift all sanctions, with the exception of the embargo on arms. It also reflects the recent international recognition by many countries of Myanmar's progress in terms of both political and social reform.

Our joint venture company plans to invest USD60 million in the brewery, create more than 400 jobs and brew leading brands of beer, including Heineken®. The new company will implement HEINEKEN's global policies and approaches in relation to employees' and human rights, the Supplier Code, local sourcing, water management, employee healthcare, community investment and responsible alcohol marketing.

We have engaged with key political stakeholders within the EU and in the USA, and liaised with civil society stakeholders to ensure we fully understand the potential challenges of operating in the country. We also joined the EU delegation visit to Myanmar, followed by a Dutch economic mission led by the Minister for Foreign Trade. During these visits we participated in meetings with the president of Myanmar, Thein Sein, several ministers and opposition leader Aung San Suu Kyi.

Cambodia: Beer Promoters

The promotion and sale of beer in bars and restaurants by professional, female Beer Promoters is an accepted practice in some Asian countries. However, Beer Promoters are also subjected to potential health and safety risks, which include harassment, drinking of alcohol with customers, or sometimes, even violence.

Employees' and human rights continued

HEINEKEN is one of the founding members of the [Beer Selling Industry Cambodia \(BSIC\)](#). 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. While we ceased promoting the Heineken® brand through Beer Promoters in 2012, with the acquisition of Asia Pacific Breweries (APB) we recognise our responsibility with regard to the Beer Promoters that sell our other brands in Cambodia.

In 2013, a [research study](#) was conducted by Indochina Research (an independent third-party agency) to evaluate the BSIC's impact on Beer Promoters' working conditions, as well as to ensure that workers are receiving the support and benefits that BSIC is designed to promote. The outcome shows that working conditions of Beer Promoters who belong to the BSIC have improved significantly over the past three years:

- Almost all BSIC members have an employment contract, compared to just a quarter of non-BSIC members.
- Over the last three years there has been a positive trend in the number of members aware of benefits/employment terms, e.g. entitlement to time off, annual and maternity leave, grievance procedure, etc.
- All BSIC members say they are entitled to time off on a weekly or monthly basis, and 9 in 10 say they receive paid annual leave – both measures showing significant improvement since 2010.
- Outlet managers are now more likely to be used as a channel for complaining by Beer Promoters. This reflects the recent training programme and its focus on utilizing the position of the outlet owner, as someone close to the situation, and someone that can help solve any problems quickly and support the Beer Promoter, whilst drawing on experience of dealing with customers.

Some topics remain a point of attention:

- Sexual harassment is an issue that the Beer Promoters say happens to their friends or colleagues, not them. It is unclear if these are BSIC Beer Promoters but it does highlight the continued need to provide communication channels, support mechanisms and clearly defined grievance procedures.
- Beer Promoters still experience pressure from customers to sit and drink with them during working hours. However, non-BSIC members more frequently sit down with customers during working hours while BSIC workers do this less frequently.
- There is room to improve the level to which employees feel they know what is included in their contract.

We are committed to ensuring that the position and work of the Beer Promoters is in line with the BSIC Code of Conduct. It remains our firm view that the quickest and best way to ensure improvement in the employment conditions of Beer Promoters is for the employers of the vast majority of Beer Promoters not covered by the BSIC Code to sign up to this agreement.

Other issues

Use of animals in commercials

The appearance of an elephant and a goat in one of the Heineken® brand commercials ('Voyage') generated a small number of comments from animal welfare groups and consumers. They expressed concerns about the treatment of the animals used in the ad. We responded to all the questions we received and met with 'Wilde Dieren de Tent Uit'. We explained that for this specific commercial various scenes were made with Computer Generated Images technology, making the use of real animals no longer necessary. On the rare occasions when real animals were used they are always treated with the utmost care. The health of the animals was monitored before, during and after filming by independent specialists.

We fully understand the sensitivity of this matter, and as part of our ongoing commitment to build stronger brands through responsible communications we will conduct an internal workshop on this topic in partnership with leading animal welfare organisation Humane Society International in the first quarter of 2014.

Values and behaviours

Developing our people

One of HEINEKEN's **business priorities** is to "Drive personal leadership". Developing our people is a subject close to the heart of our stakeholders, as we continue to grow internationally.

In 2013, we successfully introduced and implemented the new HEINEKEN Leadership Competencies. The Leadership Competencies give us a common approach to driving great leadership throughout HEINEKEN. They show us how to build a winning culture through personal example and impact. Our HEINEKEN Leadership Competencies have been deployed to more than 10,000 leaders globally and are integrated in the way we manage performance, develop our leaders, assess future leaders, recruit for roles, and review our employee engagement.

At HEINEKEN, cultural diversity remains a strong point. At our Head Office alone, we have employees representing 54 nationalities. This provides a dynamic environment, as cultural differences and varied ideas are respected and encouraged.

For more information about how we drive personal leadership, see the related section in our [2013 Annual Report](#).

[Click here for additional details on our cultural diversity statistics.](#)



Values and behaviours

Investing in our communities



In 2013, our markets around the world continued to invest actively in their communities. We invest through financial donations, employee volunteering, non-commercial sponsorships and long-term partnerships with community organisations addressing social issues. Our support is based on three building blocks: direct contributions made locally, shared-value projects and the Heineken Africa Foundation.

Direct contributions made locally

In 2013, HEINEKEN Operating Companies contributed the equivalent of around EUR18.9 million, including cash, time, in-kind donations and management costs¹. HEINEKEN employees are passionate about helping their local communities through volunteering and fundraising initiatives. In 2013, more than 4,500 employees in more than 40 markets took part in volunteering activities.

In recent years, our Operating Companies have started to make a change from responding to ad-hoc donation requests only to seeking out long-term community investments through partnerships that are aligned with our business and sustainability agenda. Examples include many of our partnerships with local NGOs and other community partners to address alcohol misuse and – more recently – local water challenges. [See case studies.](#)

Total direct contributions in EUR million

2013	18.9
2012	13.5
2011	11.5

¹London Benchmarking Group Reporting model

Investing in our communities continued

How we contributed in 2013



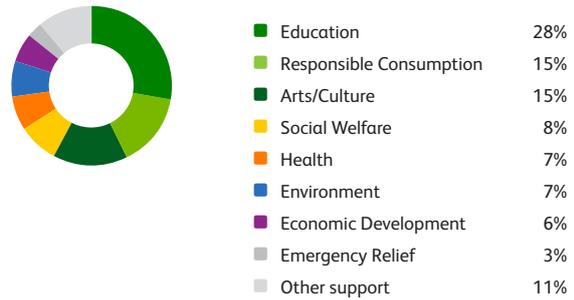
Where we contributed in 2013



Motive for contribution in 2013



What we supported in 2013



Investing in our communities continued

Shared-value projects

These spread the benefits of commercial activities to the wider community. Our local sourcing projects in Africa are a prime example. These projects not only benefit HEINEKEN as a business, but also create jobs, help to strengthen the agricultural sector and improve the lives of rural households over time. For more information, see our [Local Sourcing section](#).

The Heineken Africa Foundation

Established with an endowment from HEINEKEN of EUR20 million, the Foundation is able to invest up to EUR1 million per year in community healthcare projects in Sub-Saharan Africa. In 2013, the Foundation extended their remit to cover water-related projects. At the end of 2013, the Foundation had committed to 48 projects totalling almost EUR5 million. Twelve of these projects began in 2013, including a solar-powered community borehole in Nigeria, a mobile ultrasound clinic in Sierra Leone and a healthcare project for homeless people in South Africa. [The Heineken Africa Foundation](#) works in partnership with HEINEKEN, its subsidiaries in Sub-Saharan Africa and local governments and NGOs. As the Foundation is a separate legal entity, this investment is outside the scope of this report. [Click here for more information on the Foundation and its projects](#).

Supporting the Philippines

To support immediate relief efforts for those affected by Typhoon Haiyan in the Philippines at the end of 2013, HEINEKEN made an immediate donation of EUR75,000 to the UN World Food Programme (WFP), which is working closely with the Government of the Philippines to [coordinate emergency aid](#). We also launched an employee appeal with donations matched by the Company, contributing a total amount of EUR150,000 to Habitat for Humanity, a non-profit international organisation that aims to help 80,000 families in the Philippines through emergency shelter kits and core houses. An agreement between the Philippine housing authority and Habitat for Humanity specifies that the Government will pay 70% of a core house and Habitat will pay 30%. HEINEKEN has supported the efforts of Habitat for Humanity, both in the aftermath of the 2004 Indian Ocean tsunami and, more recently, the earthquake in Haiti in 2010.

London Benchmarking Group

In 2013, we became a member of the London Benchmarking Group (LBG). LBG is the internationally recognised standard for measuring corporate community investment. [Click here to take a look at LBG's 2013 Annual Review, representing the combined data of LBG's global group of more than 120 companies, including HEINEKEN](#). It tells a compelling story of the collective impact on society.

We also developed guidelines to give more guidance to our Operating Companies on choosing and measuring local community investments effectively. These guidelines will be introduced in 2014.



Values and behaviours

Creating economic and social impact



As a global business, the biggest contribution we make to communities is through the positive impact of our business itself; creating jobs, providing business to suppliers and paying taxes.

Beginning in 2006, we started to measure our economic and social impact in key markets around the world. By looking at cash flows as well as direct and indirect employment, these studies show the far-reaching impact that we have on the economy and society of these countries.

Since 2006, we have completed 25 studies, six of which were conducted in 2013: Bahamas, Greece, Democratic Republic of Congo, Ethiopia, Haiti and the Africa and Middle East Region.

[For more information about our economic impact in Africa see case study.](#)

[For more information about our impact in the Democratic Republic of Congo see case study.](#)

Tax

The taxes that we pay are a significant part of our economic contribution to the countries in which we operate.

In 2013, HEINEKEN reported an effective income tax rate (beia) of 28.7%, and paid EUR716 million in corporate income taxes. In addition, our Company generates billions of Euros in other taxes for governments around the world, such as excise taxes, VAT and employee taxes. We report our taxes in accordance with all legal requirements, and our tax policy is to comply with international and national tax legislation and not to use tax haven jurisdictions¹ for tax avoidance.

We review our tax disclosures on a periodic basis taking into consideration the information needs of our stakeholders, business sensitivities and administrative burden. In this respect, we are closely following the discussions about tax transparency and country-by-country reporting.

¹As defined by the OECD

Values and behaviours

Case studies

Nigeria

Creating safety excellence from tragedy



Nigerian Breweries experienced a tragic accident in December 2012, resulting in the death of one of its employees. While the incident was a tragedy that affected the entire company, the implementation of a new safety programme early in 2013 has helped to provide a greater focus on safety, with encouraging results.

Beginning in March, a safety department was created specifically for the Kudenda Brewery location. In a short period of time, the following activities and services were added:

- Systems to capture near misses and unsafe conditions; near-miss boxes were mounted at designated points within the brewery's premises, where employees can write down incidents when they happen and immediate learnings can take place
- A Safety Health and Environmental (SHE) induction video at the brewery reception area was introduced. This is to sensitise visitors and third-party contractors about SHE management within the premises
- Numerous safety training sessions for employees and contractors working within the brewery premises were held. Examples include first aid, fire prevention, managing contractors, permit to work, working at height, confined space entry, hot work, hazardous materials management and waste management
- CO₂, ammonia and fire alarms systems were installed and regularly inspected and maintained
- The company also participated with local versions of two of HEINEKEN's global safety initiatives, World Safety & Health Day and Safety Heroes.

These training sessions and the overall increase in safety awareness have contributed immensely to the brewery achieving zero workplace accidents in 2013 and a reduction of 87% in incidents compared to 2012. Kudenda is now an exemplary site in safety and an inspiration for all HEINEKEN companies.

[Click here to learn more about HEINEKEN's health and safety approach.](#)

Case studies continued

New Zealand

Building community spirit and helping farmers in need



A long hot summer in New Zealand resulted in a drought, which made life very challenging for many farmers in the country. To support the affected farmers, DB Breweries hosted a full-day fundraising event – called a ‘Drought Shout’ – at the Tui Brewery on North Island.

More than 2,200 community members and key stakeholders attended, including numerous businesses, the North Island farming community, and local and regional politicians from the Wairarapa region. A bus company was organised to provide transport for farmers so that they could enjoy our beers and the day.

The event exceeded its fundraising expectations. A total of NZD78,000 was raised by the Tui Brewery and local, regional and national businesses. An additional NZD34,000 worth of in-kind support was given, in the form of volunteer hours, silage, stock feed and agricultural products. This more than doubled the initial goal that organisers had hoped to raise for the Federated Farmers Drought Relief Fund. The fund helps farmers in 24 provinces across New Zealand. Included in its services is an Adverse Events Fund, helping farmers get advice, toolkits and planning to help them survive events such as the recent drought.

Also important was the sense of community it provided to many farmers, who were able to meet others in the industry and share the challenges they were facing.

[Click here to learn more about HEINEKEN's community social investment initiatives.](#)

Case studies continued

Vietnam

Raising awareness and providing clean water in rural areas



On 5 June 2013, coinciding with World Environment Day, Vietnam Brewery Limited (VBL) launched the ‘1 minute less for million smiles’ campaign. The programme’s aim is to support rural communities, for whom clean water shortage is a deadly concern.

In Vietnam, only 11.7% of households in rural areas have access to a safe pipe water source. As a result, 9,000 deaths occur annually, with many more cases of sickness through water pollution and poor sanitary conditions¹. The idea behind Vietnam Brewery’s 1 minute less for million smiles’ campaign is to encourage everyone to use less water in their daily activities, such as turning water taps off when brushing their teeth and using water for cleaning more effectively, in order to preserve more clean water for millions of people.

In 2013, the initiative had a particular focus in the areas of Tien Giang, Danang and Quang Nam, where clean water shortage is critical. Through financial donations, 1 billion Vietnam dong (USD47,500) was raised supporting three clean water stations in the areas mentioned. A total of 590 VBL volunteers in seven locations across the country distributed 10,000 leaflets and cleaned thousands of metres of canals, rivers and beaches.

All these efforts resulted in extensive media coverage, including digital, print, radio and television coverage. To highlight the visibility and engagement of the programme, as of 31 December 2013 the campaign’s [Facebook page](#) gathered over 60,000 ‘likes’ and over 39,000 water-saving commitments have been made on the [website](#).

[Click here to learn more about HEINEKEN’s community social investment initiatives.](#)

¹ Source: Ministry of Health and Ministry of Natural Resources and Environment

Case studies continued

Africa and Middle East Creating a real impact on local economies and communities



HEINEKEN has operations in 23 countries throughout Africa and the Middle East (AME). As a result of our long-standing investment in the region and its people, a considerable amount of wealth and jobs have been created. We are now able to measure and demonstrate the impact of our African operations more accurately than ever.

Over the last several years, a series of comprehensive Socio-Economic Impact Assessments (SEIAs) have been performed by consultancy firm Steward Redqueen for Nigeria, Egypt, Democratic Republic of Congo, Ethiopia and Burundi. In 2013, the results of these completed SEIAs (representing 78% of HEINEKEN's total revenues in the region) were extrapolated to estimate the overall impact of HEINEKEN on the entire AME region.

By 'impact' we refer to the direct and indirect effects of HEINEKEN's presence in terms of value added – salaries, profits and savings, taxes paid – and employment, meaning the number of jobs HEINEKEN is supporting within the region. This showed that HEINEKEN supports:

- EUR2.8 billion in added value to the local economies
- More than 1.6 million direct and indirect jobs across the continent. One job at HEINEKEN supports 108 jobs in Africa and Middle East region. From barley to bar, an entire economy stems from producing beer. Jobs are created not only in the sourcing of raw materials but also in delivering and selling beer to the consumers, for instance.

Our positive impact can be felt on a day-to-day basis in local communities. Employee salaries and tax revenues directly improve the quality of life for many people and communities; secondary revenues, such as supplier revenues, create income and indirect jobs to thousands more.

While trade jobs represent the lion's share of jobs created through our African interests, agricultural jobs represent 15% of the total jobs supported by HEINEKEN in Africa.

[Click here to learn more about HEINEKEN's local sourcing initiatives in Africa.](#)

Appendix 1: GRI Reference Table

G3.1 Content Index – GRI Application Level B Standard disclosures Part I: Profile Disclosures

1. Strategy and Analysis

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
1.1	Statement from the most senior decision-maker of the organisation.	Fully	AR 2013, p3, Chief Executive's Statement CEO Foreword Perspective on progress
1.2	Description of key impacts, risks, and opportunities.	Fully	AR 2013, p22, Report of the Executive Board > Risk Management CEO Foreword Perspective on progress What we said and what we've done Brewing a Better Future Our approach

2. Organizational Profile

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
2.1	Name of the organisation.	Fully	AR 2013, p62, Notes to the Consolidated Financial Statements, note 1 "Reporting entity"
2.2	Primary brands, products, and/or services.	Fully	AR 2013, p8, Report of the Executive Board > Operational Review AR 2013, p16, Report of the Executive Board > Regional Review
2.3	Operational structure of the organisation, including main divisions, Operating Companies, subsidiaries, and joint ventures.	Fully	AR 2013, p84, Notes to the Consolidated Financial Statements, note 6 AR 2013, p93, Notes to the Consolidated Financial Statements, note 16 AR 2013, p127, Notes to the Consolidated Financial Statements, note 36 Ownership structure
2.4	Location of organisation's headquarters.	Fully	AR 2013, p62, Notes to the Consolidated Financial Statements > Note 1 "Reporting entity"
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	List of Operating Companies Our global presence
2.6	Nature of ownership and legal form.	Fully	AR 2013, p140, Shareholder Information Ownership structure
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	AR 2013, p16, Report of the Executive Board > Regional Review List of Operating Companies In addition we divide the markets in the on-trade channel (i.e. 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 2013, p2, The Quick Read AR 2013, p81, Notes to the Consolidated Financial Statements, note 5 "Operating segments"
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	AR 2013, p3, Report of the Executive Board > Chief Executive's Statement AR 2013, p84, Notes to the Consolidated Financial Statements, note 6 AR 2013, p93, Notes to the Consolidated Financial Statements, note 16 AR 2013, p127, Notes to the Consolidated Financial Statements, note 36
2.10	Awards received in the reporting period.	Fully	Benchmarks and achievements

GRI Reference table continued

3. Report Parameters

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	AR 2013, p62, Notes to the Consolidated Financial Statements, note 1 "Reporting entity"
3.2	Date of most recent previous report (if any).	Fully	SR 2012 published the 10 April 2013
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Both our Annual and our Sustainability Report are published on an annual basis
3.4	Contact point for questions regarding the report or its contents.	Fully	Reference information Contact us
3.5	Process for defining report content.	Fully	Reporting basis <ul style="list-style-type: none"> ▪ We evaluated our approach and content of the Sustainability Report 2012 (what was good, what should be improved, a materiality assessment and media check). We discussed the outcome with our internal and external auditor in order to improve ▪ We defined the total list of KPIs with all Global HEINEKEN experts, in line with our Brewing a Better Future strategy ▪ We shared and validated the list with Corporate Affairs Committee ▪ We set up a systematic comparison with data from last year and checked specific promises we made in the SR 2012. We integrated a report on the progress on these promises and on the commitments we made in our Brewing a Better Future programme ▪ 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 ▪ We included a review of the balance of the content in positive and negative contributions ▪ The content is discussed with our Chief of Functions and approved by the Corporate Affairs Committee. ▪ The content is validated by our internal and external auditors. ▪ After the report is online, the content will be discussed with stakeholders.
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	Reporting basis 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	Accountability Reporting basis List of Operating Companies
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	Accountability Reporting basis List of Operating Companies
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	Measurement and reporting 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	Reporting basis
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	Measurement and reporting Accountability Reporting basis
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	Benchmarks and achievements Reporting basis Overview of Environmental Performance
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	Accountability

GRI Reference table continued

4. Governance, Commitments, and Engagement

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
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 2013, p6, Report of the Executive Board > Executive Committee AR 2013, p33, Report of the Executive Board > Corporate Governance Statement AR 2013, p43, Report of the Supervisory Board > To the Shareholders Global governance Corporate governance code
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 Speak Up Policy Stakeholder dialogue Feedback
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	AR 2013, p47, Report of the Supervisory Board > Remuneration Report Perspective on progress Brewing a Better Future
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	Regulations Supervisory Board, article 2.3 Speak Up Policy HEINEKEN 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	Brewing a Better Future What we said and what we've done Our values Integrity Values and behaviours HEINEKEN Code of Business Conduct
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 2013, p22, Report of the Executive Board > Risk Management Global governance Governance
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 2013, p22, Report of the Executive Board > Risk Management
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	Fully	Working with partners Benchmarks and achievements Water balancing Biodiversity (Our brewery in Zoeterwoude) Local sourcing
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	Working with partners Working in partnership with NGOs and third parties Progress on global industry commitments Working in partnership with the industry

GRI Reference table continued

4. Governance, Commitments, and Engagement – continued

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
4.14	List of stakeholder groups engaged by the organisation.	Fully	Stakeholder dialogue
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	<p>Stakeholder dialogue</p> <p>We identify and select the stakeholder with whom we engage on global level based on:</p> <ul style="list-style-type: none"> ▪ Sustainability issues that impact our business, and the extend of the impact ▪ Focus area and geographical scope of potential stakeholders. <p>We define our stakeholder groups through a 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 issue on which to engage, the influence of a stakeholder group and the impact of the issue on the business and on society.</p>
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	<p>Stakeholder dialogue</p> <p>All engagements are not done specifically for the reporting process but as part of the ongoing engagement process</p>
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	Stakeholder dialogue

GRI Reference table continued

G3.1 Content Index – GRI Application Level B

G3.1 DMAs

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
DMA EC	Disclosure on Management Approach EC		
Aspects	Economic performance	Fully	AR 2013, p2, The Quick Read > Performance highlights AR 2013, p22, Report of the Executive Board > Risk Management
	Market presence	Fully	AR 2013, p16, Report of the Executive Board > Regional Review
	Indirect economic impacts	Fully	Investing in our communities Creating economic and social impact Local sourcing
DMA EN	Disclosure on Management Approach EN		
Aspects	Materials	Fully	Value chain : from barley to bar Why this is important Actions and results
	Energy	Fully	Actions and results Reporting basis > Environmental reporting See Case studies on Reducing CO ₂ emissions
	Water	Fully	Actions and results Reporting basis > Environmental reporting See Case studies on Protecting water resources
	Biodiversity	Fully	Water balancing Why this is important Sustainable agriculture
	Emissions, effluents and waste	Fully	Protecting water resources > Actions and results Reducing CO ₂ emissions > Actions and results Reporting basis > Environmental reporting
	Products and services	Fully	Protecting water resources > Actions and results Reducing CO ₂ emissions > Actions and results
	Compliance	Fully	Waste Supplier Code governance
	Transport	Fully	Our priorities Reducing CO ₂ emissions in distribution
	Overall	Fully	Actions and results Reducing CO ₂ emissions Reporting basis > Environmental reporting
DMA LA	Disclosure on Management Approach LA		
Aspects	Employment	Fully	Developing our people
	Labour/management relations	Fully	Working with the United Nations Global Compact Employees' and human rights
	Occupational health and safety	Fully	Health and safety
	Training and education	Fully	Developing our people AR 2013, p14, Report of the Executive Board > Operational review > Drive personal leadership
	Diversity and equal opportunity	Fully	Developing our people AR 2013, p14, Report of the Executive Board > Operational review > Drive personal leadership
	Equal remuneration for women and men	Fully	See answer LA 14
DMA HR	Disclosure on Management Approach HR		
	Investment and procurement practices	Fully	Our priorities Actions and results Supplier Code governance
	Non-discrimination	Fully	Integrity Employees' and human rights HEINEKEN Employees' & Human Rights Policy
	Freedom of association and collective bargaining	Fully	Employees' and human rights HEINEKEN Employees' and Human Rights Policy

GRI Reference table continued

G3.1 DMAs – continued

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
	Child labour	Fully	Employees' and human rights HEINEKEN Employees' and Human Rights Policy
	Prevention of forced and compulsory labour	Fully	Employees' and human rights HEINEKEN Employees' & Human Rights Policy
	Security practices	Fully	Employees' and human rights HEINEKEN Employees' and Human Rights Policy
	Indigenous rights	Fully	Employees' and human rights HEINEKEN Employees' and Human Rights Policy
	Assessment	Fully	Employees' and human rights HEINEKEN Employees' and Human Rights Policy
	Remediation	Fully	Employees' and human rights HEINEKEN Employees' and Human Rights Policy
DMA SO	Disclosure on Management Approach SO		
Aspects	Local communities	Fully	Investing in our communities Creating economic and social impact
	Corruption	Fully	Integrity
	Public policy	Fully	Integrity Marketing and selling responsibly Working in partnership with NGOs and third parties Progress on global industry commitments Working in partnership with the industry
	Anti-competitive behaviour	Fully	Integrity We have a HEINEKEN policy on fair competition which is an integrated part of our Code of Business Conduct
	Compliance	Fully	Integrity
DMA PR	Disclosure on Management Approach PR		
Aspects	Customer health and safety	Fully	Packaging Progress on global industry commitments HEINEKEN Code of Business Conduct
	Product and service labelling	Fully	HEINEKEN Code of Business Conduct
	Marketing communications	Fully	Marketing and selling responsibly HEINEKEN Code of Business Conduct
	Customer privacy	Fully	Marketing and selling responsibly HEINEKEN Code of Business Conduct
	Compliance	Fully	Marketing and selling responsibly HEINEKEN Code of Business Conduct

GRI Reference table continued

G3.1 Content Index – GRI Application Level B

STANDARD DISCLOSURES PART III: Performance Indicators

Economic

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
Economic performance			
EC1	Direct economic value generated and distributed, Fully including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.		AR 2013, p27, Report of the Executive Board > Financial Review AR 2013, p55, Financial Statements Investing in our communities Creating economic and social impact
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Fully	Fourteen operations indicate being at risk due to climate change (e.g. water scarcity, impact of changed weather on barley..). Eight operations foresee business opportunities relating to climate change in the country. Twenty-five 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 2013, p105, Notes to the Consolidated Financial Statements, note 28
EC4	Significant financial assistance received from government.	Fully	No significant subsidies.
Market presence			
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	In twelve operations the standard entry level wage is equal to the minimum legal wage. In seven 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.	Fully	Supplier Code governance Local sourcing See Case studies on local sourcing
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	In 65 of our operations, procedures for local hiring of employees are in place. In 2013, 57.1% of Senior Managers in our operations were local hires (from same country). We increased our percentage of local management team members in Africa and Middle East through the support of our regional and global development programmes from 36% in 2012 to 48% in 2013.
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	Investing in our communities See Case study on economic impact study in Africa and Middle East region.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	Creating economic and social impact

GRI Reference table continued

Environmental

Profile Disclosure	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	Actions and results Reporting basis > Environmental reporting
EN4	Indirect energy consumption by primary source.	Partially	Actions and results Reporting basis > Environmental reporting
EN5	Energy saved due to conservation and efficiency improvements.	Fully	Actions and results
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	Making renewables part of the energy mix Reducing CO₂ emissions in distribution Reducing CO₂ emission from fridges Packaging
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Partially	Thirteen operations have taken initiatives to reduce indirect energy consumption with business-related travel. Eleven operations have taken initiatives to reduce indirect energy consumption with employee commuting.
Water			
EN8	Total water withdrawal by source.	Fully	See appendix table EN 8
EN9	Water sources significantly affected by withdrawal of water.	Not	Information not available.
EN10	Percentage and total volume of water recycled and reused.	Fully	Wastewater treatment No significant volume of water is recycled and reused within the breweries.
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	Water balancing Sustainable agriculture
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	Water balancing Sustainable agriculture See Case study on sustainable agriculture
EN13	Habitats protected or restored.	Partially	Water balancing Sustainable agriculture
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Partially	Water balancing Sustainable agriculture
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.

GRI Reference table continued

Environmental – continued

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	HEINEKEN's carbon footprint Reporting basis > Environmental reporting Overview of environmental performance
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	Reporting basis > Environmental reporting Overview of environmental performance
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	Actions and results See Case studies on Reducing CO₂ emissions
EN19	Emissions of ozone-depleting substances by weight.	Fully	Overview of environmental performance
EN20	NO _x , SO _x , and other significant air emissions by type and weight.	Fully	Overview of environmental performance
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 are discharged into the surface water. In our beverage sites 2013 we discharged 53.5 million m ³ .
EN22	Total weight of waste by type and disposal method.	Partially	Overview of environmental performance (identified as being recycled or non-recycled, being hazardous or non-hazardous).
EN23	Total number and volume of significant spills.	Fully	No spills.
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	Protecting water resources > Actions and results Reducing CO₂ emissions > Actions and results See Case studies on Reducing CO₂ emissions
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	In total near 45% of our products are sold in returnable packaging (returnable glass bottles, returnable PET bottles and returnable kegs). See appendix table EN 27 . This number is based on the 2011 data from the Carbon Footprint study covering 90% of our volume. See appendix table EN 27 . This number is based on the 2011 data from the Carbon Footprint study covering 90% of our volume. See our Carbon Footprint model in HEINEKEN's carbon footprint > Packaging
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Partially	Waste
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	Reducing CO₂ emissions in distribution
Overall			
EN30	Total environmental protection expenditures and investments by type.	Not	Information not available.

GRI Reference table continued

Social: Labour Practices and Decent Work

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
Employment			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	See appendix table LA1
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	In 2013 in total 10,838 employees started working at the company, of which 24% women and 76% men. Of this total number 60.1% were 30 years and under, 38.2% between 30-50 years and 1.7% over 50 years. 14,336 employees left the company, of which 23.5% were women and 76.5% men. Of this total number 40.8% were 30 years and under, 47.9% between 30-50 years and 11.3% over 50 years. See all details appendix table LA2
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	See appendix table LA3
LA15	Return to work and retention rates after parental leave, by gender.	Not	Information not available.
Labour/management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	Forty-seven operations have at least one collective bargaining agreement, covering 46,543 employees in total, meaning 62.7% of our employees.
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 (31) have a four to six weeks' notice period.
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 programs.	Partially	In 48 (70.6%) 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	Health and safety Reporting basis
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	See appendix table LA8
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	In 34 (50%) 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: 27 OpCos. Training and education: 31 OpCos. Complaints mechanism: 29 OpCos. Right to refuse unsafe work: 31 OpCos. Periodic inspections: 30 OpCos.
Training and education			
LA10	Average hours of training per year per employee by gender, and by employee category.	Fully	Senior management – 18 hours Middle management – 29 hours Production employees – 46 hours Other employees – 14 hours See appendix table LA10
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Partially	AR 2013, p14, Report of the Executive Board > Operational Review > Drive personal leadership Developing our people
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	60.8% of the employees received a formal performance appraisal and review in 2013. 65.6% of female employees and 59.6% of male employees received a formal performance appraisal and review in 2013.

GRI Reference table continued

Social: Labour Practices and Decent Work – continued

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
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 appendix table 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.	Partially	Our policy is to remunerate women and men equally in all categories. No information available about actual remuneration.

GRI Reference table continued

Social: Human Rights

Profile Disclosure	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	Human rights is part of the Supplier Code. Our significant suppliers are assessed/audited on compliance with the Supplier Code on human rights by EcoVadis. Supplier Code governance Step 4 -Audit
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.	Partially	We have an e-learning module on our Employees' and Human Rights Policy.
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	Fully	Integrity
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	One operation reported their employees do not have the freedom to join the union of their choice but that they have an agreement with one union. One operation reported that joining a union is compulsory and is determined by the category of the industry. One operation reported no freedom and mentioned there is no trade union. We will investigate in 2014 these two first situations as they seem not compliant with our policy. In all other operations we have freedom of association and collective bargaining. This is part of our policy on Employees' and human rights.
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 66 operations there is a minimum working age. For one OpCo there is no minimum working age and for another opCo information is not available. In 23 of these operations the minimum working age in the company is equal to the overall legal minimum working age of the country. In 43 operations the minimum working age in the company is higher than the overall legal minimum working age in the country. Lowest minimum working age within all our operations is 15 years of age (Austria). Our Operating Companies in that country do comply with our Employees' & Human Rights Policy. 67 operations verify the age of any employee before they begin work. 89,7% verify the age of contracted employees as well. Child labour is part of our Employees & Human Rights policy. The basic minimum age is 15 (14 for developing countries). The allowed minimum age is for hazardous work is 18 years (16 years under strict conditions).
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 Code of Business Conduct, Employees and Human Rights Policy, Supplier Code Our significant suppliers are assessed/audited on compliance with the Supplier Code on forced or compulsory labour topic by Ecovadis
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 40 operations we hire security personnel, of which 44% have received formal training in 2013 in the organisation's policies or procedures concerning human rights issues and their application to security.
Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	Employees' and human rights Integrity

GRI Reference table continued

Social: Human Rights – continued

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
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). 28 Operations performed a 'gap analysis' between the content of the new policy and local practices.
Remediation			
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Partially	Employees' and human rights 23 incidents or complaints/grievances have been reported by internal stakeholders in 2013. One incident or complaint/grievance has been reported by external parties or stakeholders in 2013.

GRI Reference table continued

Social: Society

Profile Disclosure	Description	Reported	Cross-reference/Direct answer
Local communities			
S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Fully	Local sourcing Investing in our communities Creating economic and social impact Thirty-nine operations published their own 2012 sustainability report in 2013; all reported on CSI.
S09	Operations with significant potential or actual negative impacts on local communities.	Fully	No significant potential or negative impacts reported.
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	No significant potential or negative impacts reported.
Corruption			
S02	Percentage and total number of business units analyzed for risks related to corruption.	Not	In 2013, no risk assessment for exposure of the Company to corruption by government officials has been performed.
S03	Percentage of employees trained in organisation's anti-corruption policies and procedures.	Fully	In 2013, 3,563 employees in relevant functions have been trained by means of completion of an e-learning on business conduct.
S04	Actions taken in response to incidents of corruption.	Fully	Stakeholder dialogue > United Nations Global Compact Integrity
Public policy			
S05	Public policy positions and participation in public policy development and lobbying.	Partially	Working with partners Progress on global industry commitments Working in partnership with industry We are an active member of industry associations, like the Brewers of Europe. Through these associations we are in discussion with governments on the role of beer in society, and on regulations.
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	It is part of our Code of Business Conduct that our Company does not make contributions to politicians or political parties. In the USA it is customary for employees to give money to a political action committee (PAC) which is administrated by their employer. In our case this PAC is called the Heineken Good Government Fund which acts fully in line with our Code and the rules issued by the Federal Election Committee. Click here for more information
Anti-competitive behaviour			
S07	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	Partially	AR 2013, p124, Notes to the Consolidated Financial Statements, note 34 "Contingencies"
Compliance			
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Partially	AR 2013, p124, Notes to the Consolidated Financial Statements, note 34 "Contingencies"

GRI Reference table continued

Social: Product Responsibility

Profile Disclosure	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.	Fully	Procedure and testing in place for R&D, innovation, renovation in packaging and systems. More than 90% of all Stock Keeping Units (SKUs) are covered by these procedures. Measured in global system, split into Hazard analysis and critical control points (HACCP) and non-HACCP related items.
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 2013, 35 Operating Companies have a dedicated Customer Relationship Management (CRM) programme related to sales and marketing, 29 of them have defined targets on customer satisfaction levels, and 28 regularly track and report customer satisfaction levels.
Marketing communications			
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	Actions and results See Case studies on Advocating responsible consumption All organisations have to work within the local laws and regulations. In addition all organisations have to adhere the our Rules on Responsible Commercial Communication
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.	Fully	Reported complaints
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.

GRI Supplements: LA1

Appendix Tables

Employees by employment type and contract*

	Number of male employees	Number of female employees	Total number
Contract type			
Permanent	53,679	12,649	66,328
Temporary	5,752	2,143	7,895
Total number	59,431	14,792	74,223
Employment type			
Full-time	59,054	13,506	72,550
Part-time	377	1,286	1,673
Total number	59,431	14,792	74,223
Region			
Africa and the Middle East	11,343	1,430	12,773
Americas	19,305	2,507	21,812
Asia Pacific	5,698	2,346	8,044
Central and Eastern Europe	10,418	4,247	14,665
Western Europe	12,667	4,262	16,929
Total	59,431	14,792	74,223

* This refers to the total number of employees from the OpCos in scope for the report and not for the whole of HEINEKEN, See the Appendix "List of Operating Companies"

LA2

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

	Male	Female
Africa and the Middle East	85.4	14.6
Americas	86.1	13.9
Asia Pacific	71.5	28.5
Central and Eastern Europe	69.9	30.1
Western Europe	58.7	41.3

Employees leaving the company – Breakdown by gender and region %

	Male	Female
Africa and the Middle East	86	14
Americas	86.5	13.5
Asia Pacific	61.8	38.2
Central and Eastern Europe	68.4	31.6
Western Europe	68.7	31.3

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

	below 30	30-50	over 50
Africa and the Middle East	53.2	44.9	1.9
Americas	70.3	29.4	0.3
Asia Pacific	64.8	34	1.2
Central and Eastern Europe	56.1	41.7	2.2
Western Europe	42.3	53.2	4.5

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

	below 30	30-50	over 50
Africa and the Middle East	18.3	61.4	20.3
Americas	51.4	43.3	5.3
Asia Pacific	52.6	43	4.4
Central and Eastern Europe	42	46.9	11.1
Western Europe	19.1	54.2	26.7

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 and the Middle East	965	165	1,575	256	12,773
Americas	3,496	565	4,583	717	21,812
Asia Pacific	1,086	432	1,150	711	8,044
Central and Eastern Europe	1,659	715	2,373	1,095	14,665
Western Europe	1,031	724	1,288	588	16,929
Total	8,237	2,601	10,969	3,367	74,223

LA2 continued

Employee turnover – continued

TOTAL New employees HEINEKEN Group	% new male employees	% new female employees	TOTAL employees leaving HEINEKEN Group	Number of female employees leaving	Total employees in the company
10,838	76.0	24.0	14,336	76.5	23.5

TOTAL New employees HEINEKEN Group	% new male employees	% new female employees
10,838	76.0	24.0

TOTAL employees leaving	% leaving male employees	% female leaving employees
14,336	76.5	23.5

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 and the Middle East	602	507	21	335	1,125	371	12,773
Americas	2,857	1,192	12	2,724	2,297	279	21,812
Asia Pacific	983	516	19	979	800	82	8,044
Central and Eastern Europe	1,332	989	53	1,456	1,625	387	14,665
Western Europe	742	934	79	359	1,017	500	16,929
Total	6,516	4,138	184	5,853	6,864	1,619	74,223

TOTAL New employees HEINEKEN Group	% of new employees <30	% of new employees 30-50	% of new employees >50	Total employees leaving HEINEKEN Group	% of employees leaving <30	% of employees leaving 30-50	% of employees leaving >50
10,838	60.1	38.2	1.7	14,336	40.8	47.9	11.3

TOTAL New employees HEINEKEN Group	% of new employees <30	% of new employees 30-50	% of new employees >50
10,838	60.1	38.2	1.7

Total employees leaving HEINEKEN Group	% of employees leaving <30	% of employees leaving 30-50	% of employees leaving >50
14,336	40.8	47.9	11.3

This refers to the total number of employees from the OpCos in scope for the report and not for the whole of HEINEKEN. See the Appendix "List of Operating Companies"

LA3

Life Insurance

	No of OPCOs providing benefit
Full-time employees	47
Part-time employees	23
Temporary employees	20

Health Care

	No of OPCOs providing benefit
Full-time employees	63
Part-time employees	31
Temporary employees	30

Disability/Invalidity Coverage

	No of OPCOs providing benefit
Full-time employees	62
Part-time employees	32
Temporary employees	31

Parental Leave

	No of OPCOs providing benefit
Full-time employees	64
Part-time employees	32
Temporary employees	30

Retirement Provision

	No of OPCOs providing benefit
Full time employees	52
Part time employees	26
Temporary employees	17

Stock Ownership

	No of OPCOs providing benefit
Full-time employees	19
Part-time employees	6
Temporary employees	4

This refers to the total number of employees from the OpCos in scope for the report and not for the whole of HEINEKEN. See the Appendix "List of Operating Companies"

LA8

No 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	45 (66.2%)	37 (54.4%)	40 (58.8%)	41 (60.3%)
Immediate family	15 (22.1%)	10 (14.7%)	13 (19.1%)	10 (14.7%)
Community members	6 (8.8%)	3 (4.4%)	4 (5.9%)	3 (4.4%)

No of OPCOs that offer the following assistance to employees, their immediate family and/or community members when diagnosed with serious disease.

	Counselling	Treatment
Employees	47 (69.1%)	49 (72.1%)
Immediate family	27 (39.7%)	28 (41.2%)
Community members	5 (7.4%)	3 (4.4%)

This refers to the total number of employees from the OpCos in scope for the report and not for the whole of HEINEKEN. See the Appendix "List of Operating Companies"

LA10

Training hours

Category	Hours for male employees	Hours for female employees	Total training hours per category
Senior management	10,420	2,512	12,932
Middle management	115,983	36,272	152,255
Production employees	824,534	128,974	953,508
Other employees	506,069	151,426	657,495
Total	1.457.006	319,184	1.776.190

Category	Total training hours per category
Senior management	18
Middle management	29
Production employees	46
Other employees	14

This refers to the total number of employees from the OpCos in scope for the report and not for the whole of HEINEKEN. See the Appendix "List of Operating Companies"

LA13

Breakdown by gender and category %

	Male	Female
Senior management	84.6	15.4
Middle management	75.7	24.3
Production employees	87.2	12.8
Other employees	77.6	22.4

Breakdown by age group and category %

	under 30	30-50	over 50
Senior management	0.0	72.8	27.2
Middle management	3.7	79.5	16.8
Production employees	18.1	60.7	21.2
Other employees	27.1	60.7	12.3

Breakdown by origin and category %

	Home country	Outside of home country
Senior management	57.1	42.9
Middle management	90.0	10.0
Production employees	98.4	1.6
Other employees	98.6	1.4

This refers to the total number of employees from the OpCos in scope for the report and not for the whole of HEINEKEN. See the Appendix "List of Operating Companies"

EN 8 – 2013

Water used per source

	million m ³	
Water from absolute data (m3)	83.42	100%
Ground water (own wells)	45.23	54.2%
Surface water (river/lake)	9.39	11.3%
Sea/brackish water	0.09	0.1%
Total municipal water supply	28.36	34%
Other sources used	0.34	0.4%

EN 27

Packaging type	Packaging mix %
One-way	
Glass bottle	17.50
PET bottle	11.26
Aluminium bottle	0.03
Steel can	1.96
Aluminium can	23.98
Other	0.58
Returnable	
Returnable glass bottle	31.40
Returnable PET bottle	0.13
Returnable kegs	12.64
Tankered beer	0.51
Total	100

Appendix 2: Reporting basis

Scope

This Sustainability Report covers the performance of all our consolidated Operating Companies (see [Appendix 4: List of Operating Companies](#)). This is including our recently acquired operations in Haiti and Asia Pacific. These operations have been included in the first full calendar year of consolidation. For any indicators that these operations have not reported on yet, it is highlighted in the report. During 2013, we also sold our operations in Finland (Hartwall), divested operations in Brazil (Cuiaba) and Belarus (Rechitsa); the key performance indicators have been included up to the sale date, unless highlighted in the report.

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, crates, cans and can lids. Other plants have been included too, such as ice production facilities and a sand mine.

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 also relates to export companies 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 following the date of acquisition.)

The content of the report is based on the material aspects for both our Company and our stakeholders, and is directly linked to the Brewing a Better Future strategy, our four focus areas and our 2020 commitments. Policies and objectives did not change compared to the 2012 Report, unless disclosed in the relevant sections.

Reporting systems

- Safety data is reported quarterly via a global system named Company Information Logistics (CIL) application.
- The collection and validation of environmental data have now been integrated in BCS (Business Comparison System). Production units submit environmental data on a monthly basis in BCS.
- The Green Gauge reporting system allows us to monitor and report quarterly progress against 16 key areas, related to our commitments.
- Other reporting systems include the Contract Lifecycle System (CLM) and the EcoVadis Platform for Supplier Code and performance information, and Ethics Point for 'Speak Up' data.
- The Annual Sustainability Survey is the source of information for all other data that is not covered by the previously mentioned data sources.

Reliability of data

Since 2011, we have been widening the scope of our data sets, particularly beyond production sites only. In order to achieve this, HEINEKEN has worked on implementing a more robust data collection process, involving strengthening the ownership of data, continuous development of systems, training and internal and external assurance activities. Various data points are confirmed internally through staff and systems that have been established to collect and review that data. This is established at local Operating Company, Regional and Global levels. Subject Matter Experts are involved at various levels to validate and challenge the data and process.

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 data. Where possible, standard calculations are being built into our systems to minimise errors.

Despite the continuous strengthening of our data collection processes and the fact that our Operating Companies and data owners have reported to the best of their knowledge, in good faith and in accordance with agreed procedures, it is not possible to verify 100% of data contained in our report. Our Operating Companies are at differing maturity levels with regards to implementing the various data collection processes. Where we have any concerns, however, it is highlighted in the report.

Reporting basis continued

Internal Audit is involved on a continuous basis to monitor developments in KPIs and reporting processes. A yearly risk assessment is performed on all KPIs to determine the year end audit approach. For this purpose, Audit is tracking the methods for measurement and consolidation, and the developments in terms of newly acquired Operating Companies or implementation of systems.

In 2013, this resulted in an IT audit conducted on the newly implemented BCS 6.0 system, resulting in a set of corrective actions that were completed before the data was extracted for the Sustainability Report.

Apart from the annual review of the full reporting process, including monitoring the quality of review in various levels, the data ownership, the clarity of definition sets, and instructions to the Operating Companies, Audit is involved on a local level to perform data validation audits.

For 2013 this included:

- Seventeen audits at Operating Company level on Company-wide safety data (as reported from CIL).
- Fourteen Safety, Health and Environment (SHE) audits were performed at production site level as part of our Integrated Brewery audits (Global Audit (GA), Supply Chain Auditors and Local Internal Auditors (LIA) working together) (BCS data).
- Four additional SHE audits were performed at production site level at year end by LIA (BCS data).
- Three extra audits were added at Operating Company level in Asia Pacific to cover the HR data disclosed in the GRI table (Sustainability Survey data).
- Global Audit audited 150 text statements, based on materiality, in conjunction with KPMG.

Upon areas in scope, testing is performed following generally accepted audit methodology. This includes methods such as visits, interviews, walkthroughs and sampling to collect the evidence required to form Audit's opinion.

All audit findings, including an overall process and report, are shared with responsible management, data owners, subject matter experts and Global Corporate Relations throughout the entire audit process. Findings and necessary actions by management are included in a Global Action Tracker and are followed up on a quarterly basis which is also reported to Executive Management, resulting in continuous improvement.

Accuracy

The accuracy of the supplied safety data is checked. The safety reporting parameters should meet set parameter requirements. If parameters do not meet these requirements, the SHE manager will be requested to correct data within the CIL guidelines. The scope and workforce size related to accident frequency can give rise to inaccuracies in some locations due to the misinterpretation of overtime and number of temporary personnel/contractors. The accuracy of environmental 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 accuracy. The quantity of refrigerant in our breweries 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 measurement of locally sourced agricultural raw materials is done in metric tonnes. Input data is supplied by each operating company based on their local records of the total weight of raw materials used in production across the year. To maximise accuracy, this data is cross-checked with more detailed analysis of 'extract' usage (fermentable sugars extracted from each raw material during the brewing process), which is recorded in the HEINEKEN BCS system. To make this comparison, extract data is converted back into raw material weight using the average yield from each crop. This comparison is approximate because brewing is a natural process and experiences natural variations in the level of extract derived from each batch of raw material.

Reporting basis continued

Definitions

HEINEKEN gathers data in accordance with guidelines and definitions based on the Global Reporting Initiative Guidelines (G3.1). Overall, we try to align with international standards, and if not available we work with industry partners, like the Beverage Industry and Environmental Roundtable (BIER), to develop common practices.

For some measures in Responsible Consumption we track the implementation in accordance to industry agreements (e.g. labels on our packaging). Related to media spend this element is rather new. Reporting is on actual spent on consumer-facing communication with Responsible Consumption as its key message, not to comply with industry regulation.

Several definitions have been modified.

- We changed our definition of total specific energy consumption in order to better account for modern energy production methods. We have now adopted the more accurate and industry accepted definition of total specific energy consumption as: Thermal energy (MJ/hl) + 3.6 x electrical energy (kWh/hl) (using the WBCSD Protocol).
- The energy reported for back-up generators has been expressed in kWh produced instead of MJ fuel consumed.
- Biogas, produced in our own wastewater treatment plants, is considered an internal energy flow and has not been registered as consumption.
- Each year the specifications of our 'green fridges' are adjusted towards higher efficiency – for example, in 2013 we added a requirement for energy-efficient fans.
- We updated our definition of local sourcing on two levels:
 - Hops and grapes have been added for the first time
 - Only agricultural raw materials cultivated in Africa are included, which means that we exclude raw materials that are imported and processed locally before entering the HEINEKEN supply chain.

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.

Safety parameters and indicators

Parameters	1. Fatal accidents	Fatalities, own staff and contractor personnel
	2. Accidents resulting in permanent disability	Permanent disabilities, own staff
	3. Accidents resulting in absence from work	Accidents, own staff and contractor personnel
	4. Lost days	Absence due to an accident, own staff in calendar days
	5. Workforce	Expressed in Full-Time Equivalents (FTE)
Performance indicators	1. Accident frequency	Own staff, number of accidents resulting in absence from work per 100 FTE
	2. Accident severity	Own staff, lost days from work per 100 FTE

Reporting basis continued

Environmental reporting

Performance is measured for four parameters in terms of production, expressed in hectolitres of beer, cider, soft drinks and water, to facilitate comparison of the results.

The greenhouse effect covers CO₂ emissions resulting from the use of energy and refrigerant emissions, expressed as CO₂ equivalents. We distinguish direct and indirect CO₂ emissions, produced on-site or produced off-site by the electricity supplier. The carbon footprint covers the value chain, from barley to bar, i.e. from the production of raw materials up to and including consumption of the product.

The ozone layer depletion covers refrigerant losses (e.g. HCFCs), while acidification covers NO_x, SO_x and NH₃ emissions. Nutrification covers the chemical oxygen demand (COD), plus nitrogen and phosphorus in wastewater after treatment, where discharged into surface water. Waste management deals with the destination of our co-products, industrial waste and hazardous waste.

Environmental parameters and indicators

Parameters	1. Thermal energy consumption	Consumption of thermal energy in MJ (the corresponding CO ₂ emission is derived from this figure using the WBCSD Protocol)
	2. Electricity consumption	Consumption of electrical energy in kWh
	3. Water consumption	Water consumption in m ³
	4. Solid waste disposal	Non-recycled waste in kg such as hazardous waste, wastewater treatment sludge and industrial waste
	5. COD load of effluent	The chemical oxygen demand of treated or untreated wastewater leaving the production unit and discharged to surface water in kg
	6. Wastewater treated	The volume of wastewater treated expressed in m ³
	7. Number of complaints	External complaints related to nuisance
	8. Number of external environment-related incidents	Incidents related to environment and safety which had an impact outside the production unit
Performance indicators	1. Specific thermal energy consumption	Thermal energy consumption per unit produced in MJ/hl beer, cider, soft drinks and water
	2. Specific electricity consumption	Electricity consumption per unit produced in kWh/hl beer, cider, soft drinks and water
	3. Specific total energy consumption	Equals thermal energy consumption plus 3.6 times the electricity consumption per unit produced
	4. Specific CO ₂ emission	Fossil CO ₂ emission (direct and indirect) respectively derived from 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
	5. Specific water consumption	Water consumption per unit produced in hl/hl beer, cider, soft drinks and water
	6. Non-recycled industrial waste	The amount of non-recycled waste per unit produced in kg/hl beer, cider, soft drinks and water, consisting of packaging waste, industrial waste and non-recycled co-products

Appendix 3: Environmental data on production units

HEINEKEN NV

	Unit	2011	2012	2013
Total beverage production	Mhl	1774	183.2	194.9
Beer production	Mhl	159.2	165.7	177.5
Cider production	Mhl	4.2	3.4	3.5
Soft drink production	Mhl	10.4	10.3	10.7
Water production	Mhl	3.6	3.8	3.2
Malt production	ktons	710	725	725
Thermal energy consumption	PJ	19.2	19.8	19.3
Electricity consumption	GWh	1,824	1,872	1,937
CO ₂ -eq emissions (direct: from fuel combustion and refrigerant losses)	ktons	1,173	1,264	1,216
CO ₂ -eq emissions (indirect: from heat and electricity import)	ktons	765	737	666
NO _x emissions*	tons	2,146	2,293	2,225
SO _x emissions*	tons	2,471	3,037	2,968
NH ₃ in use	tons	1,261	1,280	1,217
NH ₃ losses	tons	109	158	135
HC-based refrigerants in use	tons	40	38	48
HC-based refrigerants lost**	tons	11.6	13.0	13.0
	kg R11 equivalents	519	579	556
	kton CO ₂ equivalents	28.4	28.1	24.9
Water consumption	Mm ³	80.1	81.6	83.4
Waste water quantity***	Mm ³	55.8	58.5	55.4
Waste water organic load before treatment	ktons COD	163	166	157
Effluent organic load discharged to surface water***	ktons COD	19.4	24.9	23.5
Effluent total nitrogen****	tons N	695	781	825
Effluent total phosphorous****	tons P	496	620	673
Effluent suspended solids****	ktons d.m.	4.42	4.85	4.86
Total co-products, packaging and industrial waste	ktons	3,046	3,150	3,238
Non-recycled industrial waste	ktons	133	96	109
Total waste water sludge	ktons d.m.	13.55	15.75	14.81
Non-recycled waste water sludge	ktons d.m.	3.38	2.85	2.89
Total hazardous waste	ktons	2.79	2.48	3.32
Non-recycled hazardous waste	ktons	0.93	0.59	1.42
Justified environmental and safety complaints	number	33	29	36
Justified environmental and safety accidents with off-site effects	number	70	46	34

* 2013 value is an estimation based on 2012 emissions, scaled relative to the thermal energy consumption. Reliable data will be available for 2014, when reporting system issues have been solved.

** 2013 value includes estimates for 39 specific production sites (based on 2012 losses). Reliable data will be available for 2014, when reporting system issues have been solved.

*** 2013 value is partly based on estimates. Reliable data will be available for 2014, when reporting system issues have been solved.

**** 2013 value is based on extrapolation of value 2012 plus data from new reporters. Reliable data will be available for 2014, when reporting system issues have been solved.

Environmental data on production units continued

Breweries, Cider, Soft drink and Water plants

	Unit	2011	2012	2013
Total beverage production	Mhl	1774	183.2	194.9
Beer production	Mhl	159.2	165.7	177.5
Cider production	Mhl	4.2	3.4	3.5
Soft drink production	Mhl	10.4	10.3	10.7
Water production	Mhl	3.6	3.8	3.2
Malt production	ktons			
Thermal energy consumption	PJ	14.6	14.8	14.8
Electricity consumption	GWh	1,504	1,538	1,634
CO ₂ -eq emissions (direct: from fuel combustion and refrigerant losses)	ktons	910	961	955
CO ₂ -eq emissions (indirect: from heat and electricity import)	ktons	615	582	538
NO _x emissions*	tons	1,771	1,814	1,811
SO _x emissions*	tons	1,989	2,372	2,369
NH ₃ in use	tons	1,210	1,225	1,172
NH ₃ losses	tons	107	156	123
HC-based refrigerants in use	tons	32	31	43
HC-based refrigerants lost**	tons	11.3	12.0	12.0
	kg R11 equivalents	493	557	547
	kton CO ₂ equivalents	27.8	26.5	23.4
Water consumption	Mm³	75.8	77.1	79.3
Waste water quantity	Mm ³	54.0	56.3	53.5
Waste water organic load before treatment	ktons COD	158	159	153
Effluent organic load discharged to surface water***	ktons COD	18.8	24.4	23.1
Effluent total nitrogen****	tons N	682	762	806
Effluent total phosphorous****	tons P	492	615	669
Effluent suspended solids****	ktons d.m.	4.31	4.79	4.80
Total co-products, packaging and industrial waste	ktons	2,954	3,067	3,140
Non-recycled industrial waste	ktons	130	94	105
Total waste water sludge	ktons d.m.	12.53	14.16	13.87
Non-recycled waste water sludge	ktons d.m.	3.16	2.84	2.87
Total hazardous waste	ktons	2.30	1.94	3.12
Non-recycled hazardous waste	ktons	0.58	0.41	1.35
Justified environmental and safety complaints	number	33	29	35
Justified environmental and safety accidents with off-site effects	number	70	42	33

* Estimated values based on 2012 emissions, scaled relative to the thermal energy consumption. Reliable data will be available for 2014, when reporting system issues have been solved.

** The reported value includes estimates for 39 specific production sites (based on 2012 losses). Reliable data will be available for 2014, when reporting system issues have been solved.

*** The reported value is partly based on estimates. Reliable data will be available for 2014, when reporting system issues have been solved.

**** For N, P, and SS, estimated values based on extrapolation of values 2012 plus data from new reporters. Reliable data will be available for 2014, when reporting system issues have been solved.

Environmental data on production units continued

Malting sites

	Unit	2011	2012	2013
Total beverage production	Mhl			
Beer production	Mhl			
Cider production	Mhl			
Soft drink production	Mhl			
Water production	Mhl			
Malt production	ktons	710	725	725
Thermal energy consumption	PJ	1.6	1.6	1.6
Electricity consumption	GWh	86	84	84
CO ₂ -eq emissions (direct: from fuel combustion and refrigerant losses)	ktons	90	87	91
CO ₂ -eq emissions (indirect: from heat and electricity import)	ktons	36	40	33
NO _x emissions*	tons	90	76	76
SO _x emissions*	tons	403	260	258
NH ₃ in use	tons	12	12	4
NH ₃ losses	tons	2	1	1
HC-based refrigerants in use	tons	6	6	4
HC-based refrigerants lost**	tons	0.1	0.9	0.9
	kg R11 equivalents	16	4	5
	kton CO ₂ equivalents	0.2	1.3	1.4
Water consumption	Mm ³	2.7	2.5	2.4
Waste water quantity	Mm ³	1.0	1.0	1.1
Waste water organic load before treatment	ktons COD	3.8	3.7	3.3
Effluent organic load discharged to surface water***	ktons COD	0.6	0.4	0.4
Effluent total nitrogen****	tons N	13.1	16.6	16.6
Effluent total phosphorous****	tons P	4.0	4.0	4.0
Effluent suspended solids****	ktons d.m.	0.10	0.06	0.06
Total co-products, packaging and industrial waste	ktons	35.0	36.0	51.0
Non-recycled industrial waste	ktons	1.8	1.6	1.5
Total waste water sludge	ktons d.m.	0.80	0.77	0.83
Non-recycled waste water sludge	ktons d.m.	0.00	0.00	0.00
Total hazardous waste	ktons	0.02	0.02	0.02
Non-recycled hazardous waste	ktons	0.00	0.00	0.01
Justified environmental and safety complaints	number	0	0	0
Justified environmental and safety accidents with off-site effects	number	0	0	0

* Estimated values based on 2012 emissions, scaled relative to the thermal energy consumption. Reliable data will be available for 2014, when reporting system issues have been solved.

** The reported value includes estimates for 39 specific production sites (based on 2012 losses). Reliable data will be available for 2014, when reporting system issues have been solved.

*** The reported value is partly based on estimates. Reliable data will be available for 2014, when reporting system issues have been solved.

**** For N, P, and SS, estimated values based on extrapolation of values 2012 plus data from new reporters. Reliable data will be available for 2014, when reporting system issues have been solved.

Environmental data on production units continued

Packaging

	Unit	2011	2012	2013
Total beverage production	Mhl			
Beer production	Mhl			
Cider production	Mhl			
Soft drink production	Mhl			
Water production	Mhl			
Malt production	ktons			
Thermal energy consumption	PJ	2.8	3.1	2.6
Electricity consumption	GWh	205	202	181
CO ₂ -eq emissions (direct: from fuel combustion and refrigerant losses)	ktons	165	186	151
CO ₂ -eq emissions (indirect: from heat and electricity import)	ktons	98	94	78
NO _x emissions*	tons	268	341	287
SO _x emissions*	tons	78	356	300
NH ₃ in use	tons	0	0	0
NH ₃ losses	tons	0	0	0
HC-based refrigerants in use	tons	2	1	1
HC-based refrigerants lost**	tons	0.2	0.0	0.1
	kg R11 equivalents	9	17	4
	kton CO ₂ equivalents	0.3	0.3	0.1
Water consumption	Mm ³	0.8	0.7	0.6
Waste water quantity	Mm ³	0.6	0.6	0.5
Waste water organic load before treatment	ktons COD	0.9	0.7	0.7
Effluent organic load discharged to surface water***	ktons COD	0.0	0.0	0.0
Effluent total nitrogen****	tons N	0.1	2.1	2.1
Effluent total phosphorous****	tons P	0.0	1.0	1.0
Effluent suspended solids****	ktons d.m.	0.00	0.00	0.00
Total co-products, packaging and industrial waste	ktons	58.0	23.0	24.0
Non-recycled industrial waste	ktons	0.6	0.4	2.0
Total waste water sludge	ktons d.m.	0.22	0.19	0.11
Non-recycled waste water sludge	ktons d.m.	0.22	0.01	0.02
Total hazardous waste	ktons	0.44	0.51	0.16
Non-recycled hazardous waste	ktons	0.31	0.17	0.05
Justified environmental and safety complaints	number	0	0	0
Justified environmental and safety accidents with off-site effects	number	0	0	0

* Estimated values based on 2012 emissions, scaled relative to the thermal energy consumption. Reliable data will be available for 2014, when reporting system issues have been solved.

** The reported value includes estimates for 39 specific production sites (based on 2012 losses). Reliable data will be available for 2014, when reporting system issues have been solved.

*** The reported value is partly based on estimates. Reliable data will be available for 2014, when reporting system issues have been solved.

**** For N, P, and SS, estimated values based on extrapolation of values 2012 plus data from new reporters. Reliable data will be available for 2014, when reporting system issues have been solved.

Environmental data on production units continued

Other¹

	Unit	2011	2012	2013
Total beverage production	Mhl			
Beer production	Mhl			
Cider production	Mhl			
Soft drink production	Mhl			
Water production	Mhl			
Malt production	ktons			
Thermal energy consumption	PJ	0.1	0.3	0.3
Electricity consumption	GWh	29	48	38
CO ₂ -eq emissions (direct: from fuel combustion and refrigerant losses)	ktons	9	29	19
CO ₂ -eq emissions (indirect: from heat and electricity import)	ktons	16	21	17
NO _x emissions*	tons	16	62	51
SO _x emissions*	tons	1	49	40
NH ₃ in use	tons	40	44	41
NH ₃ losses	tons	1	1	12
HC-based refrigerants in use	tons	0	0	0
HC-based refrigerants lost**	tons	0.0	0.0	0.0
	kg R11 equivalents	0	1	0
	kton CO ₂ equivalents	0.0	0.0	0.0
Water consumption	Mm ³	0.8	1.3	1.1
Waste water quantity	Mm ³	0.2	0.6	0.3
Waste water organic load before treatment	ktons COD	0.0	2.4	0.5
Effluent organic load discharged to surface water***	ktons COD	0.0	0.0	0.0
Effluent total nitrogen****	tons N	0.0	0.2	0.2
Effluent total phosphorous****	tons P	0.0	0.0	0.0
Effluent suspended solids****	ktons d.m.	0.00	0.00	0.00
Total co-products, packaging and industrial waste	ktons	0.0	23.0	24.0
Non-recycled industrial waste	ktons	0.0	0.2	0.4
Total waste water sludge	ktons d.m.	0.00	0.63	0.00
Non-recycled waste water sludge	ktons d.m.	0.00	0.00	0.00
Total hazardous waste	ktons	0.03	0.02	0.02
Non-recycled hazardous waste	ktons	0.03	0.01	0.01
Justified environmental and safety complaints	number	0	0	1
Justified environmental and safety accidents with off-site effects	number	0	4	1

¹ Includes the sand plant, ice factory, distilleries, and apple mill

* Estimated values based on 2012 emissions, scaled relative to the thermal energy consumption. Reliable data will be available for 2014, when reporting system issues have been solved.

** The reported value includes estimates for 39 specific production sites (based on 2012 losses). Reliable data will be available for 2014, when reporting system issues have been solved.

*** The reported value is partly based on estimates. Reliable data will be available for 2014, when reporting system issues have been solved.

**** For N, P, and SS, estimated values based on extrapolation of values 2012 plus data from new reporters. Reliable data will be available for 2014, when reporting system issues have been solved.

Appendix 4: List of Operating Companies¹

HEINEKEN NV

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	Ethiopia	Heineken Breweries Share Company (SC)
Africa Middle East	Ethiopia	Harar brewery SC
Africa Middle East	Ethiopia	Bedele brewery SC
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	Haiti	Brasserie Nationale D'Haiti
The Americas	Martinique	Brasseries Lorraine
The Americas	Mexico	Cuauhtémoc Moctezuma
The Americas	Mexico	Empaque
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	Cambodia	Cambodia Brewery
Asia Pacific	China	Heineken-APB (Shanghai)
Asia Pacific	China	Guangzhou Asia Pacific Brewery
Asia Pacific	China	Hainan Asia Pacific Brewery Company
Asia Pacific	Hong Kong	Heineken Hong Kong
Asia Pacific	Indonesia	PT Multi Bintang Indonesia
Asia Pacific	Japan	Heineken Japan
Asia Pacific	Korea	Heineken Korea
Asia Pacific	Laos	Lao Asia Pacific Breweries
Asia Pacific	Mongolia	MCS – Asia Pacific Brewery ²
Asia Pacific	New Caledonia	Grande Brasserie de Nouvelle Caledonie
Asia Pacific	New Zealand	DB Breweries Limited
Asia Pacific	Papua New Guinea	South Pacific Brewery Limited
Asia Pacific	Singapore	Heineken Asia Pacific
Asia Pacific	Singapore	Asia Pacific Breweries (Singapore)
Asia Pacific	Singapore	Heineken Asia Pacific Exports
Asia Pacific	Solomon Islands	Solomon Breweries Limited
Asia Pacific	Sri Lanka	Asia Pacific Brewery (Lanka)
Asia Pacific	Taiwan	Heineken Taiwan
Asia Pacific	Vietnam	Asia Pacific Breweries (Hanoi)
Asia Pacific	Vietnam	Vietnam Brewery

¹ New acquisitions will be included in the first full calendar year of reporting

² The Vodka plant Zhuunk in Mongolia was unable to provide data and is therefore not included

List of Operating Companies continued

Central and Eastern Europe	Austria	Brau Union International
Central and Eastern Europe	Austria	Brau Union Österreich
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
Western Europe	Belgium	Alken-Maes
Western Europe	Finland	Hartwall ¹
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	Heineken Switzerland
Western Europe	UK	Heineken UK
Global	Various	Head Office, Regional Offices including export, HEINEKEN Global Shared Services (Kraków, Poland)

¹ Heineken N.V. announced 11 July 2013 that it had signed a binding agreement with Danish Royal Unibrew A/S ('Royal Unibrew') for the sale of Hartwall. Hartwall's sustainability performance until August has been included in this 2013 Sustainability Report.

Reference information

Heineken N.V.
Global Corporate Relations
P.O. Box 28 1000 AA Amsterdam
The Netherlands
Telephone +31 20 523 92 39
Fax +31 20 626 35 03

www.theHEINEKENCompany.com
www.enjoyHEINEKENresponsibly.com
www.HEINEKEN.com
Twitter: [@HEINEKENCorp](https://twitter.com/HEINEKENCorp)

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. Responsibility@HEINEKEN.com

Michael Dickstein
Director Global Sustainable Development

Jan-Willem Vosmeer
Corporate Social Responsibility Manager

Jeff Funnekotter
MediaPartners

Addison Group
Graphic design and electronic publishing

Photography:
Monne Tuinhof
Lars van den Brink
Bob van der Vlist
Paul Tolenaar
Roger Dohmen

All brand names mentioned in this report, including – but not limited to – those not marked by an ® represent registered trademarks and are legally protected.