

Dear

Thank you for finding this letter. We believe that sustainability and business can work in harmony. Here are some of the ways we Brewed a Better World in 2017.

Supporting Croatian farmers

At HEINEKEN, we're great supporters of local producers. Our belief in Croatian agriculture has resulted in a successful cooperation with local producers and farmers for a third year in a row.

It's been one of the factors behind the growth of national barley production; 2017 was a record year for Croatia in terms of number of barley producers and total hectares sown. We are incredibly proud that 100% of the barley used for our Karlovačko is locally grown.



Promoting sustainability in construction

In 2017, we invested €2.5 million in new warehouse facilities at our Karlovac brewery. The 5,100 m² warehouse follows sustainable building design principles which helped minimise environmental impacts both during construction and while the building is in use. The project focused on promoting energy efficiency, using high quality environmentally-friendly materials, and reducing waste. Our building has been awarded an Energy Efficiency Class A+ rating.



Investing in our local communities

In 2017, we chose to support the KAKvart project which contributes to the social wellbeing of local communities. Launched by the City of Karlovac, the goal is to improve the quality of life of citizens in the whole Karlovac area by encouraging both local councils and citizens to identify and support community projects. HEINEKEN was proud to donate over €50,000 to help get a number of new initiatives off the ground and improve quality of life in the region.



In 2017 we were recognized for sustainability efforts, which confirms we are doing the right things. Thank you for your continued support.

Boris Miloushev
Managing Director, HEINEKEN Hrvatska

For more on our local sustainability initiatives: www.heineken.hr

Our global commitment

Sustainability has been fundamental to HEINEKEN for many years. Today, our global ambition is to Brew a Better World from barley to bar. It's this commitment that unites our global brands in respecting people, planet and prosperity.

We focus on the six areas where we can make the biggest difference. This shapes our contribution towards delivering the UN Sustainable Development Goals for 2030.

Overall we're making good progress, putting us on track to reach most of our Brewing a Better World 2020 commitments with more to do in some areas.

-  Every drop: protecting water resources
-  Drop the C: reducing CO₂ emissions
-  Sourcing sustainably
-  Advocating responsible consumption
-  Promoting health and safety
-  Growing with communities

HEINEKEN Hrvatska – Our contribution towards Brewing a Better World

In 2017

As announced last year, in 2017 we used only green electric energy (ZelEn certified), obtained exclusively from renewable sources



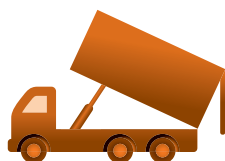
4.1 hl/hl

Our water consumption increased by 3% compared to 2016 due to higher number of innovations; however, we reached an overall reduction of 40% since 2008



6.2 kg CO₂-eq/hl

We have slightly decreased our CO₂ emissions, down from 6.3 kg in 2016



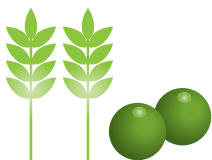
86% cut

in non-recycled industrial waste compared with 2008



11% more

of our beer was sold in returnable glass bottles compared to 2016



100%

of the malt for our Karlovačko beer and 100% of the mandarins for our Karlovačko Natur Radler mandarin were locally sourced



10%

of Heineken® media spend dedicated to responsible consumption campaign #Herowanted



94% fewer

monthly notifications for speeding; our 'Thank you for not speeding' campaign won a HEINEKEN award



€131,000

invested in projects and social initiatives in our local community

In 2018,

we will start to use solar energy in beer production