

To our stakeholders:

I am very proud to confirm that Heineken Serbia indorses its support of the Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, Anti-Corruption, Good Health and Well-being and Zero Hunger.

In this annual Communication on Progress, we share more information about our activities to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders by using all of our channels of communication.

Sincerely yours,  
Nikos Zois  
Managing Director

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## **HUMAN RIGHTS**

At HEINEKEN we do business with respect for people's fundamental dignity and their human rights. This is anchored in our:

- Values, reflected in 'We Are HEINEKEN' company's manifesto.
- Code of Business Conduct, the underlying policies, and the HEINEKEN Supplier Code.
- Commitment to international standards as listed below.

Our policy is aligned with the following international standards:

- The Universal Declaration of Human Rights.
- The Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO).
- The Guidelines for Multinational Enterprises of the Organisation for Economic Cooperation and Development (OECD).
- The United Nations (UN) Guiding Principles on Business and Human Rights.

This policy sets out ten standards for those human rights topics that HEINEKEN considers most significant. These ten standards are based on a global identification of our 'salient' human rights issues in our Operating Companies (OpCos) and in their local value chains. The standards in relation to forced labour and respect for human rights in high risk contexts are based on external commitments we made. Our respect for human rights is not limited to these ten standards.

We expect our employees, our management, individuals working for HEINEKEN through a third party contract, our suppliers and business partners, to respect human rights in line with this policy and to ensure that our work complies with our Company's commitments to human rights.

Our Human rights Policy is the foundation to help us to understand, avoid and address human rights related risks.

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## LABOUR

Our policies clearly state the following provisions that we all respect to the highest extent:

- No forced labor – we do not tolerate situations in which persons are forced to work through the use of violence or intimidation, or by more subtle means such as retention of identity papers. This means that none of our employees should pay for their job. Fees and costs associated with recruitment and employment should be paid by HEINEKEN. All our employees should work freely and be aware of the terms and conditions of their work and be paid regularly and timely as agreed.
- Rest and leisure – We recognize the right to rest and leisure and will therefore always comply with local laws, regulations and local customs with regard to working hours, overtime and rest. We support a healthy balance between the working and private lives of our employees.
- Fair wages and income – All of our employees should be paid sufficiently for a decent standard of living, enough to satisfy basic needs for the employee and his/her family. Where the local statutory minimum wage is non-existent or not sufficient to ensure a decent standard of living, we will pay our employees enough to meet this standard.
- Child protection – We respect the rights of the child as stated in the United Nations (UN) Convention on the Rights of the Child, including the right to education, the right to rest and play and the right to have basic needs met. We will not engage in, or allow, child labor within our facilities or in those of our suppliers. We are also committed to supporting the elimination of child labor in our value chain. We follow the ILO definition of the minimum age for admission to employment or work. This age shall not be lower than the age of completion of compulsory schooling and in any case not be under 15 years of age, except in some countries, where it is 14. We comply with local law if it sets a higher age to define child labour.
- Freedom of association and the right to collective bargaining – We respect our employees' freedom of choice to be legally represented by a labor union without fear of retaliation. Where employees are represented by a legally recognized labor union, we will establish a constructive dialogue with this labor union. Where local laws and practices restrict the right to freedom of association and collective bargaining, we endeavor to develop other ways to have a meaningful dialogue with employee representatives, without breaking local law.

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## ENVIRONMENTAL



Doing business all over the world comes with important responsibilities that extend beyond just running a profitable business. We strive to have a positive impact in the markets in which we operate and sustainability is embedded in our business strategy.

Achieving real and lasting change is only possible through the collective efforts of everyone who works at HEINEKEN, our partners and suppliers, NGOs, governments, local communities and other stakeholders.

Our sustainable development strategy, Brewing a Better World, includes targets across six key focus areas: Promoting health and safety, “Every drop” protecting water resources, “Drop the C” reducing CO2 emissions, Growing with communities, Sourcing sustainably and Advocating responsible consumption.

We are determined to contribute to the UN Sustainable Development Goals (SDGs). Our focus areas are linked with specific SDGs and their targets, ensuring that we make a meaningful and transparent contribution to the global goals to protect the planet, ensure prosperity and end poverty.

We have defined new 2030 strategies for water and climate change and we are in the process of developing strategies and targets beyond for other focus areas.

Our ambition is to make sustainability an integral part of business. This means looking at Brewing a Better World in every one of our activities – from sourcing, producing, marketing and selling our products all the way to how they are consumed, and how we can reuse and recycle waste.

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## **ANTI-CORRUPTION**

We work with our customers, suppliers and other business partners to grow together. This also involves creating goodwill, fostering long-lasting business relationships and showing appreciation. In addition, hosting and participating in events that contribute to the enjoyment of life are central to our business. However, the offering or receiving of gifts, entertainment and hospitality, including entertainment and hospitality at our Company’s sponsored events, should never influence, or appear to influence, the integrity of business decisions or the loyalty of the persons involved. In other words: it may never be meant or be perceived as a bribe.

Our Policy clearly explains what our do’s and don’ts are when providing gifts, business meals, entertainment and hospitality to others, as well as when receiving these. It is intended to clarify matters and to avoid accusations of improper conduct, reputations being damaged or even laws being violated.

- WE RESPECT PEOPLE AND THE PLANET through the strict policies on:
  1. Health and safety
  2. Human rights
  3. Discrimination and harassment
  4. Environment
- WE CONDUCT BUSINESS WITH INTEGRITY AND FAIRNESS through the strict policies on:
  1. Competition
  2. Bribery
  3. Gifts, entertainment, hospitality and donations
  4. Money laundering and sanctions
  5. Conflicts of interest
  6. Business partners
- WE SAFEGUARD OUR COMPANY’S ASSETS through the strict policies on:
  1. Use of company resources
  2. Fraud
  3. Privacy and data protection
  4. Intellectual property and confidential information
  5. Insider dealing

## **COVID-19**

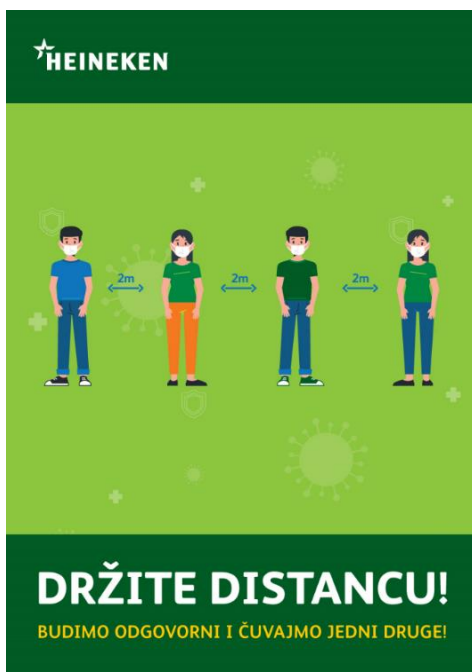
Since the occurrence of this unprecedented situation with Covid-19, our motto has been to prepare ourselves for the worst and hope for the best. This is why we launched the implementation of all the precaution measures earlier, even before the first case was reported in Serbia.

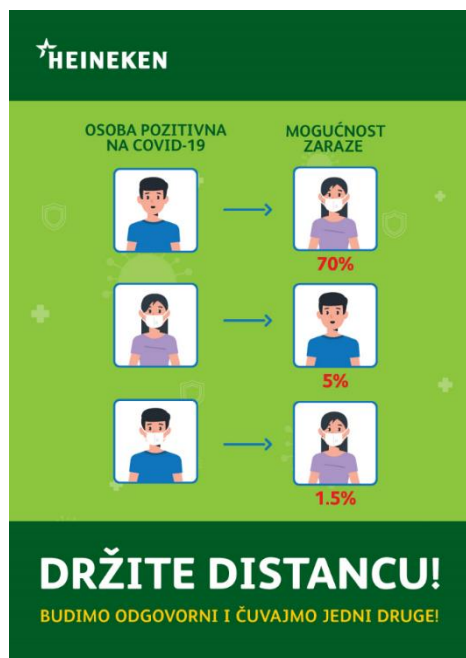
At the very beginning, we have stated clearly and adhered to two main guiding principles:

First, the health and safety of our people are of the utmost importance. This does not only mean that all our people are safe and sound at every moment, but also that each and all of us do everything we can, both personally and professionally, by following all precaution measures in order to avoid any contact or spread of the virus.

Second, we have done and are doing everything we can to safeguard the continuity of our business and maintain the operations of our breweries, which also means making regular and timely payments of all our employees, in Zaječar, Novi Sad and Belgrade, as well as supporting the operational continuity of all our customers and suppliers.

We truly believe that in challenging times solidarity and collective efforts are vital to the fight against the spread of Covid-19. One more step ahead and a helping hand from our side, for sure, was a donation of 12 million dinars to the government in their efforts to cover the need for more respirators in our hospitals to treat those in the greatest need.





**HEINEKEN**



Kompanija HEINEKEN Srbija podržala je građane naše zemlje donacijom u iznosu od 12 miliona dinara, za nabavku dodatnih respiratora za naše bolnice i pomoć najugroženijima u borbi protiv virusa Covid 19.

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## ZERO HUNGER

Through the campaign of our brand Zajecarko with the Food Bank, together with our consumers, we have provided 100,000 meals to the most vulnerable citizens of Serbia. In addition, our employees collected and donated food to the Food Bank for the most vulnerable population in the cities where we operate.

ДА СЛАВЉЕ СА СВИМА  
ПОДЕЛИМО

Заједно за  
100.000 оброка  
угроженим  
грађанима Србије.

Придружите се!

У сарадњи са  
Банком хране.

Зажечарско  
Ја сам увек за!

Средство ће се прикупљати у периоду од 01.10. до 14.12.2020. године

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Sure enough, operating all over the world comes with important responsibilities that extend beyond just running a profitable business. We strive to have a positive impact on the markets in which we operate, and sustainability is embedded in our business strategy. By Brewing a Better World, we contribute to delivery of the UN Sustainable Development Goals (UN SDGs). They set specific targets for 2030 to end global poverty, protect the planet and ensure prosperity for all.