

Heineken Nederland Sustainability Report

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* Since November 2009

The data in this report concerning energy, water and safety has not been internally audited, but forms the basis for Heineken NV's group data. The information concerned has been verified by KPMG. At the following link, you will find the assurance report for the data: www.sustainabilityreport.heineken.com/appendices-and-reference-information/appendix-4-assurancereport-from-kpmg.html

FOREWORD

DEAR READER,

Nearly one out of every two glasses of beer consumed in the Netherlands is made by Heineken. It means that we carry a special responsibility and this is something that we take very seriously!

It is therefore with great pride that I am addressing you through the first sustainability report on our activities in the Netherlands.

Sustainability and corporate responsibility are terms that have increasingly become anchored in our conscience. They are not new to Heineken Nederland. Beer and sustainability go well together. For many years our beers have been made from natural raw materials, and our production process is aimed at being as efficient and environmentally friendly as possible. In addition, we aim for responsible governance in relation to our consumers, employees and the environment in which we are operating. Lastly, we want our activities to set an active example to all our employees, for them to practice responsible and sustainable behaviour in their own environments.

This report has been split into the four subjects that are most important to us and our environment: employees, the market, the environment and society. It deals with our activities and performance in 2009 and a number of our social partners also have their say. I will start by listing a few notable achievements:

- Improvements made to our wort boiling process in the Zoeterwoude brewery, which have significantly reduced energy consumption.
- A ten percent improvement in the water treatment plant of the Brand Brewery.
- Commencement of the construction of a transshipment terminal in Alphen aan den Rijn.
- The switch to a more environmentally friendly material for our festival beakers.
- The new induction programme: safe, healthy and environmentally responsible work at Heineken Nederland Supply.
- Newspaper advertisements for responsible alcohol consumption at Dutch camping sites.
- The signing of the '*Talent naar de Top*' Charter, through which we undertake to aim for a more balanced gender distribution among our top management.

But we are not simply dwelling on our achievements; we want to make further headway. In the past, our initiatives may well have been effective, but they were disjointed and not part of an overall sustainability policy. In 2010, this is about to change. We are working on a strategy - a platform for sustainability activities in the years to come - that we want to share with you this autumn in an appropriate way.

In this report, we would like to show you what we have in mind, and also to indicate where there is room for further improvement. We want to actively engage in a dialogue with you. I cordially invite you to respond to the contents of this sustainability report and to let me have your suggestions, observations and feedback in person.

It is the ambition of Heineken Nederland to do business in a way that will guarantee that the generations after us can be proud of their sustainable environment. Sustainability is vital, and furthermore it is the responsibility of all of us.

Enjoy the read!

Philip de Ridder
General Manager
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THE HEINEKEN COMPANY

Heineken Nederland is one of the largest operating companies of Heineken NV (the global company). Producing nearly 17 million hectolitres of beer, out of which five million is destined for the Netherlands market, we brew 14 percent of the overall volume. In the breweries in Zoeterwoude, 's-Hertogenbosch and Wijlre, we brew the four brands Heineken®, Amstel®, Brand® and Wieckse®, together with the cider brand Jillz®. In addition, our soft drinks subsidiary, Vrumona in Bunnik, produces a broad range of soft drinks including Pepsi® (under licence), Crystal Clear®, Royal Club® and Sourcy®.

Heineken NV is the largest brewer in Europe and ranks second in the world in terms of turnover. The heart of the operation lies in Amsterdam, which is still where Heineken NV has its headquarters. Further to this, Heineken beer is produced in 125 breweries, distributed over more than 70 countries. In 2009, these breweries were jointly responsible for brewing and selling 125 million hectolitres of beer. Over 55,000 people work for Heineken NV worldwide.

The Dutch organisation is divided into four business units: Heineken Breweries, containing the commercial departments and wholesale activities for the Dutch market; Heineken Nederland Supply, the production unit for the home market as well as some international markets; Heineken Business Support, with all the ancillary services and staff departments; and Vrumona.

In the Netherlands we are operating in a stagnant beer market. By placing the focus on innovation and by investing in the development of flavours, products and packaging, we keep finding new ways to meet the changing preferences of our consumers. This means that we are not only investing in our future, but also in the future of our customers and suppliers. That is how we carry through our ambition: 'To be a challenging, proud, distinctive leader'.

In addition, we are aware of our role in society. We believe that this role carries responsibilities with it; responsibilities to the environment, the people and the economy that we form a part of.

These responsibilities are having an increasing impact on the initiatives we develop and the work we perform.

'BREWING A BETTER FUTURE'

Heineken NV, the global company of which Heineken Nederland forms a part, started to develop initiatives in the field of sustainability ten years ago.

The start of 2010 saw the introduction of the 'Brewing a Better Future' programme, with new themes and objectives for the next ten years. Brewing a Better Future is characterised by a 'green' vision of all aspects of doing business. The programme sets out clear objectives and looks at production processes in a new light.

'Brewing a Better Future' focuses on three core areas:

1) Constantly lessening the impact on the environment.

Two of the objectives that Heineken NV set out in the programme are to reduce the direct and indirect CO₂ emissions from our breweries by at least 40% per hectolitre, and to reduce water consumption by at least 25% per hectolitre by 2020. Heineken is already taking initiatives that will reduce CO₂ emissions, or the carbon footprint throughout the entire chain. As a first step, any replacement refrigerators at Heineken customers from 2010 onwards will be based on green technology.

2) Contributing to the resilience of people and communities.

Heineken has introduced a series of initiatives, including expanding investment in the Heineken Africa Foundation by 10 million Euros to a total of 20 million Euros. This investment ensures that one million Euros a year can be used for local projects. By 2020, Heineken wants to increase to 60% the proportion of raw materials bought locally in Africa.

Another objective is to ensure that all employees - and other people dependent on the company - have access to basic healthcare. A new employee rights policy will be introduced and guaranteed.

3) Even more attention to responsible alcohol consumption.

Heineken wants to further reinforce its globally acknowledged positive approach to responsible alcohol consumption by expanding campaigns for responsible alcohol consumption in the hotel, restaurant and catering industry, and in the retail sector. These campaigns will ensure that in 2015 we will enter into partnerships in all our markets with partners that can help Heineken in its initiatives to combat alcohol abuse. Heineken will reinforce trademark messages with a message about responsible alcohol consumption. The same applies to our efforts to cooperate with the alcohol industry in this important area.

A total of 23 programmes will support these three core areas. The Dutch operating company underwrites the programmes that are relevant to the employees, the environment, the market and Dutch society. On this basis, Heineken Nederland will develop its own strategy.

In the current report, we will highlight the achievements and developments of 2009, because we have managed to achieve a great deal for our stakeholders during the previous year.

DUTCH FIGURES

- Heineken has three breweries, two soft drinks companies and nine sales regions in the Netherlands.
- Our turnover in 2009 in the Netherlands was five million hectolitres of beer and three million hectolitres of soft drinks.
- Heineken's market share in the Netherlands is almost 50 percent.
- More than 3,000 people work for Heineken Nederland

EMPLOYEES

Respect for people is a core value within our organisation, and being a responsible employer is one of the ways to express this. We aim for a pragmatic, dynamic approach to work; a no-nonsense and direct culture with scope for diversity.

Employees in service with Heineken Nederland*	2009	2008	2007
Overall workforce	3063	3201	3291
Men	2532	2646	2740
Women	531	555	551
Shifts	941	992	1068
Number of employees per unit			
Commerce	939	984	993
Business Support	442	482	457
Vrumona	354	362	363
Heineken Nederland Supply	1328	1373	1478
Part-time	298	310	322
Men	44	43	54
Women	254	267	268

Heineken Nederland Workforce data

Average years in service	17.9	17.4	17.6
Average age in years	44.7	44.2	44.1
Absence due to illness	5.1%	5.2%	5.0%
Average duration of absence per reported sickness	15.2	16.7	15.1

• as of 31 December

SAFETY

In the context of what we call the 'Total Productive Management Programme', the safety of our employees, and our external and temporary workers, is an important consideration. Although the total number of work-related accidents in 2009 rose in comparison with the previous year, the figures remained below the level of 2007 and are comparable to other competing companies in the Netherlands, as well as to the global average for Heineken NV.

However, this development is a clear reason for us to focus on safety even more in 2010. Primary analysis of accidents last year shows that safety is getting too little consideration before engaging in action, i.e. that many accidents can be prevented by being more safety-conscious. Possible causes of these avoidable accidents will be investigated in the context of a study at the Eindhoven University of Technology in 2010. The outcome of this study will give us some pointers for improvement.

The key generally lies in becoming more safety-conscious.

Anyone working on the brewery site must hold a *VCA Diploma* (SCC certificate (safety, health and environmental checklist for contractors)). In addition, we have an interactive induction programme: 'safe, healthy and environmentally responsible work at Heineken Nederland Supply'. This programme is compulsory for visitors, agency workers, our own employees, drivers and contractors. Participants who successfully follow the programme receive a certificate that is valid for three years.

New initiatives

In 2009, a safety campaign from the Brand brewery was also introduced in our other breweries. Using posters in central locations we draw attention to safety issues, such as wearing protective clothing or reminding each other of safe work practices. An interim evaluation shows that employees appreciate and recognise the content of the posters. There is still room for improvement as far as identification of safety themes is concerned: they are currently experienced as too general and could be made more specifically applicable to work in a brewery. For example, by paying more attention to working with broken bottles, slippery floors and noise in the workplace.

We will incorporate all the recommendations into the design of a new safety campaign.

Furthermore, every work-related accident will be carefully examined and the conclusions will also be incorporated into the safety programme.

ACCIDENT FREQUENCY PER 100 FTEs:

BREWERIES IN ZOETERWOUDE,
'S-HERTOGENBOSCH AND WIJLRE (ON AVERAGE):

2007 0.90
2008 0.97
2009 1.60

VRUMONA (SOFT DRINKS):

2007 2.16
2008 1.07
2009 1.81

HEALTH

A healthy lifestyle has a direct impact on effectiveness in the workplace. In 2009, in order to raise awareness about the significance of a healthy lifestyle, we offered our employees a free, comprehensive health check, to give them a personal insight into their health and fitness. In addition to tests and measurements, advice targeted at reducing the risk of heart and vascular diseases formed an important part of the health check.

At the same time, we adjusted our catering policy. In order to promote healthy eating, we made changes to the range and pricing of the different foods on offer.

DIVERSITY

By signing the '*Talent naar de Top*' charter in 2009, we were the first production company in the FMCG sector (Fast Moving Consumer Goods) to commit ourselves to achieving a better gender balance in senior management positions. We made it our objective to increase the percentage of women in middle and top management by 50% - from 19% to 30%. Diversity becomes one of the assessment criteria for managers, and hence an integral part of our company objectives.

Heineken has more women in management positions in Human Resources and Marketing. There is still room for improvement in the Finance and Production departments.

TRAINING

In 2009, the total number of employees who have followed a training course has increased significantly. 21% of employees in the age group up to 50 years have received training; nearly twice as many as in 2008. In the age group 41-50 years, 21% of employees have received training - substantially more than in 2008 (14%). The increase in this age group can be explained by the increase in registered workplace courses, among other things. In addition, an in-house training programme was offered to employees over the age of 40 for the first time in 2009.

	2009	2008
% TRAINED EMPLOYEES	67%	43%
NUMBER OF TRAINING HOURS PER EMPLOYEE	25	21

ATMOSPHERE AT WORK

We would like the atmosphere at Heineken Nederland to be energetic and dynamic, a place where people enjoy coming to work and fully participate. In order to work towards a better work climate in a targeted way, in 2009 we participated for the second time in a global survey into the atmosphere at work, carried out within all operating companies of Heineken NV. The number of respondents rose from 75% to 78%.

Following the first survey into the atmosphere at work in 2007, the executive team earmarked four core priorities: customer orientation, cooperation, leadership (feedback, interest) and performance-related rewards. After the results were given to all employees, action plans were drawn up both at national and departmental levels.

In 2008, an assessment was made of the interim status as far as the key priorities were concerned. There was a discernible positive trend. We held the second survey in 2009 and were able to establish that the positive development had continued, but that there was still room for improvement. The action plan will therefore be refined and extended. In addition, the work climate survey will become a fixed agenda item at quarterly discussions between the executive team and management.

WHISTLEBLOWING PROCEDURE

All Heineken employees are obliged to bring attention to any practices that are harmful to Heineken and its reputation. The whistleblowing procedure, which forms part of Heineken's Code of Conduct, guarantees anonymity to any whistleblower. The rules also explain what steps employees can take in the event of suspected irregularities.

The executive team has appointed a confidential contact person, whose job is to report any suspected wrongdoing to the relevant manager. Managers are obliged to inform the confidential contact person of any developments in the investigation, which are then relayed to the whistleblower. If the whistleblower is of the opinion that the procedure is not satisfactory, he or she can submit a complaint to the Integrity Committee of Heineken NV. In the event that a whistleblower wishes to remain anonymous even to the confidential contact person, an external support service can be brought in.

In 2009, no reports were made to the confidential contact person at Heineken Nederland.

FRANSIEN DE JONG, UNION OFFICIAL OF FNV

“Working on sustainability means taking responsibility. Attention to the environment in which you work and the people working alongside you, within Heineken and in the supply chain. A good social policy transcends boundaries, literally and metaphorically.

From time immemorial, Heineken Nederland has considered social policy to be of paramount importance. In some respects, the current focus on cost savings nevertheless seems at odds with sustainability. For example, in our opinion many employees are currently under excessive work pressure, particularly due to tight staffing levels and the dedication and flexibility expected from our staff.

At FNV Bondgenoten, we enjoy working towards the development of Heineken Nederland's sustainability policy while taking a critical view of its implementation. We are convinced that this will help Heineken to achieve its sustainability objectives.”

OUR PLANS:

Next year, we will continue along the same lines that we have taken on many different fronts. The action plans following on from the work atmosphere survey will be developed in greater detail, and implemented accordingly. We will continue to work on safety-awareness, and on the diversity of our management. In addition, a healthy lifestyle remains a subject that we will address on a regular basis.

ENVIRONMENT

As a company making natural products, we have been focusing for several years on trying to reduce our consumption of energy and water. We also pay attention to reducing and recycling industrial and packaging waste.

ENERGY

In the Netherlands, we have been working for many years on reducing the energy required to brew and package beer. We do this by means of energy saving projects and by buying more energy-efficient equipment. In 2009, the overall energy consumption of our breweries was reduced by using less electricity and heat, despite the impact of lower production levels. The largest brewery in Zoeterwoude accounted for a large proportion of the overall improvements. It has managed to reduce its energy consumption by 27% since 1999.

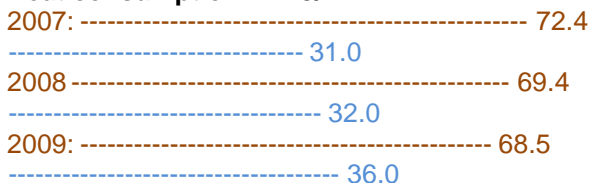
Production has also decreased at Vrumona, which means that proportionally more heat was used. However, the overall energy consumption decreased. We have paid a great deal of attention to improvements, for example by insulating steam valves and cut-off valves in the boiler-house.

Heineken NV has set itself a target of reducing its energy consumption to 125 MJ/hl by 2020.

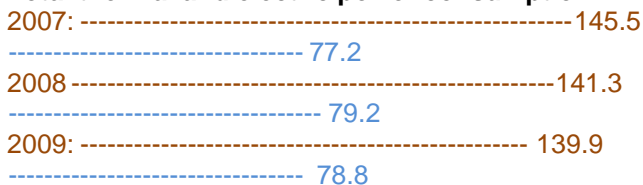
Electricity consumption in kWh/hl:



Heat consumption in MJ/hl:



Total thermal and electric power consumption in MJ/hl



The energy figures are based on the weighted average (consumption per brewery multiplied by the production volume and then divided by the overall production volume of Heineken Nederland Supply)

Breweries Vrumona

Carbon footprint

Carbon footprint refers to the overall CO₂ emissions per product unit released during production and packaging of the beer. It is a measure indicating how efficiently energy is used. The carbon footprint for a brewery is expressed in kg CO₂/hl. Heineken NV has set itself targets for reducing the carbon footprint of the breweries by 2020: from 10.4 kg CO₂/hl in 2008, to 6.4 kg CO₂/hl in 2020.

ENERGY SAVING IN THE BREWERY PROCESS

In 2009 the Brewery in Zoeterwoude installed new equipment that made the wort-boiling process much more efficient. As a result, heat consumption in the brew-house has been reduced by 4%.

NEW STYLE FESTIVAL BEAKERS

Heineken commissions the manufacture of about 50 million disposable beakers a year for use in the Dutch market at festivals and events. In 2009 we switched from PET beakers to PP beakers made from a different type of plastic.

Due to the different production processes and the lower weight, this switch brought a saving in CO₂ emissions of 560,000 kilograms, equal to the CO₂ emissions produced by a car travelling a distance of 3,500,000 kilometres.

Carbon footprint kg CO₂/hl

	2008	2009
ZOETERWOUDE	6.4	6.0
DEN BOSCH	7.4	6.7
WIJLRE	10.2	11.1
VRUMONA	3.8	3.9

Water consumption in hl/hl:



Water

Water as a raw material

Excellent quality water is one of the fundamental materials that go to make our beer. In addition, we use water to rinse and clean tanks, pipes, installations, bottles and kegs, and to produce steam. Last year, our water consumption was affected by the lower production levels, as a result of which installations could not always work at optimal capacity. Yet the tanks, pipes and installations still need to be cleaned. That is why water consumption has not decreased any further in the breweries over the last year. The carbon filters at Vrumona were rinsed in 2009 (as they are on a regular basis, once every five years), which caused a temporary increase in water consumption.

Heineken NV has set itself targets for water consumption over the next few years, aiming for a consumption figure of 4.4 hl/hl in 2011 and 3.7 hl/hl by 2020.

WATER TREATMENT PLANT AT BRAND

Our brewery in Limburg started a programme to reduce water consumption. Heineken specialists and an external agency examined the water treatment process and came up with suggestions for improvements to the plant that managed to reduce water consumption by no less than 10%. As a further bonus, the improvements also resulted in a significant power saving, due to greater efficiency.

Waste as a source of energy

The waste water from our breweries needs to be treated before it can be drained into the sewage system. The brewery in Zoeterwoude has its own waste water treatment plant which produces biogas during the treatment process. This biogas is subsequently burned in its own cogeneration plant. This fulfils 6% of the local gas requirements, and consequently saves on the consumption of natural gas, a fossil fuel. The breweries in 's-Hertogenbosch and Wijlre make use of municipal waste treatment plants.

WASTE

Industrial waste

We endeavour to recycle our industrial waste and to find good destinations for our by-products. The spent grains - the husks of the malt - that remain after the brewing process are sold as cattle feed. The yeast that remains after the fermentation and lagering process is sold to the pharmaceutical industry. Kieselguhr, a sediment that we use for filtration, is reused in agriculture as a soil improver.

Glass, paper, cardboard, cling film and metal (steel and aluminium) are collected separately, transported and fully recycled.

Packaging and packaging waste

The majority of beer sold in the Netherlands is supplied in returnable bottles, of which 99.8% are actually sent back to the brewery. All of the beer crates (100%) delivered to the hotel, restaurant and catering industry are returned to the brewery. Cans and disposable bottles are returned to bottle and can suppliers through municipal collection points. Our cans are made from steel and can therefore be mostly recycled.

It is just as easy to throw it in the bin

From early in 2002 we have been cooperating with a national campaign organised by *Stichting Nederland Schoon* against litter. Together with other Dutch breweries we have supported the campaign: 'It is just as easy to throw it in the bin' by putting the logo on our lorries.

OUR PLANS:

In 2010 the Brand Brewery will put a watermill into service to generate electricity. Vrumona will achieve a considerable saving on its power consumption thanks to introducing LED lighting in its warehouses. In addition, Vrumona continues its research into the further recycling of materials and raw materials. Our carbon footprint will decrease significantly once we have put into service an inland terminal in Alphen aan den Rijn. This terminal will make it possible to transport a large proportion of our containers from Zoeterwoude through inland shipping. It will save us approximately 100,000 lorry trips, amounting to some 6 million kilometres. In addition, we will focus on incorporating 'green' initiatives into our commercial activities, for example, events.

JEROEN HEUTINCK, BONDA'S VEEVOEDERBUREAU BV

“Using by-products such as cattle feed to produce milk and meat is a traditional 'classroom example' of sustainability. Less well-known is that the use of moist products such as spent grains is also extremely sustainable because approximately thirty times less CO₂ is emitted in comparison with the drying procedure of fodder products (chunks are a mixture that includes dried by-products). The producers and consumers of moist by-products therefore make a significant contribution to the sustainability of the brewery and cattle farms.”

Spent grains are frequently used in modern dairy farming to improve the mixed basic rations of cows, which mainly consists of silage and green maize, hence saving on the use of concentrates (chunks).

Percentage of waste collected from households in the Netherlands:

MATERIAL	EU TARGET	NL* TARGET	RESULT IN 2007	RESULT IN 2008**
Glass	60%	90%	84%	81%
Paper and cardboard	60%	75%	75%	75%
Plastics	22.5%	2009: 32% 2010: 38% 2012: 42%	26%	27%
Metal	50%	85%	85%	87%
Wood	15%	25%	30%	37%
Total recycled	55-80%	2008: 65% 2010: 70%	61%	62%
Total put to good use	60%	2008: 70% 2010: 75%	69%	73%

Source: Stichting NedVang

* Mandatory obligation for producers and importers, which Heineken Nederland is bound by.

** Results for 2009 will be published later this year.

JAN STORM, DIRECTOR OF STICHTING NEDVANG:

“Since 2006, legislation has come into force in the Netherlands, obliging producers and importers of packaged goods to collect and recycle part of the packaging waste generated. Companies are obliged to innovate, in the hope of introducing packaging to the market that reduces environmental pressure. For that reason, the collective of producers and importers set up their own export organisation: Nedvang (From waste to raw material in the Netherlands). Heineken has been involved in the activities of Nedvang from the outset, at the management level as well as on a practical level.

Packaging is scrutinised individually, or as part of the chain, with the help of packaging experts. For example, how the collection of glass can be encouraged is looked into. In 2010, we are launching a joint initiative to raise awareness about the collection of plastics. Heineken takes sustainability seriously. To Heineken, waste is a raw material.”

MARKET

The way in which we approach, and adapt to, our market speaks volumes about our company. It is precisely for this reason that we can make a difference to the world around us. It may be about the responsible consumption of our products, guaranteeing our product quality, or about the standards we impose on our suppliers. The way we deal with these issues has a direct impact on the people and companies around us.

ALCOHOL POLICY

Scientific research indicates that responsible alcohol consumption can be compatible with a healthy lifestyle. Inversely, there should be no alcohol abuse in our society. The informed consumer takes centre stage; he or she is responsible for his or her own behaviour. An important role is reserved for information, dialogue and action. It is a way in which we can help to prevent alcohol abuse.

Let's not forget that over 90% of Dutch people deal responsibly with alcohol!

We have therefore made it our goal that consumers handle beer 'normally'. For some groups, this means no beer at all: youngsters under 16, pregnant women, sports people before and during active participation, road users, and people at work.

Our alcohol policy is based on three pillars: our own initiatives, partnerships and contributing to branch activities, for example the *Stichting Verantwoord Alcoholgebruik (STIVA)* (Foundation for Responsible Alcohol Consumption).

In 2009, we made some headway in our endeavour to promote responsible alcohol use. This year, the spotlight fell on four themes:

1. Responsible alcohol consumption by our employees;
2. Raising awareness among consumers and stakeholders;
3. Responsible advertising;
4. Entering into partnerships in order to broaden the impact of our message.

Picture: Beer mats from the 'Know the Signs' campaign

Cool@Work

We have been promoting responsible alcohol use among our employees for many years, through the Cool@Work programme. In 2009, we put this into effect by spreading the message using our internal media. For example, we specifically drew attention in our staff magazine to the importance of responsible alcohol use in anticipation of seasonal celebrations. In the summer, we sent our employees the 'beer and cider quiz', designed to promote knowledge of our drinks and alcohol policy.

Awareness among consumers and stakeholders

Following the success of the Dutch version of the global 'Know the Signs' campaign, we extended it in 2009 with two new recognisable stereotypes. The first part of this campaign has already been enthusiastically received and obtained several million hits last year, which prompted us to take follow-up action. Last year, we also carried on with the 'Now for the serious bit' campaign, given the excellent response it received when it started in December 2008. In the summer, we took out another advert in major newspapers, warning parents this time of the dangers of excessive alcohol consumption by youngsters outside term time, particularly at camping sites.

Responsible advertising

On 1 October 2009, the amended Advertising Code for Alcoholic Drinks was released, providing the central guidelines for self-regulation by producers and importers of alcohol. A number of guidelines have been tightened in the new version. For example, our branded sites were given more comprehensive age check criteria and we no longer use ringtones to promote our brands. The Code has become more transparent and hence more practical.

Over the last few years, the number of complaints about advertising for Heineken Nederland brands has seen a steady decline.

The Dutch Advertising Code Authority received 15 complaints during the reporting year. The Authority decided to uphold four of these complaints. In the other eleven cases the complaints were rejected.

Partnerships

STIVA (the Foundation for Responsible Alcohol Consumption), several government departments, *Koninklijk Horeca Nederland* (the Royal association of the hotel, restaurant and catering trade in the Netherlands), the Dutch Food Retail Association, the Netherlands Sports Federation NOC*NSF and the Trimbos Institute have already been collaborating for some time through their participation in the study group 'Alcohol and Young People'. This study group aims to reduce alcohol use by youngsters below the age of 16. This year, the group made headway by launching the new logo 'Under 16? Not a drop'. The logo was first shown in December by minister Rouvoet from Youth and Families, and by STIVA chairman Philip de Ridder, who is also the General Manager of Heineken Nederland. By joining forces, and thus increasing the recognition rate and credibility of the logo, we hope to convert the statutory age limit of 16 into a broadly supported social standard. The logo is intended to support parents in imposing clear boundaries on alcohol use by their teenage children.

The partnership, which took the initiative of the BOB campaign against alcohol behind the wheel, is also a joint venture between the business sector - including Heineken Nederland - and the government. In addition, the campaign is a clear example of one that has set a standard: it is increasingly rare for people to drink when they still have to drive. This trend was also confirmed in 2009.

PRODUCT QUALITY

Our products are known for their quality. Global quality standards and procedures have been developed by Heineken NV, which must be adhered to by all our breweries. In order to guarantee that work will be carried out in accordance with these systems, all breweries are regularly audited by the international company. In addition, the Dutch breweries and Vrumona comply with the ISO and HACCP (Hazard Analysis Critical Control) standards.

Raw materials

As far as we are concerned, quality covers the entire chain. It starts with our suppliers, where we go on-site to inspect the raw materials for the brewing process. In addition to those quality controls, the Heineken quality standard provides a regular integrity analysis of our resources. For water, this involves carrying out a comprehensive analysis of 200 components every two years, in order to evaluate whether the quality of the water supply can be sufficiently guaranteed.

Brewing

We carry out quality controls at every step of the brewing process: brewing, fermentation, bright beer filtration and the end product. Heineken laboratories play a major role in this respect. The quality of these labs is also safeguarded. Each brewery must meet a large number of quality criteria, set out in the Lab Star System, and each undergoes a regular audit.

Packaging

Heineken employs an index to measure the quality of packaging. For example, the glass used for our beer bottles is inspected in advance at the supplier's site to ensure it can be correctly processed in our packaging lines.

Transport

Quality does not stop at the brewery gates. We observe guidelines in relation to transport and storage conditions. This relates particularly to temperature and storage times. Beer shipped in containers may end up in extreme weather conditions, which could affect quality. We counter this risk by using special containers when required.

Complaints procedure

We actively use complaints to make improvements to the organisation. Consumers or customers can register complaints by calling a free phone number (0800-0227789) or via www.heineken.nl. Any complaint is registered and an appointment is made with the consumer to collect the product in question. The complaint is examined by a specialist to determine whether there has been an aberration. If so, an investigation is carried out by the organisation where the aberration arose in order to establish the cause. The result of the investigation is communicated to the consumer and simultaneously used to design improvement programmes in order to achieve structural improvements in the organisation. The working method for our international customers is virtually identical. In 2009, a new software system was introduced to provide better support for the way complaints are handled in the organisation.

Complaints per hectolitre (Dutch market)

Type	2007	2008	2009
Bottle	0.03%	0.04%	0.03%
Can	0.02%	0.02%	0.02%
Keg	0.12%	0.10%	0.09%

SUPPLIERS' CODE OF CONDUCT

Not only do we expect that our suppliers provide us with the best possible raw materials and services, but also that they share and underwrite our views on caring for people and the environment in relation to the points that we consider crucial. For that reason, we have designed a Code of Conduct that our suppliers across the world are asked to sign. This Code of Conduct includes attention to working conditions, child labour and the environment. This applies to our suppliers of raw materials and packaging materials across the world, as well as to the suppliers of Heineken Nederland. In the Netherlands, many of the conditions in the Code of Conduct already form part of the statute book, but next year, we will nevertheless check which of our suppliers still need to sign the Code.

OUR PLANS:

It goes without saying that we will vigorously continue to safeguard our product quality in 2010. Next year, we will also actively encourage our suppliers to practise sustainable governance, and we will focus a great deal of attention on responsible alcohol consumption, particularly in relation to preventing alcohol use by the under-16 age group, and preventing binge drinking. We will keep a close eye on social developments and incorporate this in existing and new partnerships.

HALBE ZIJLSTRA, MEMBER OF THE VVD PARLIAMENTARY PARTY

“It is a good thing that an important company such as Heineken takes its responsibility and makes consumers aware of the dangers of excessive alcohol use. It allows consumers to make informed choices. This approach is miles better than a simple prohibition.”

HEINEKEN IN DUTCH SOCIETY

CO-OPERATION

As a proud, challenging and distinctive leader, we assume our responsibilities, also in relation to public sector stakeholders. We are aware that our market position and reputation assigns us a special role.

How do we fulfil this role?

1. Through the active collaboration of our employees in various relevant organisations. The positions occupied by our Executive Team are:

Philip de Ridder

Chairman of the Stichting Verantwoord Alcoholgebruik (Foundation for Responsible Alcohol Use)

A joint venture between producers and importers of beer, wine and spirits, which makes an active contribution to fostering responsible alcohol use and countering alcohol abuse, including by coordinating and communicating self-regulation.

*Member of the Board of Directors and General Management Board of Centraal Brouwerij Kantoor (CBK) **

An association of brewers, which contributes to the responsible brewing and consumption of beer. The CBK promotes the image of beer in society as a natural product which is historically, culturally and socially embedded. From the CBK, Philip de Ridder is also on the board of the *Stichting Dranken Nederland*.

***Since July 2010: Nederlandse Brouwers**

Vice-chairman, member of the Board of Directors and General Management Board of Federatie Nederlandse Levensmiddelen Industrie

The umbrella organisation of companies and organisations involved in the Dutch grocery sector.

Member of the Board of Directors, General Management Board of VNO-NCW (Confederation of Netherlands Industry and Employers)

The largest business organisation in the Netherlands, representing the common interests of the business sector in the Netherlands, both at national and international level.

Member of DOA, Directeursoverleg Alcohol

A platform with representatives from the government, the business sector and health organisations, aimed at reducing alcohol problems among young people. In the DOA, all draft policy measures proposed by the government are discussed with the business sector and with other stakeholders. The 'Under 16, not a drop' initiative is a concrete result.

Board Member and Secretary, Stichting Nederland Schoon

An independent organisation engaged in the prevention of, and fight against, the nuisance caused by littering.

Hans de Ruiter

Board Member AWWN

One of the largest employers' organisations in the Netherlands, representing 850 individual companies and over 70 business sectors. Together, they employ over one million people.

Board member SIFE, Students In Free Enterprise

A global non-profit organisation for students, aimed at creating economic opportunities for others while discovering their own potential, in cooperation with the business sector.

Willem de Jonge

Chairman of NIBEM (Stichting Nederlands Instituut voor brouwerij, mout en bier)

A joint venture between CBK, *Sociëteit der Nederlandse Mouters* and the *Productschap Akkerbouw*, which aims to foster scientific and technical improvements in relation to anything associated with the composition of beer, the manufacture and treatment of malt and beer, the use of barley in malt-houses and breweries, and the improvement and cultivation of barley strains suitable for the brewery and malting business.

OUR IMPACT ON THE ECONOMY

HEINEKEN GENERATES APPROXIMATELY 2,800 JOBS AT SUPPLIERS, 28,000 JOBS IN THE CATERING INDUSTRY AND 1,400 IN THE RETAIL SECTOR. WE PAY THE DUTCH GOVERNMENT APPROXIMATELY 925 MILLION EUROS A YEAR IN TAX. Source: Regioplan 2008.

2. Through direct contacts with the Dutch Lower House, ministries and municipalities, as part of which we provide information about our tasks, values, challenges and achievements. We want to engage in the social dialogue and remain open to advice and the exchange of ideas. We do this by having personal discussions and by holding meetings at our various sites. In 2009, we had the pleasure of welcoming a number of individual MPs and the VROM Commission to our brewery in Zoeterwoude. In addition, we started to arrange the so-called summer placements for politicians in 2009; brief programmes lasting one or two days, aimed at making politicians more familiar with Heineken's working methods.

Which themes came to the fore in 2009?

- Alcohol-related policies and how to improve them
- Packaging policies
- Fiscal legislation
- Environment (processing cadmium from old crates)

SOCIAL SPONSORSHIP AND DONATIONS

With over 25,000 customers across the country, Heineken is strongly rooted in Dutch society. Among our customers are not only operators in the catering industry and supermarket owners, but also municipalities, sports clubs and charities. We are therefore particularly keen to support local community developments.

A selection from the activities to which we gave our wholehearted support last year:

- The Heineken Fund, an annual financial contribution to initiatives in the local community of Zoeterwoude; the municipality looks after the distribution.
- The Carnival Foundation for Oss, 's-Hertogenbosch, Venlo and Nijmegen.
- The Brewery Culture Award, to encourage culture and the arts in 's-Hertogenbosch.
- Russian children from Chernobyl on holiday in the Netherlands.
- Building a school in Ghana.
- Enabling two full-time jobs in a sheltered workplace in our warehouse in Deventer.
- Various football and hockey clubs, rambling events and museums in the regions.
- Various institutes for cancer patients.
- Various initiatives for people with disabilities.

Initiatives with a more commercial background that received our support were: *Het Preuvenemint* and *Smartlappenfestivals* in Limburg, the mid-Lent celebrations in Zeeland, Jazz in Duketown in 's-Hertogenbosch, The Hague Jazz in The Hague, and the Rosafestival in Sittard.

TON ROMBOUITS, MAYOR OF 'S-HERTOGENBOSCH:

"Sustainability and corporate governance are engrained in the company. From the time the company opened its doors in 's-Hertogenbosch in 1958, Heineken has been strongly involved in the economic and social development of the town. As far as sustainability is concerned, the company has successfully been the driving force behind the national flagship project 'Sustainable revitalisation of the Rietvelden Industrial estate', which included a focus on soil sanitation and the structural protection of industrial water collection. The company is also very committed and dedicated to improving the links between education and the business world. With the brewery's support, many small and large events have blossomed into image-defining events, and great meeting places for people from the region and beyond, such as Jazz in Duketown, Burgundian 's-Hertogenbosch, Maritime 's-Hertogenbosch, and last but not least, the annual Carnival. With the biennial Brewery Cultural Award for the city of 's-Hertogenbosch, the company reinforces its connection with cultural life in the city. It gives young professional artists an opportunity to develop. The star in the Heineken logo is clearly casting its rays on the development of the city."

Vrumona in Bunnik maintains good contacts with the municipality, including through its cooperation with the local fire service. Together, they hold fire drills at the company's site. Our fire fighters also offer support when the local fire service is called out.

OUR PLANS

Our policy in relation to our cooperation with other organisations and to our donations and sponsorship will not change next year. We wish to remain an active member of the communities around us.

More information is available on the Internet:

www.Heineken.nl
www.Enjoyheinekenresponsibly.nl
www.Knowthesigns.nl
www.Stiva.nl
www.Nedvang.nl

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