

Zoeterwoude, 10 June 2011

Heineken



Connecting our supply chain to our customers

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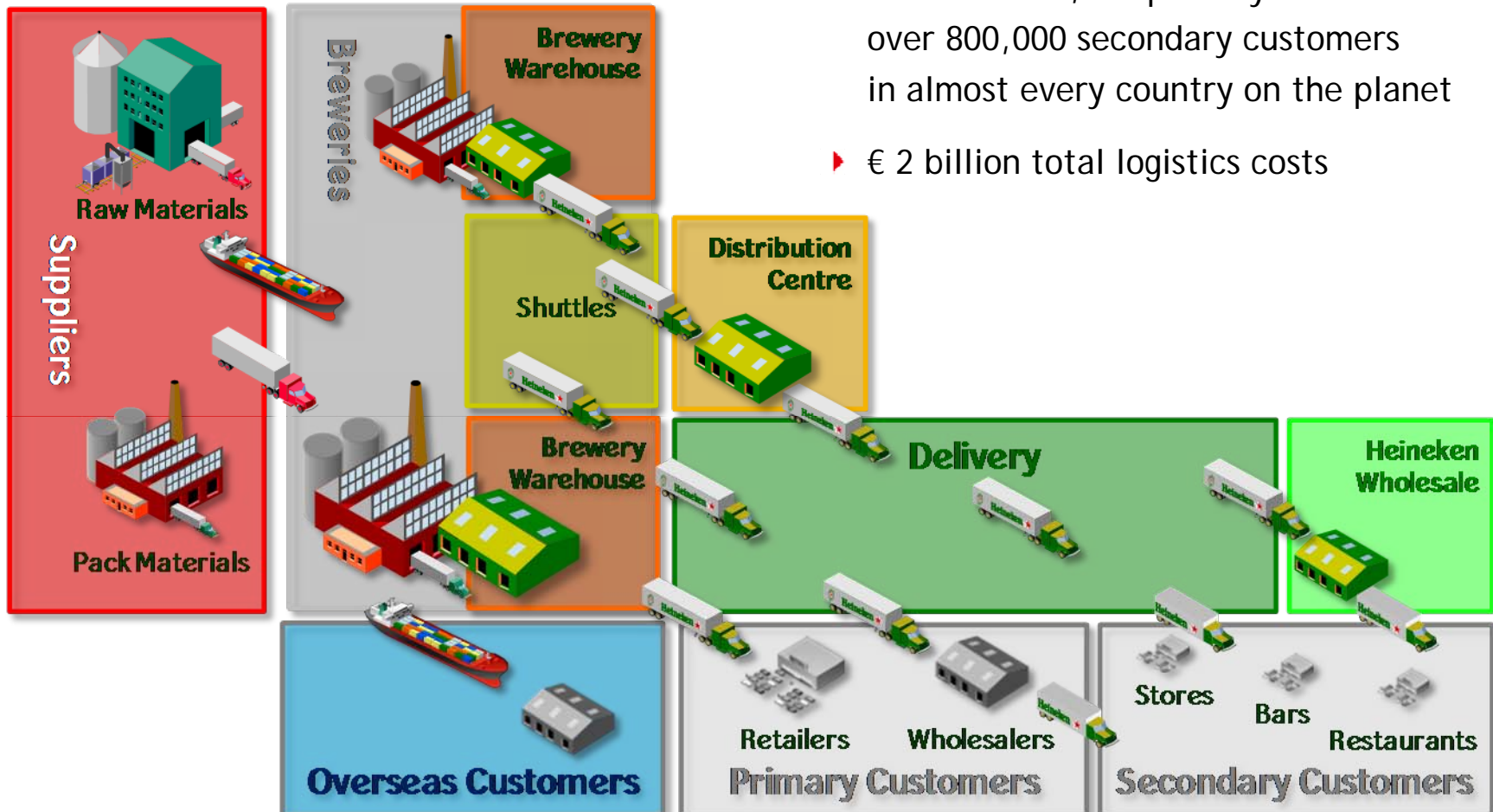
Senior Director Global Logistics

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- 1 Connecting our supply chain to our customers**
 - 2 Adding value through global logistics programmes
 - 3 Creating innovative solutions

Connecting our supply chain to our customers

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Capitalising on Heineken being the most international brewer



- ▶ 196 plants in 75 countries
- ▶ More than 40,000 primary customers and over 800,000 secondary customers in almost every country on the planet
- ▶ € 2 billion total logistics costs

Route-to-market Mexico

- ▶ Direct delivery to approximately 300,000 customers
- ▶ Over 200 distribution points
- ▶ More than 3,000 delivery trucks
- ▶ Applying Heineken best practices to optimise route-to-market and reduce costs



Modern Retail Europe



- ▶ Capitalising on Heineken's unique geographical coverage of Europe
- ▶ Engaging with our customers to seek win-win opportunities
- ▶ Establishing new ways of supply chain collaboration
- ▶ Opportunity for joint value creation

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Global Logistics Programmes

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Adding value to our local operations through a global agenda

Local Operations

- ▶ Customer service
- ▶ Responsiveness
- ▶ Expertise
- ▶ Passion to perform



Global Agenda

- ▶ Our customers' preferred partner
- ▶ World-class operations
- ▶ Competent people
- ▶ Sustainability

Global Programmes

- ▶ Logistics Benchmarking
- ▶ TPM in Logistics
- ▶ Sales & Operations Planning (S&OP)
- ▶ Network Optimisation

Logistics Benchmarking

Raising the bar to world-class levels across our logistics operations

Benchmarking...

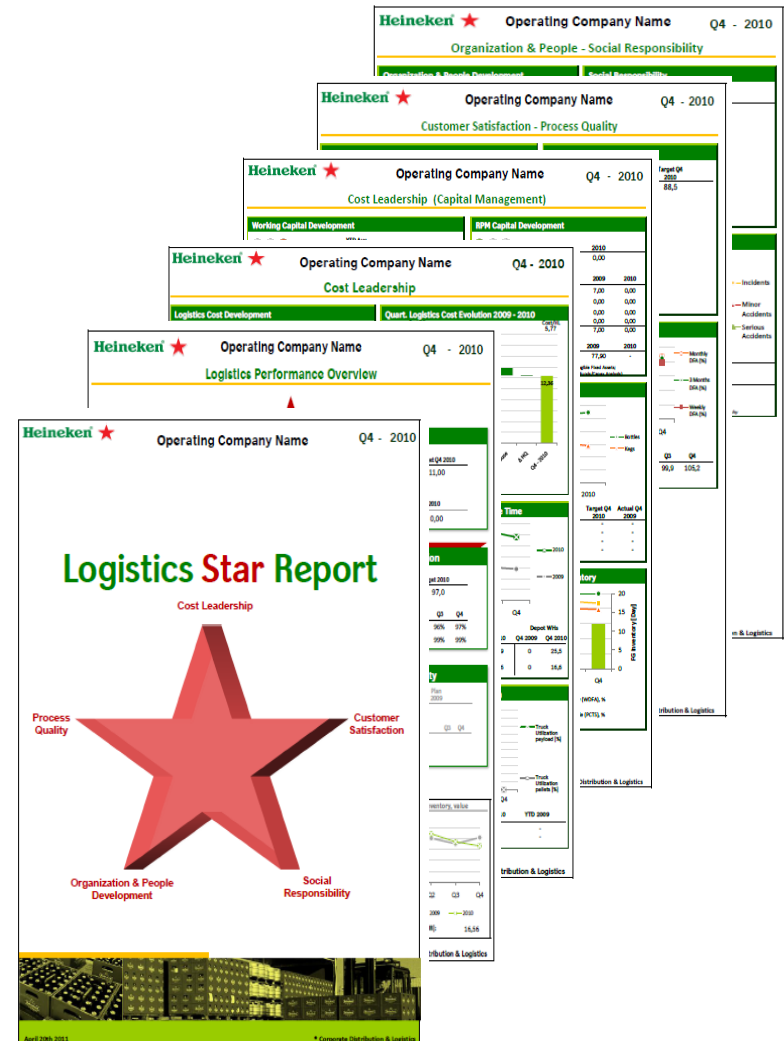
- ▶ Internal within Heineken
- ▶ External with other FMCG companies
- ▶ Including the voice of the customer

...drives execution

- ▶ Assessing performance and gap-to-fill
- ▶ Cascading targets from global to local

...measured by Logistics Star

- ▶ Our global logistics KPI house



TPM in Logistics

Replicating the success of TPM in breweries

- ▶ In 18 operating companies* today; expanding to 27 in 2011; global roll-out from 2012
- ▶ Already more than 100 projects running and over 300 people actively involved
- ▶ Proven contribution to process improvements, cost savings and safety



*The Netherlands includes Heineken Netherlands and Vrumona

Sales & Operations Planning (S&OP)

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Balancing the demand/supply equation

One S&OP process

- ▶ Standards for process and tools
- ▶ Global roll-out started and will be completed in 2 years

Benefits

- ▶ Better cross-functional decisions
- ▶ Enabler of growth
- ▶ Higher capacity utilisation
- ▶ Lower supply chain costs
- ▶ Reduced working capital (stocks)

One single plan



Brewery & Distribution Network Optimisation

Proprietary models applied across markets and acquisition projects

- ▶ Introduced across two thirds of markets, contributing to €50m of realised cost savings
- ▶ Further roll-out expected to yield additional benefits

Brewery Network



Investment in new capacity or greenfield breweries

Network optimisation

Sales areas to source from breweries

Primary Distribution



Optimising service to primary customers

Inter-brewery transportation

Open/ closure of distribution centres

Secondary Distribution



Optimising service to secondary customers

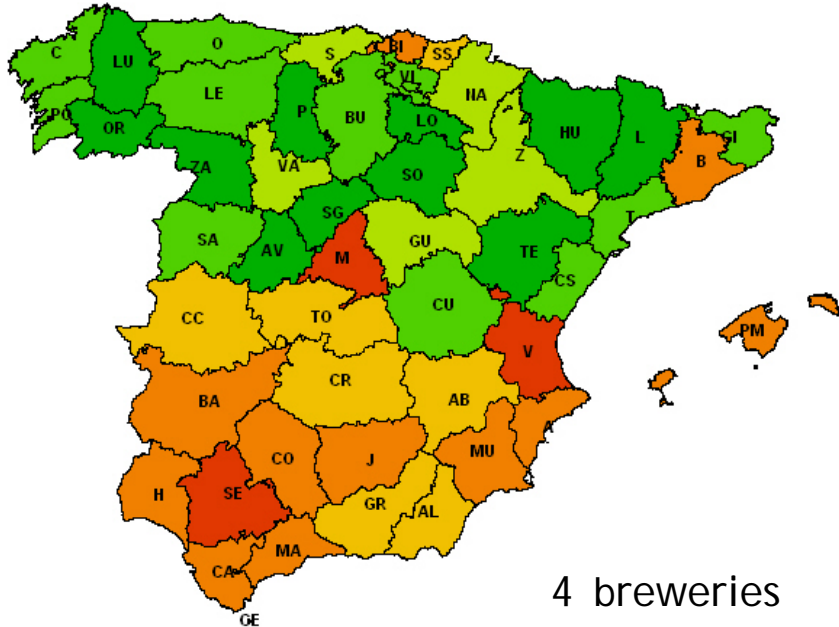
Location of warehouses, cross-docks and transit points

Raise operational efficiency

Distribution Network Optimisation

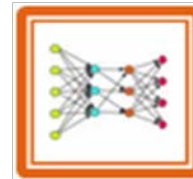
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Case study: Spain - €10m of cost savings realised since 2009



4 breweries
200 sku's
2,000 customers
600,000 order lines
10,300,000 hectoliters

▶ 15-20% savings in logistics from:



Optimised primary distribution network



Order process tailored to customers' needs



Minimised external warehousing costs



Reduced transport tariffs and number of providers

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Creating innovative solutions in the biggest brewery in Europe

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Optimising:

- ▶ Internal logistics in a 'mega brewery'
- ▶ External logistics in an increasingly congested environment



Automatic Container Loading

Heineken

In Zoeterwoude - since 2006

Unique system, specifically designed for shipping beer in containers



Cross-docking Conveyors

In Zoeterwoude - since 2007

Heineken

Reducing handling and loading time



Laser Guided Vehicles

Heineken

In Zoeterwoude - since 2007, further extended in 2009

First ever application for bulk stacking of 3 pallets (over 1 tonne each) at a time



Inland Container Terminal

Heineken

Near Zoeterwoude - since 2010

The largest in The Netherlands

Taking 75,000 truck movements and almost 6 million kilometers off the road



- ▶ Logistics is one of Heineken's strategic assets, connecting our supply chain to our customers all over the world
- ▶ We have put in place the people, processes and systems to drive continued results
- ▶ Global infrastructure enables swift adoption of best practices and innovations across markets and acquisition projects
- ▶ Logistics is well equipped to address challenges in both developed and emerging markets