

OPENNESS

TRANSPARENCY

DIALOGUE



> FOREWORD

Heineken is an integral part of society. We try every day to make a positive contribution to the lives of those who come into contact with our company and its products: employees, consumers, customers, suppliers, shareholders and all other stakeholders. At the same time, we make every effort to minimise any negative effects of our operations. We realise that we cannot do this alone, and we therefore seek to maintain an active relationship with our stakeholders, both internal and external, at Executive Board and head office level and within our various operating companies. Working with our stakeholders, we aim to identify the areas in which improvements can be made and our responsibilities in those areas. *Openness, transparency and dialogue* are essential elements in that process.

This Sustainability Report, which serves as input to that dialogue, presents the results which have been achieved across our entire organisation and our priorities regarding improvements in the period ahead. Our first Environmental Report, which we published four years ago, addressed the environmental performance of our European operating companies. This was followed two years later by our Safety, Health & Environment Report, which expanded the coverage both geographically and thematically. Now, with the publication of this Sustainability Report, we have gone still further, dealing transparently with and rendering account for our performance on all social issues which are relevant to our operations. The guidelines formulated by the Global Reporting Initiative (GRI) for sustainability reporting have been followed as closely as possible. To supplement this report, we are also publishing a brochure entitled 'Living our Responsibility', which features practical examples of how Heineken is discharging its obligations in the context of the company as a whole.

While publication of this report is not intended to imply that Heineken has achieved sustainability in all respects, we affirm the strategic importance of sustainability, in its many dimensions, in safeguarding

the continuity of our company. Because Heineken is a learning organisation, this report should be seen not as an account of the final outcome of our sustainability policy, but as a progress report showing the direction in which we are moving. Our journey towards sustainability is a voyage of discovery which, though it sometimes confronts us with difficult choices, we regard as useful and necessary.

This report presents the results of the policies we have implemented and the status of issues on which policy has not yet been defined. With regard to economic sustainability, I am encouraged by the financial results we have achieved despite the global economic climate and the dollar crisis, the vigour with which Heineken has implemented the recommendations of the Dutch Corporate Governance Committee, the successful placing of a large bond loan and the successful acquisition and integration of several breweries, most notably Brau-Beteiligungs A.G. (BBAG) in Austria.

As for our environmental performance, we have been successful in broadening our expertise in the use of water and the various energy sources, the recycling of co-products and the measurement of indirect CO₂ emissions. The results can be found elsewhere in this report. The dialogue prompted by responses to our previous environmental report relating to climate change and damage to the ozone layer has highlighted new viewpoints which we are taking into account in formulating policy. Overall environmental performance, with the exception of electricity consumption by our maltings, is better. Following on from our successful Aware of Water programme, the Aware of Energy campaign is going well and the initial results are in line with our targets. Lastly, the reliability of our reporting has improved, partly thanks to tighter internal audit and external verification standards.

We can also report good results at the social level, as well as identify areas where further improvement is required. A positive development has been the