

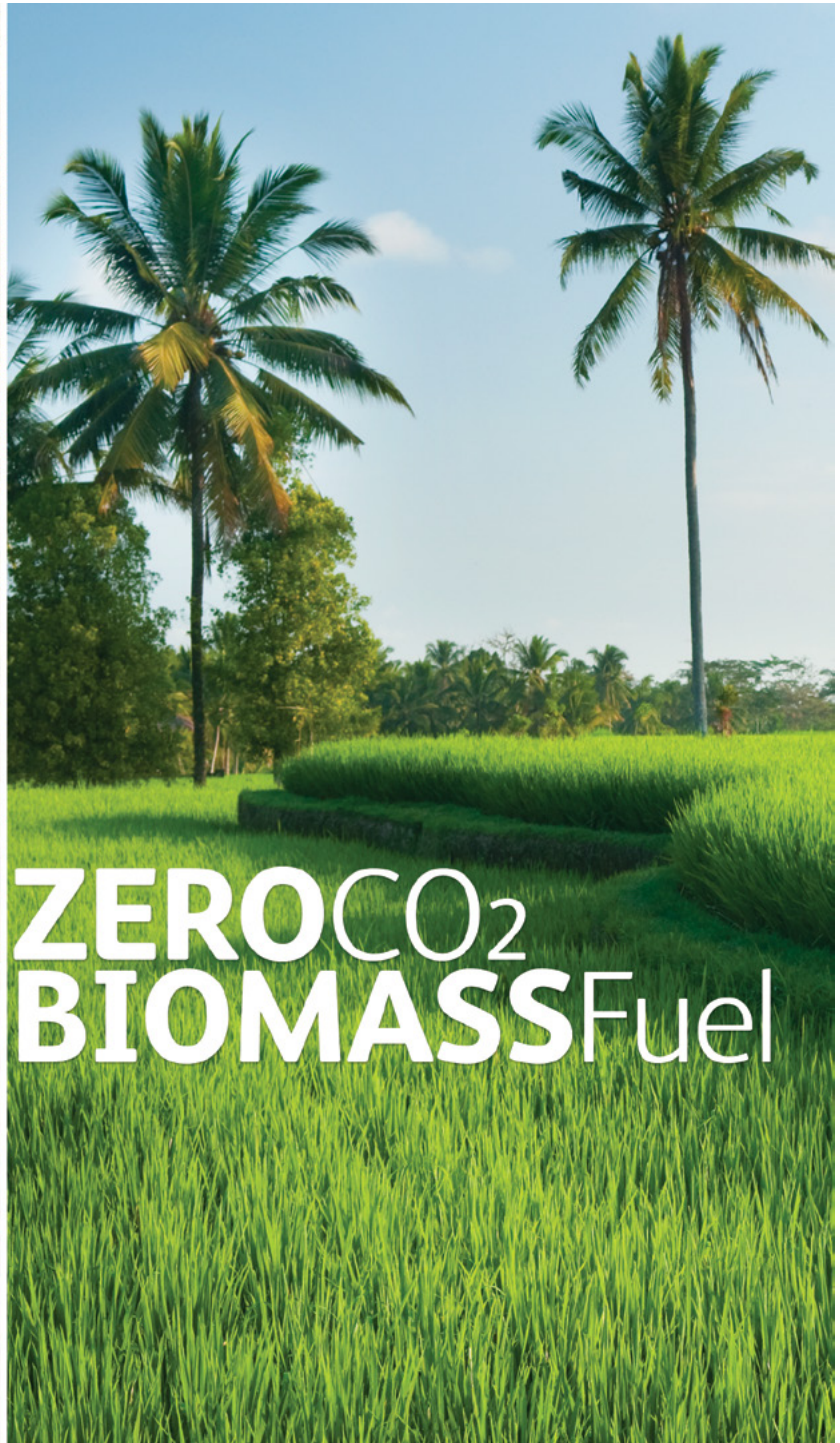


VIETNAM BREWERY LIMITED

PART OF THE **HEINEKEN** COMPANY

# Sustainability Report 2014

Brewing a Better World



**ZERO CO<sub>2</sub>**  
**BIOMASS Fuel**

As part of our commitment to reduce our carbon footprint, we are decreasing our reliance on fossil fuels through the introduction of renewables as part of the energy mix. In 2014, our brewery in Da Nang switched from diesel to biomass as boiler fuel, reducing direct CO<sub>2</sub> emissions as a result. In addition to reducing our carbon footprint and mitigating the effects of global warming, the local community has also benefitted from the programme with an additional income from the sale of rice husks.

# Our Sustainability Report 2014

Vietnam Brewery Limited is one of the leading brewers in Vietnam with 4 breweries and 6 branches.

Sustainability is one of our core business priorities and Brewing a Better World is our strategic focus.

# 1,533

Employees

# 8

Beer Brands

# 4

Operating companies

## We are

A proud responsible brewer committed to the sustainable development of our business, community and the globe.

## We value

A passion for quality, brands that people love, enjoyment of life and respect for people and planet.

## Contents

### Introduction

- 01 Managing Director's Foreword
- 02 About Vietnam Brewery Limited

### The big picture

- 04 Brewing a Better World
- 15 Achievements and Awards

### Our focus areas

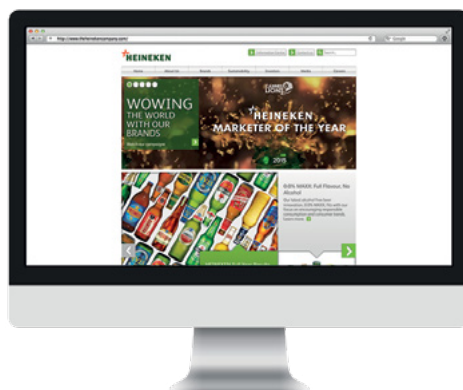
- 17 Advocating Responsible Consumption
- 24 Protecting Water Resources
- 27 Reducing CO<sub>2</sub> Emissions
- 31 Growing with Communities
- 34 Sourcing Sustainably
- 36 Promoting Health and Safety

### Values & Behaviours

- 40 Values and Behaviours
- 41 SpeakUp
- 41 Training and Education
- 42 Global Reporting Initiative (GRI) Index
- 42 General Standard Disclosures

### Other information

- 47 Appendix
- 47 Definition of Parameters and Indicators
- 47 Safety parameters and indicators
- 48 Reference Information



For the global Sustainability Report 2014, visit:  
[www.theheinekencompany.com/sustainability](http://www.theheinekencompany.com/sustainability)

# Managing Director's Foreword



**Leo Evers**  
Managing Director

Welcome to VBL's 2014 sustainability report! I am delighted to present to you this inaugural report which formalizes our sustainability journey that started from VBL's first days of establishment.

Vietnam Brewery Limited (VBL), a joint venture between Heineken Asia Pacific (60%) and a state-owned company, Saigon Trading Group (40%), commenced its commercial operations in 1993.

Right from its start, VBL set the highest standards in product quality and environmentally friendly production. Today, its state-of-the-art brewery in District 12, Ho Chi Minh City, has become a model for a modern and environmentally friendly brewery in Vietnam.

Efficient business performance has enabled VBL to make significant socio-economic contributions and VBL has been recognized as one of the top tax payers in Vietnam for the past several years.

VBL has also done a great job in technology transfer and training local talents. Several management trainees and young recruits of VBL have been enjoying great career development opportunities and a number of them are now holding senior positions in the company.

## Sustainability is our first priority

While sustainability related initiatives have been a part of VBL for some time, this year is the first when we have published our sustainability report. This will explicitly show our long-term commitment to sustainable development and includes our goals to improve our performance.

Our approach is aligned with the HEINEKEN group's strategy, "Brewing a Better World", to build a sustainable business in Vietnam. Its aim is to create shared, long-term value for all our stakeholders and the society. Our sustainability report focuses on six areas:

- Advocating responsible consumption
- Protecting water resources
- Reducing CO<sub>2</sub> emissions
- Growing with communities
- Sourcing sustainably
- Promoting health and safety

As one of the leading brewers in Vietnam, VBL's impact spans across many sectors including agriculture, manufacturing, hospitality, and transport. Our focused approach creates a strong platform for meaningful engagement and sharing ideas across all our stakeholders.

## Making progress

Along with our business growth, we have made good progress in sustainability efforts over the past years.

We are strong advocates of responsible drinking. In collaboration with the National Traffic Safety Committee and the provincial Traffic Safety Committees, our "Drink Don't Drive" communication campaign has been widely implemented since 2008. Internally, we have in place the Alcohol Policy since 2003 that is cascaded to all VBL employees.

To protect water resources, we invest in production water saving technology and state-of-the-art wastewater treatment systems. We also proactively run water programmes, namely our "1 Minute Less for Million Smiles" call for saving & protecting water and the "Towards Water

Security" scholarship to help young environmental scientists and students realize their water study ambitions and make effective contributions to water protection in the future.

Over the past 4 years, VBL has continuously reduced direct CO<sub>2</sub> emissions in its production operations, from 5.5 kg/hl to 3.69kg/hl in 2014. Especially with our investment in biomass based energy generation, we plan to reduce CO<sub>2</sub> emissions further to 2.34kg/hl in 2015. 100% of our new fridges are also compliant with the HEINEKEN Green Fridge Policy.

Our community support programs such as Warm Spring, Dream Moon and blood donation, with the enthusiastic participation of our employees and business partners, have helped thousands of needy households, elderly and children.

We source sustainably wherever possible. 55% of our suppliers have signed our Heineken Supplier Code, and we are on track towards our 2015 target of 100%.

We have conducted yearly training and activities to place workplace safety and health as a top priority in the mindset of all employees from all functions.

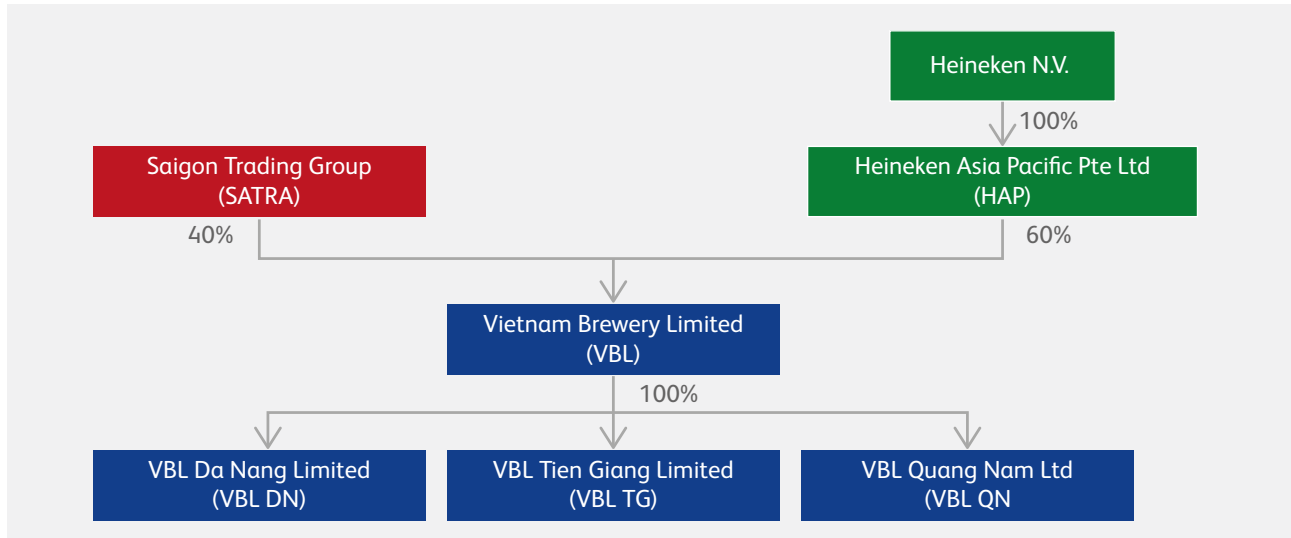
## Looking forward

We will continue our journey with clear and committed targets of Brewing a Better World strategy. We are also fully aware that addressing the issue of alcohol abuse really needs time and joint efforts of our own employees, our business partners, agencies and most importantly our consumers. In spite of our remarkable efforts in advocating responsible drinking, we realise that there is much more to be done regarding our ongoing "Drink Responsibly" programme. We know there is some distance to travel for this long-term initiative but we are well poised to keep it moving forward towards our goal.

We hope you will enjoy reading this report. We look forward to your views as to where we are performing well and where we need to improve to meet your expectations.

**Leo Evers**  
Managing Director  
August 2015

# About Vietnam Brewery Limited



Company Structure

Vietnam Brewery Limited (VBL) is a joint venture established in 1991, between Singapore-headquartered Heineken Asia Pacific Pte Ltd (HAP) (formerly Asia Pacific Breweries Limited), and Vietnamese multi-corporation Saigon Trading Group (SATRA). Today, VBL manages and operates four breweries in Da Nang, Ho Chi Minh City, Quang Nam and Tien Giang. Together, our group of breweries serves the beer market in Vietnam with various well-known brands comprising Heineken, Tiger, Tiger Crystal, Desperados, Biere Larue, Biere Larue Export, BGI and Bivina.

As one of the leading brewers in the local beer industry, we have contributed significantly to creating employment opportunities, providing quality employment for more than 1,500

Vietnamese and supporting thousands of jobs for suppliers and partners in the country. The taxes we pay are a significant part of our contribution to the Vietnamese economy. For many years, we have been one of the top corporate tax contributions in Ho Chi Minh City and Vietnam. In 2014, we paid VND 1,030,297,934,280 in corporate income taxes.

Over the last year, we have undertaken a study to measure the economic and social impacts we have made on the country. By “impact” we refer to the direct, indirect and induced effects of VBL’s presence in terms of value added – salaries, profits and savings, taxes paid – and by employment, we mean the number of jobs VBL is supporting within the country. The study<sup>1</sup> showed that VBL supports the following:

## Value added impact to the local economy

VBL supports **VND 20.0 trillion** in incomes  
Equal to **0.5% of GDP** of Vietnam



## Employment impact

VBL supports **65,600** employees in its value chain



... and other **27,600** jobs through wage-spending

**1** job at Heineken supports **44** other jobs in Vietnam



## VBL's Socio-Economic Impact

Our positive impact can be felt on a day-to-day basis in local communities. While employee salaries and tax revenues directly improve the quality of life for many people and communities, secondary revenues, such as supplier revenues associate with VBL, support indirect income and jobs for thousands more. As a result of our long-standing investment in the country and its people, a considerable amount of wealth and jobs have been supported.



<sup>1</sup>The reported value-added impact includes the contribution by a distribution agency. Total beer-related employment includes direct employment by breweries, indirect employment (in the supply chain, retail and hospitality) and induced employment (related to re-spending of salaries). Total beer-related value-added comprises the value-added generated by brewers, supply chain, hospitality and the retail sector. Total beer-related government revenue consists of direct tax payments of VBL (SCT, CIT, PIT, import duties, social security contributions, royalty and license taxes), VAT included in final selling price, as well as taxes paid by in the supply chain, hospitality and retail.

# About this Report

Our inaugural sustainability report provides an insight into our long-term commitments towards the three dimensions of sustainable development: the environmental, social, and economic dimensions. It represents our highly localized efforts to examine and address sustainability issues with respect to Vietnam's societal and cultural context, while coordinating our programmes with the HEINEKEN "Brewing a Better World" global strategy.

While this is our first year of formal reporting, our sustainability efforts have been in place since the very beginning.

## Report Boundary

This report covers all subsidiaries whose principal activities are brewing & selling of beer. Conversely, our environmental

reporting only includes performance of our brewing production units, on account of the nature and scale of their activities, and hence we anticipate the most significant impact from these facilities. The list of Operating Companies (OpCos) and breweries in scope are as follows:

### Operating Companies in scope

- Vietnam Brewery Limited (VBL)
- VBL Da Nang Limited (VBLDN)
- VBL Tien Giang Limited (VBLTG)
- VBL Quang Nam Limited (VBLQN)

### Breweries in scope for environmental reporting

- Brewery in Ho Chi Minh City, Vietnam
- Brewery in Da Nang, Vietnam
- Brewery in Quang Nam, Vietnam
- Brewery in Tien Giang, Vietnam

## Reporting Period, Cycle and Standards

This report contains data from 1 January 2014 to 31 December 2014 (fiscal year 2014), and is prepared in accordance with the "core" option of the Global Reporting Initiative (GRI) G4 guidelines. We aim to report on an annual basis, to track and develop our accountability towards meeting our sustainability commitments.

## Reliability, Completeness and Methodology

We have reported data to the best of our knowledge, in good faith and in accordance with agreed procedures, through HEINEKEN's robust global data collection systems such as:

- The Business Comparison System (BCS) (for environmental reporting)
- The Accident Reporting & Investigation Software (ARISO) system (for safety reporting)
- The Green Gauge reporting system (for progress reporting on global commitments)
- The Annual Sustainability Survey (for all other sustainability-related reporting)

This is the initial year of global implementation for the ARISO system and the second year we have adopted the rest of HEINEKEN's reporting systems. As we familiarize ourselves with the various data collection procedures, we will continue to work on formulating and strengthening our processes in order to improve the accuracy, completeness and comparability of data.

## Assurance

Our sustainability performance is included in the Heineken N.V. 2014 Sustainability Report, which has undergone external assurance. While we have not sought external assurance for our own report this year, we will consider it as our reporting matures over time.

### Operating Companies and breweries in scope for reporting








## Brewing a Better World

Brewing a Better World (BaBW) is HEINEKEN's global long-term approach to creating shared, sustainable value for our business and our stakeholders. Six strategic pillars focus on the key areas where we believe we can make the biggest difference. Clear commitments underpin these focus areas, defined by our global ambitions for 2020, and supported by mid-term milestones to be achieved by 2015. These commitments serve as a starting basis for our local sustainability strategy.



# Global Commitments





This overview shows the progress we have made in 2014, in order to meet both our 2020 commitments and our 2015 milestones. Two out of our six focus areas were newly introduced in mid-2014. These new focus areas are namely: Promoting health and safety and Growing with communities. As such, we are in the process of implementing the commitments under these two pillars, and will be ready to report on them in the coming year.

Focus Areas	Global Milestones by 2015	Global Achievements in 2014	Our Local Achievements in 2014	Indicator	Global Commitments by 2020
<b>Protecting water resources</b> 	Reduce specific water consumption in the breweries to 3.9 hl/hl <sup>3</sup>	<b>Achieved</b> We decreased water consumption to 3.9 hl/hl, and achieved our 2015 target a year early.	<b>Achieved</b> We have surpassed our 2015 target and decreased our water consumption to 3.1 hl/hl.		We have raised our ambition for 2020 to 3.5 hl/hl overall, and 3.3 hl/hl on average for breweries in water scarce and water distressed areas
	100% of production units <sup>4</sup> in water-scarce and distressed areas will have a Source Water Protection Plan	<b>On track</b> Sixteen (70%) of our production units have drafted a Source Water Protection Plan.	Not Applicable to VBL		Aim for significant water compensation/ balancing by our production units in water-scarce and water-distressed areas
<b>Reducing CO<sub>2</sub> emissions</b> 	Reduce CO <sub>2</sub> emissions in production by 27% <sup>5</sup> (resulting in 7.6kg CO <sub>2</sub> -eq/hl)	<b>Achieved</b> We passed our 2015 target a year early and achieved a 30% reduction compared with 2008, resulting in 7.2 kgCO <sub>2</sub> -eq/hl in 2014.	<b>Achieved</b> We cut our CO <sub>2</sub> emissions from 7.3 kg CO <sub>2</sub> -eq/hl in 2013 to 6.7 kg CO <sub>2</sub> -eq/hl in 2014.		Reduce CO <sub>2</sub> emissions in production by 40%
	Reduce the CO <sub>2</sub> emissions from distribution by 10% <sup>6</sup> in Europe and the Americas	<b>More to do</b> Our overall emissions increased by 3.6%. This was caused by significant changes to distribution activities in two major markets – Brazil and Mexico. Excluding these two, our emissions in distribution actually fell by 5.9%.	Not Applicable to Asia Pacific <sup>6</sup>		Reduce the CO <sub>2</sub> emissions from distribution by 20% in Europe and the Americas
	Reduce the CO <sub>2</sub> emissions of our fridges by 42% <sup>7</sup>	<b>Achieved</b> We sur-passed our 2015 target a year early. 99.8% of the 152,000 fridges that HEINEKEN purchased in 2014 were 'green'. The average reduction of CO <sub>2</sub> emissions improved from 40% to 45% in 2014, compared with the baseline year 2010.	<b>Achieved</b> All our new fridges are 'green', achieving 100% compliance with the HEINEKEN Global Fridge Policy.		Reduce the CO <sub>2</sub> emissions of our fridges by 50%

<sup>3</sup> Global baseline 2008. <sup>4</sup> Twenty-three production units. <sup>5</sup> Baseline 2008. <sup>6</sup> Baseline 2010/2011, scope is WE, CEE and Americas, 24 of our largest operations: Belgium, Bulgaria, France, Ireland, Italy, Netherlands, Portugal, Spain, Switzerland, UK, Austria, Belarus, Croatia, Czech Republic, Greece, Hungary, Poland, Romania, Russia, Serbia, Slovakia, Brazil, Mexico, USA. <sup>7</sup> Baseline 2010

 Achieved  On track  More to do  Not on track

# Global Commitments

Focus Areas	Global Milestones by 2015	Global Achievements in 2014	Our Local Achievements in 2014	Indicator	Global Commitments by 2020
<b>Sourcing Sustainably</b> 	Aim for sustainable sourcing of raw materials for crop year 2015: 20% (barley), 40% (hops), 60% (bittersweet apples for cider) <sup>8</sup>	<b>On track</b> In 2014 we sourced sustainably: <ul style="list-style-type: none"> <li>barley: 15%</li> <li>hops: 62%</li> <li>bittersweet apples for cider: 28%</li> </ul>	Not Applicable to Asia Pacific, as agricultural raw materials are imported by Heineken-approved suppliers from overseas, for consistent taste and quality.		Aim for at least 50% of our main raw materials from sustainable sources
	50% <sup>9</sup> of agricultural raw materials used in Africa to be locally sourced <sup>10</sup> within the continent	<b>On track</b> We increased our local sourcing from approximately 46% in 2013 to more than 48% in 2014.	Not Applicable to Asia Pacific		Deliver 60% of agricultural raw materials in Africa via local sourcing within the continent
	Four-step Supplier Code Procedures operational within all OpCos	<b>On track</b> Four-step Supplier Code Procedure operational in 25 Operating Companies. Rollout planned for all remaining Operating Companies in 2015.	<b>Achieved</b> 55% of our total suppliers have signed the Supplier Code.		Ongoing compliance with our Supplier Code Procedure
<b>Advocating Responsible Consumption</b> 	We commit to invest a minimum of 10% of our media spend <sup>11</sup> for Heineken® in supporting our dedicated responsible consumption campaign in at least 50% of our market volume <sup>12</sup>	<b>Achieved</b> 'Dance More, Drink Slow' campaign activated in 44 markets. Investment supporting our dedicated responsible consumption campaign exceeded 10% of total media spend in our main markets, representing more than 50% of the Heineken® global volume.	Vietnam market is not in scope  Global focus in Asia Pacific is on China and Taiwan markets for now.		Make responsible consumption aspirational through Heineken®
	Every market in scope <sup>13</sup> has a partnership to address alcohol-related harm. All partnerships meet HEINEKEN's seven-point partnership criteria	<b>On track</b> 50 markets are now in scope, an increase from 40 in 2013. Of these, 48 have at least one partnership.	<b>Achieved</b> In 2014, we partnered with the provincial Traffic Safety Committee to address drink-driving.		Every market in scope has and reports publicly on a measurable partnership aimed at addressing alcohol abuse

<sup>8</sup> Based on Volume. <sup>9</sup> Based upon tonnage. <sup>10</sup> With local sourcing we refer to sourcing within the region of Africa & Middle East. <sup>11</sup> Investments dedicated to responsible consumption messaging with regards to Heineken® brand communication. This includes the 'Dance More Drink Slow' and 'Sunrise' campaign, UEFA® Champions League-specific responsible consumption boarding and other specific activations at festivals and events. <sup>12</sup> Market scope, covering in total at least 50% of Heineken® global volume. We focus our efforts on the larger markets where we can make the biggest impact; out of scope are those markets where we are unable to run our responsible consumption campaign due to local (legal and religious) restrictions on alcohol advertising. <sup>13</sup> Out of scope are Islamic markets and small export markets where we don't have staff or a presence

 Achieved  On track  More to do  Not on track



# Global Commitments

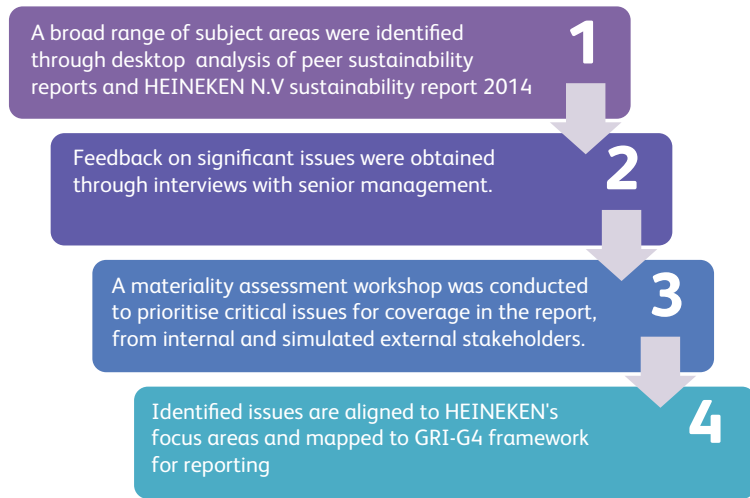
Focus Areas	Global Milestones by 2015	Global Achievements in 2014	Our Local Achievements in 2014	Indicator	Global Commitments by 2020
<b>Advocating Responsible Consumption</b> 	Precise goals for 2015 to be decided in conjunction with the industry via the International Alliance for Responsible Drinking (formerly known as ICAP and GAPG)	<b>On track</b> An implementation plan was developed for the Global commitments in 2013. In 2014, the signatory companies produced a Commitments Progress Report outlining our actions to date in implementing these.	Not Applicable to Asia Pacific.  Work on these commitments are coordinated on a global level.		Deliver global industry commitments on: <ol style="list-style-type: none"> <li>1) Reducing under-age drinking</li> <li>2) Strengthening and expanding marketing codes of practice to limit the exposure to young people</li> <li>3) Providing more consumer information and responsible product innovation</li> <li>4) Reducing drinking and driving</li> <li>5) Enlisting the support of retailers to reduce harmful drinking</li> </ol>
<b>Promoting health and safety</b> 	A 10% year-on-year reduction will be achieved for the accident frequency of our production units.	<b>More to do</b> We reduced our accident frequency of our production units by 5.7% in 2014.	<b>Achieved</b> We achieved a 95.1% reduction in the accident frequency of our production units.		Global commitments for 2020 to be decided in the coming years
	75% of sites at 90% of OpCos will be reporting at least one near-miss per quarter for areas outside production.	<b>More to do</b> We will begin monitoring our progress in 2015.	<b>More to do</b> We will begin monitoring our progress in 2015.		
	90% of OpCos will have trained 90% of their employees on safety e-learning modules.	<b>On track</b> 72% of OpCos have trained 90% of their employees.	<b>Achieved</b> With target 50% employee trained set, VBL over-achieved with 80% of targeted group trained		
	2,000 sales managers will be trained on road safety training with Alert Driving.	<b>More to do</b> We will begin monitoring our progress in 2015.	<b>More to do</b> We will begin monitoring our progress in 2015.		
<b>Growing with communities</b> 	No milestones have been set for 2015.	Not Applicable	Not Applicable		Global commitments for 2020 to be decided in the coming years

 Achieved 
  On track 
  More to do 
  Not on track

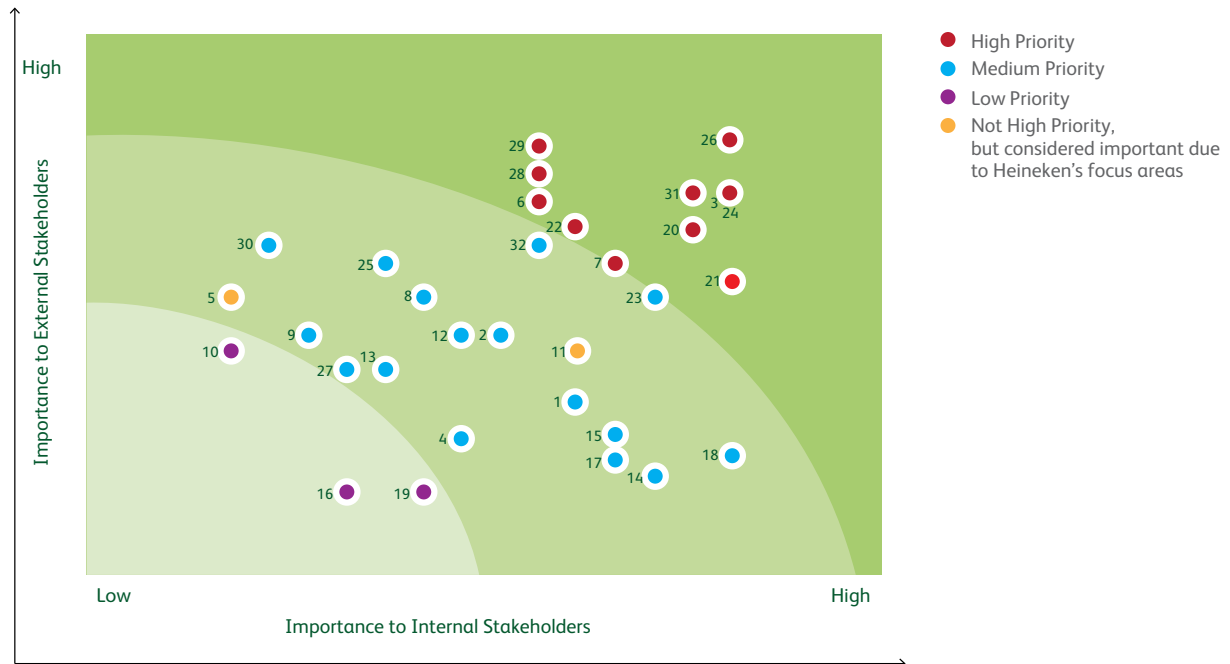
## Our Materiality Assessment and Focus Areas

In April 2015, we conducted our first formal materiality assessment with key members of our senior management. The process to identify and prioritise issues, according to their significance to the business and external stakeholders, was assisted by independent consultants from EY's Climate Change and Sustainability Services. We followed a four-step process as summarized in Figure beside.

Figure below reflects the Materiality Matrix for the issues identified. 11 issues were assessed as being material to VBL.



Four-step Process for Materiality Assessment



Materiality Matrix

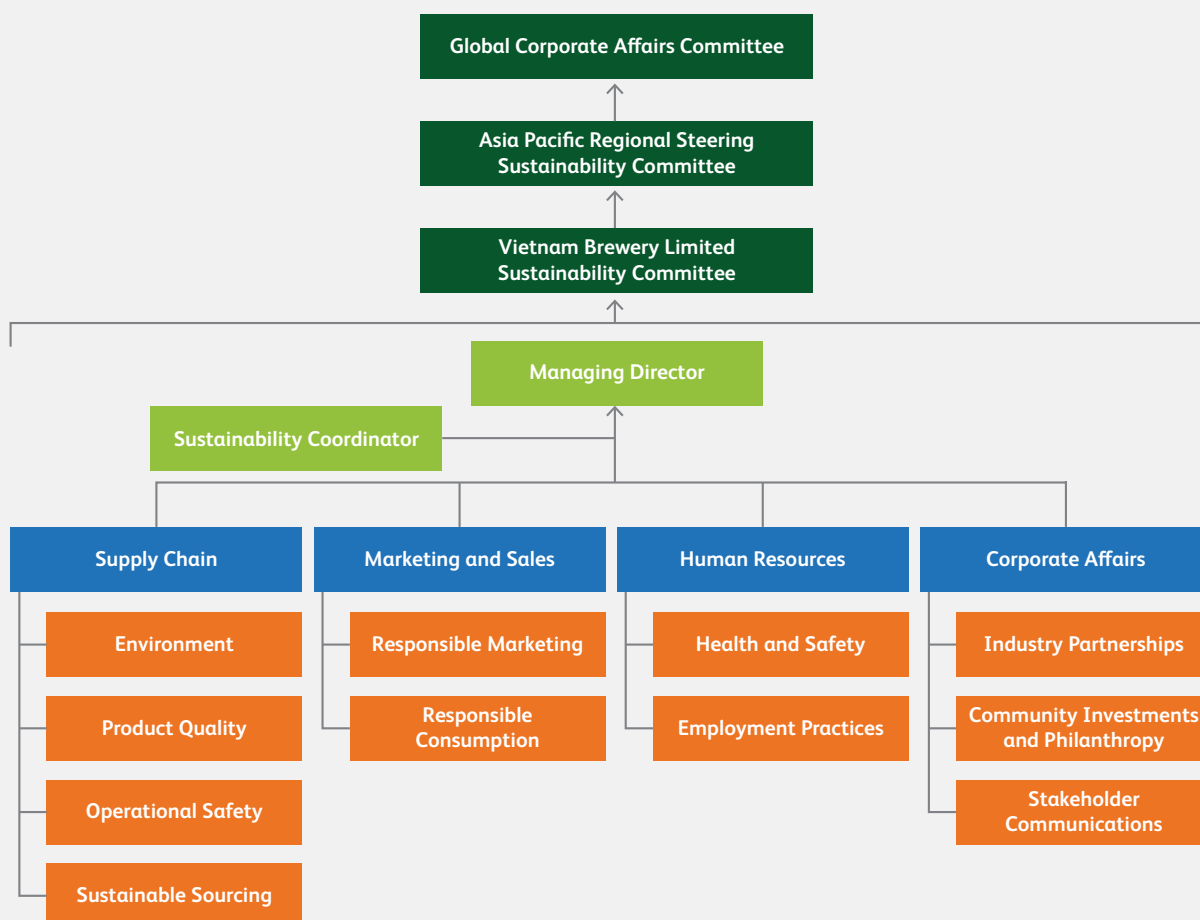
1	Governance	9	Sustainable Packaging	17	Compensation and Remuneration	25	Transparent Ingredient Information
2	Ethical Business Conduct	10	Managing Biodiversity	18	Employee Wellness and Engagement	26	Product Safety, Quality and Hygiene
3	Regulatory Compliance	11	Occupational Health and Safety	19	Promoting Work-Life Balance	27	Product Innovation
4	Enterprise Risk Management	12	Human Rights	20	Responsible Alcohol Consumption	28	Economic Impact
5	Sourcing Sustainably	13	Employment Practices	21	Staff Alcohol Responsibility	29	Community Investment & Development
6	Water Management	14	Career Advancement	22	Responsible Marketing	30	Inclusive Business: Growth and Social Development
7	Energy and Carbon Footprint	15	Training and Development	23	Customer Satisfaction	31	Stakeholder Communications
8	Waste Management	16	Diversity and Inclusion	24	Counterfeiting	32	Public Policy Advocacy

While Occupational Health and Safety and Sourcing Sustainably had not been identified as material issues during our assessment, we have chosen to report both issues for alignment with HEINEKEN's focus areas. We have mapped the list of material issues chosen for reporting against the GRI G4 aspects in Table 2. Unless there are significant changes to the business, we expect the results of our materiality assessment to remain valid for the next three years.

## Mapping Material Sustainability Issues to GRI G4 Aspects for Reporting

Material issues			
S/N	Material issue	Definition	GRI Aspect
1	Regulatory Compliance	Compliance to the local alcohol regulations and other core operational regulations e.g. environment, labour, health and safety	<ul style="list-style-type: none"> <li>Compliance</li> </ul>
2	Water management	Efficient use of water	<ul style="list-style-type: none"> <li>Water</li> <li>Effluent and Waste</li> </ul>
3	Energy and Carbon Footprint	Efficient use of energy to reduce carbon emissions	<ul style="list-style-type: none"> <li>Energy</li> <li>Emissions</li> <li>Transport</li> <li>Overall Environmental</li> </ul>
4	Responsible Alcohol Consumption	Actively promote the enjoyment of beer in moderation and collaborate with partners to address alcohol abuse	<ul style="list-style-type: none"> <li>Local Communities</li> </ul>
5	Staff Alcohol Responsibility	Encourage employees to lead by example on responsible alcohol consumption	<ul style="list-style-type: none"> <li>Occupational Health and Safety</li> </ul>
6	Responsible Marketing	Advertise brand and drinking in an accountable and positive manner, including responsible product labelling	<ul style="list-style-type: none"> <li>Product and Service Labelling</li> <li>Marketing Communications</li> </ul>
7	Counterfeiting	Protection of brand value against production of fake replicas	<ul style="list-style-type: none"> <li>Customer Health and Safety</li> </ul>
8	Product Safety, Quality and Hygiene	Pursuing high standards in product safety and product quality	<ul style="list-style-type: none"> <li>Customer Health and Safety</li> </ul>
9	Economic Impact	Generating sustainable economic value in our communities we operate through our business	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Indirect Economic Impacts</li> </ul>
10	Community Investment & Development	Contributions to the communities in which we operate	<ul style="list-style-type: none"> <li>Local Communities</li> </ul>
11	Stakeholder Communications	Communicating with stakeholders to highlight sustainability goals and accomplishments/ challenges, build or strengthen relationships, enhance corporate reputation, build brand loyalty and gather useful data and ideas	<ul style="list-style-type: none"> <li>N.A</li> </ul>
Other issues not voted as high priority but considered important due to HEINEKEN focus areas			
S/N	Material issue	Definition	GRI Aspect
12	Occupational Health and Safety	Cultivate a strong culture and management of Health and Safety to all employees from production, logistics and distribution, commerce and business services	<ul style="list-style-type: none"> <li>Occupational Health and Safety</li> </ul>
13	Sourcing Sustainably	Encourage local and sustainable sourcing of raw materials, and manage suppliers for responsible business conduct in areas of human rights, labour, anti-corruption, health and safety and environment	<ul style="list-style-type: none"> <li>Supplier Environmental Assessment</li> <li>Supplier Assessment for Labor Practices</li> <li>Supplier Human Rights Assessment</li> <li>Supplier Assessment for Impacts on Society</li> </ul>

### VBL's Structure of Sustainability Governance



### Sustainability Governance

We set up sustainability governance at the Operating Company level in 2013. Our Managing Director - Leo Evers chairs our Sustainability Committee, which comprises of a Sustainability Coordinator working closely with representatives across our business functions of Supply Chain, Marketing and Sales, Human Resources, and Corporate Affairs. The Committee is responsible for formulating VBL's sustainability strategic plan, implementing programmes and initiatives, and monitoring our performance against our global and local commitments. Progress is reported on a quarterly basis to the Regional Sustainability Steering Committee, which has oversight of these matters in the Asia Pacific.

### Crisis Management

To safeguard human life, company assets and the reputation of our business in the event of a crisis, a thoughtfully constructed crisis-management plan has been in place to provide guidelines for the management of the immediate actions and operations to respond to an emergency or disaster.

The Crisis Manuals, which are aligned with the HEINEKEN Global Crisis Manual, encompass standard operating procedures to address the immediate requirements for a major disaster or emergency in which normal operations are interrupted and special measures must be taken to:

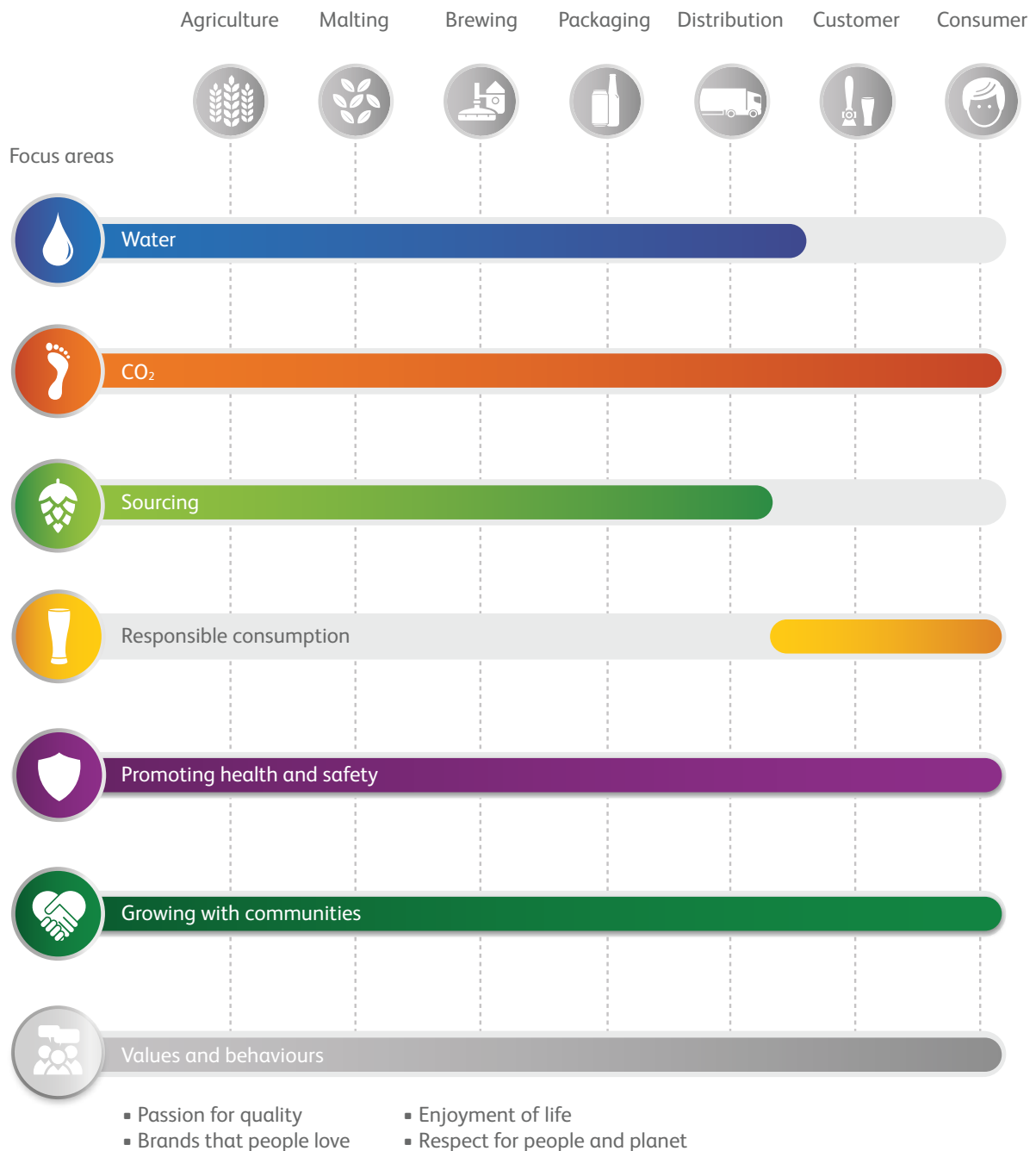
1. Protect and preserve human life, health and well-being.
2. Minimize damage to the natural environment.
3. Minimize loss, damage or disruption to the company's facilities, resources and operations.
4. Manage immediate communications and information regarding emergency response operations and safety.

Each of our breweries has its own Crisis Management team which is led by its respective heads. All members of the Crisis Management team undergo comprehensive risk management workshops to ensure that they are well-prepared to execute the necessary procedures in an emergency.

# Value Chain – From Barley to Bar

Our approach to sustainability covers the entire value chain “from barley to bar”. Along the way, we continuously evaluate and implement improvements in the sustainability of each step. In the context of our Vietnam operations, we are focusing from brewing to the point at which the consumer has enjoyed their beverage and disposed of the packaging. A full description of our value chain can be found on HEINEKEN’s [website](#).

## Heineken’s value chain



# Stakeholder Engagement and Communications

We recognise the importance of engaging actively and regularly with our key stakeholder groups. By understanding their expectations and concerns, we stay focused on issues most significant and crucial to the sustainability of our business. Our approach toward stakeholder engagement is summarised in Table below. We will embark on a formal stakeholder engagement plan in 2015

## Means of Engagement with Key Stakeholders

Stakeholders	Examples	Purpose and Goals	Methods of Engagement	Frequency of Engagement
Customers and Consumers 	<ul style="list-style-type: none"> <li>Distributors</li> <li>Outlet owners</li> <li>Consumers</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen and expand distribution network</li> <li>Maintain &amp; increase brand loyalty</li> </ul>	Distributor Conference	Annually
			Market Visit	Daily
			Researches	Monthly
			Media, PR and Digital	Frequently
Employees 	<ul style="list-style-type: none"> <li>Employees</li> </ul>	<ul style="list-style-type: none"> <li>Enhance and increase employee commitment and loyalty</li> </ul>	Town-hall meeting	Twice a year
			Executive Forum	Quarterly
			Flash news	On events
			Newsletter Year-end dinner Away-day	Quarterly Yearly Yearly
Employee representatives 	<ul style="list-style-type: none"> <li>Vietnam General Confederation of Labour</li> <li>Vietnam Labor Safety Committee</li> </ul>	<ul style="list-style-type: none"> <li>Ensure business operation complied with law &amp; regulation</li> <li>Laws &amp; Regulation Updates</li> </ul>	Conference	Frequently
			Meeting and workshops	Frequently
Governments 	<ul style="list-style-type: none"> <li>Prime Minister's Office</li> <li>National Assembly</li> <li>Ministry of Health</li> <li>Ministry of Industry and trade</li> <li>Ministry of Finance</li> <li>General Department of Tax</li> <li>VNFF of province</li> <li>Member of NA in province</li> <li>People's committees in province and cities</li> <li>Provinces' Authorities</li> </ul>	<ul style="list-style-type: none"> <li>Advocacy in alcohol related law and regulation development</li> <li>Support for business operations such as extension projects, advertisement, promotion, construction, land &amp; housing</li> </ul>	Courtesy visits	Monthly
			Festive occasions: New Year, Tet, Business anniversary	On Events
			Industry workshops	Monthly
			Business calls	As and when required
			Seminar	On Events
			Supporting	
Industry associations 	<ul style="list-style-type: none"> <li>International Center for Alcohol Policies</li> <li>Vietnam Beer Alcohol Beverage Association</li> </ul>	<ul style="list-style-type: none"> <li>Support for law and regulation development</li> </ul>	Industry workshops	Monthly/ On Events
			Seminar	
			Supporting	
Investors 	<ul style="list-style-type: none"> <li>Bankers</li> <li>Saigon Trading Group</li> </ul>	<ul style="list-style-type: none"> <li>Maintain &amp; increase shareholders' relationship</li> <li>Shareholders' views and perspectives exchanging</li> </ul>	Monthly/Quarterly Reports	Monthly/quarterly
			Ad-hoc updates	Ad-hoc
			Year-end review	Annually
			Daily Transaction	Daily

Stakeholders	Examples	Purpose and Goals	Methods of Engagement	Frequency of Engagement
Media 	<ul style="list-style-type: none"> <li>Thanh Nien</li> <li>HTV</li> <li>VN Express</li> </ul>	<ul style="list-style-type: none"> <li>Views and information exchanging</li> </ul>	<ul style="list-style-type: none"> <li>Media meeting</li> <li>Press Conference</li> </ul>	<ul style="list-style-type: none"> <li>Twice a year</li> <li>On events</li> </ul>
NGOs & international organizations 	<ul style="list-style-type: none"> <li>Red Cross</li> <li>Youth Union</li> <li>Health Rich</li> <li>Water Supply, Sanitation and hygiene working group of VUFO-NGO Resource Centre</li> </ul>	<ul style="list-style-type: none"> <li>Partnership for impact</li> </ul>	<ul style="list-style-type: none"> <li>Ted Charity/Mid-Autumn Festival</li> <li>Water Programmes</li> <li>Reputation Survey</li> <li>Expert Meetings/Forum</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Frequently</li> <li>Ongoing</li> <li>On events</li> </ul>
Suppliers 	<ul style="list-style-type: none"> <li>Crown Da Nang</li> <li>Malaya Vietnam Glass Limited</li> </ul>	<ul style="list-style-type: none"> <li>Ensure business performance and compliance</li> </ul>	<ul style="list-style-type: none"> <li>Reputation Survey</li> <li>Expert Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>

We highlight the following specific channels of dialogue with selected stakeholders during the year:

## 1. Economic Impact Study of the beer industry and results 2014

In 2014, with the aim to evaluate the economic impact of the brewing sector in Vietnam, VBL and industry players, via Vietnam Beer Alcohol Beverage Association (VBA), commissioned MoIT's Industry Policy and Strategy Institute (IPSI), Regioplan (Netherlands) and EY to join-conducted an Economic Impact Study (EIS) of the production and sales of beer in Vietnam.

The study covered the years 2012, 2013 and the first quarter of 2014 to provide a comprehensive picture of the direct, indirect, and induced economic impacts. Between May and October 2014, we engaged in monthly face-to-face meetings with our peers for industry alignment. Our peers included leading local brewers Sabeco, Habeco, Carlsberg, SabMiller, and ABInbev. Through an industry workshop hosted by the VBA, we also participated in three rounds of consultation with IPSI, EY and Regioplan to introduce the purpose and concerns of the study, seek comments and publicly announce the outcome of the study, the key results of which are presented below:

Key results	2012	2013	Δ
Total beer-related employment (in jobs)	240,801	268,333	11%
Total beer-related value added (in trillion VND)	44.2	50.2	13%
Total beer-related government revenues (in trillion VND)	28.8	33.4	16%

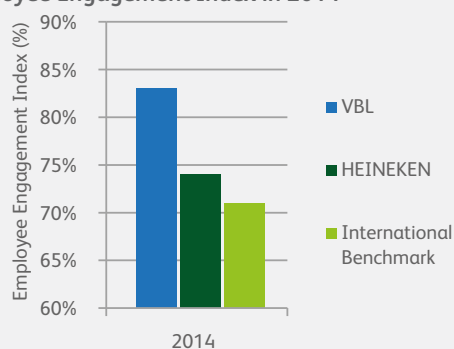
Key Results<sup>14</sup> of the Economic Beer Industry

For VBL-specific economic impacts, please refer to [About Vietnam Brewery Limited](#) for more details.

## 2. Employee Engagement: 2014 Climate Survey results

In 2014, our employees participated in the HEINEKEN Climate Survey, which assessed their views on our working environment, looking at 11 dimensions including personal development, the relationship between employees and their managers, as well as customer relationship. Based on a response rate of 90%, our employee engagement index – calculated by IBM as a combination of advocacy, commitment, satisfaction and pride – stood at an impressive 83%, which was higher than HEINEKEN's global average and other benchmark international companies. We will continue to

Employee Engagement Index in 2014



provide an inclusive, supportive environment, as well as training and development opportunities to our employees.

## 3. Ongoing Reputation Survey with external stakeholders

We are currently in the midst of completing a research survey with a diverse range of stakeholders including the government, media, suppliers, customers, NGOs and trade associations. This quantitative and qualitative survey focuses on seven key dimensions, one of which is 'responsible and sustainable'. We will share the results of the Reputation Survey next year.

<sup>14</sup> Total beer-related employment includes direct employment by breweries, indirect employment (in the supply chain) and induced employment (in retail and hospitality). Total beer-related value-added comprises the value-added generated by brewers, supply chain, hospitality and the retail sector. Total beer-related government revenue consists of SCT, VAT, CIT, PIT, import duties, social security contributions, royal and license taxes.

## What our stakeholders told us and how we responded

Through our ongoing work, we have identified the key issues our stakeholders are most concerned with. Here is what we heard and did in response.

### “Drink-driving kills.”

#### How we responded:

- We developed a responsible drinking partnership with the National Traffic Safety Committee.
- Our salespersons, who are obliged to sometimes drink with our customers, have designated motorbike taxi drivers.
- See more details under the “Advocating Responsible Consumption” section of the report.



### “What have you done to address binge drinking?”

#### How we responded:

- Our senior management leads by example at company events, encouraging our employees to pace their alcohol consumption instead of drinking “bottoms-up”.
- We cooperated with Nestle Vietnam to distribute free bottles of LaVie water at our recent Desperados (a tequila flavoured beer) launch event.



### “It is a challenge to drive sustainability communications to all our stakeholders.”

#### How we responded:

- We are publishing our inaugural sustainability report to share our achievements and challenges with our stakeholders.
- We are embarking on a formal stakeholder engagement strategy for the next 3 years.





## Achievements and Awards

We continuously participate in various awards, as a way of constantly improving ourselves, and keeping ourselves up-to-date with the latest leading practices.

### List of Awards received by VBL

Name of Award	Years Awarded	Description
Excellence Performer in Tax Contribution	2014	For many years, VBL has been one of the top corporate tax payers in Ho Chi Minh City and Vietnam. In 2014, VBL was granted the Certificate of Merit by the General Department of Taxation in recognition of its achievements in compliance with the tax policies and laws in 2014.
Vietnam 100 Best Places To Work	2014	In 2014, we were ranked in the Top 20 “Best Places to Work in Vietnam” for the Fast-moving Consumer Goods industry, and are proud to achieve 72nd place overall of the “Top 100 Best Places to Work” in our country. The annual survey was conducted by Anphabe, Vietnam’s biggest career networking platform, in collaboration with Nielsen, through online polling of more than 15,000 participants at 1,000 companies.
Best Water Management, Sustainable Business Awards	2014	As part of Heineken Asia Pacific, we won the Best Water Management Award at the Sustainable Business Awards (SBA 2014) together with other Operating Companies in Asia Pacific. This award aims to increase the awareness of best practices in sustainable business and to recognize and celebrate the organizations which have truly instilled sustainability into their long-term business strategy. This award was presented to HEINEKEN for our efforts in water conservation, management and engagement in community programs in the region as well as our ambitious water targets that we aim to achieve by 2020.
Silver in Best CSR Communications, PR Awards	2014	As part of Heineken Asia Pacific, we won the Silver Award for the Best Corporate Social Responsibility Communications category for our regional Drink Savvy campaign, “Have A Good Night Out” at Marketing Magazine’s inaugural PR Awards Singapore 2014. This award is a testament to HEINEKEN’s strong stand to cultivate a socially responsible attitude towards alcohol consumption among our consumers.
Bronze in CSR Excellence, Marketing Excellence Awards	2013	As part of Heineken Asia Pacific, we won the Bronze for CSR Excellence at the Marketing Excellence Awards, which recognizes organizations that have pushed their brands towards measurable success using sound and innovative marketing strategies.  As an Asian brewer, we launched the first Drink Savvy platform website in December 2009 which aims to educate and engage consumers on well-informed and responsible decisions about alcohol drinking. The campaign launched by the website was well-received among the audiences, with videos viewed more than 1.1 million times across Asia Pacific as well as 7,600 quiz entries submitted by young people between 18 to 30 years old.
HEINEKEN Quality Award	2002 – 2003, 2006 – 2010, 2012 – 2013	Since the inaugural year of the award in 2000, we are proud to have outperformed other HEINEKEN breweries worldwide to win the HEINEKEN Quality Award nine times out of a total of 14 years. The award celebrates excellence in product quality, packaging quality, freshness and sales & distributions in the market.

Name of Award	Years Awarded	Description
HEINEKEN Brewery Award	2002 – 2004, 2006, 2008, 2013	2013 marked the sixth time we have won the HEINEKEN Brewery Award for our excellence in product quality and brewery packaging quality. The 2013 award went to our Ho Chi Minh City brewery.
Tiger Quality Award	2004, 2006, 2012	We have garnered recognition for the brewing quality of our Tiger Beer through the Tiger Quality Award. Introduced in 2004, the award raises the quality consciousness for Tiger Beer globally by testing brewing quality which includes a freshness test, taste analysis and packaging quality.
Sales Distribution Award	2007	We are very proud to receive this award for our Sales and Distribution Operation which obtained the highest combined score in Sales and Distribution oriented packaging quality and freshness of the product.



# Advocating Responsible Consumption



## Why is this important?

According to a study by Euromonitor International, **Nhậu, or informal social drinking, is a popular activity that has cemented its place in local culture, the preferred choice of alcohol being beer among the Vietnamese. In 2012, a study<sup>15</sup> ranked our country third in Asia for its beer consumption per capita. “Tram, Phan, Tram”, which means “bottoms up”, is frequently practiced among both men and women alike as part of the local macho drinking culture.**

At the same time, proliferation of counterfeit products is another critical issue as when consumed, this would not only be harmful to the health of the drinker, but also detrimental to consumers’ faith in the quality and credibility of alcohol brands. As one of the leading brewers in the country, we recognise we play a important role in providing safe, quality beer to our consumers and encouraging responsible attitudes toward alcohol consumption. We are committed toward establishing the positive role of beer in society, while tackling negative social behaviours and health

problems arising from alcohol abuse and counterfeit alcohol brands.

## Our commitments and link to BaBW targets



One of our top priorities is in the promotion of responsible alcohol consumption. We have aligned our approach to HEINEKEN’s three-tiered strategy of Brand, Partnership and Industry (Figure below), under which we have laid down the following commitments as shown in Table of Our Targets & Performance for Advocating Responsible Consumption.



HEINEKEN's Three-tiered Strategy for Advocating Responsible Consumption

<sup>15</sup>A 2013 study by market survey company Euromonitor International reported that Vietnamese beer consumption stood at 32 liters per capita, the third in Asia after China and Japan.

## Our Targets and Performance for Advocating Responsible Consumption

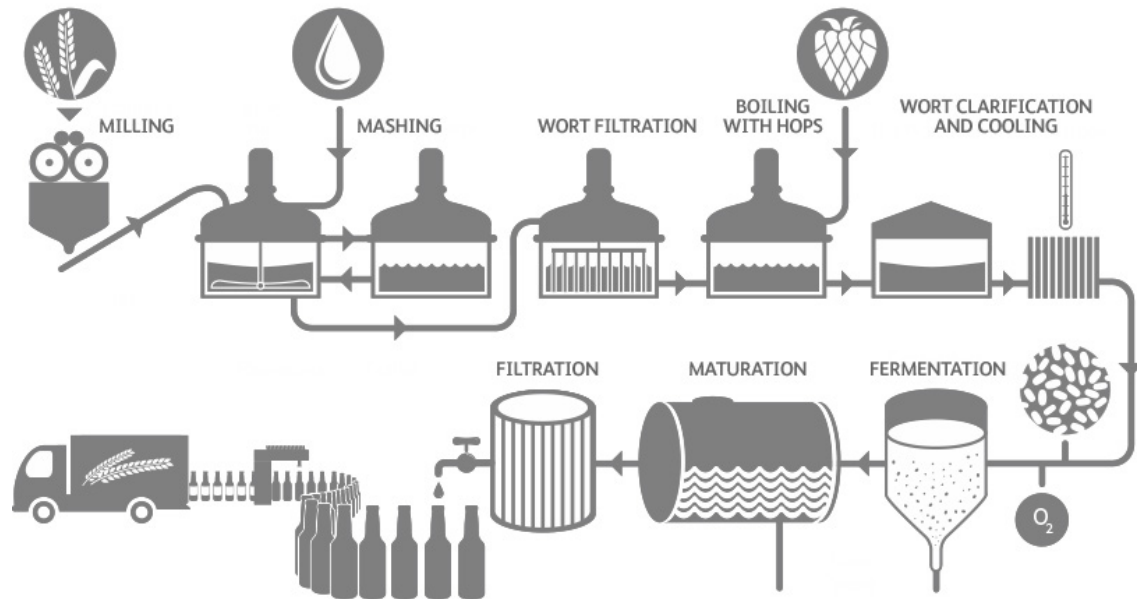
Global Targets	VBL Targets	Performance	Indicator
<b>Brand:</b> We commit to invest a minimum of 10% of our media spend <sup>16</sup> for Heineken® in supporting our dedicated responsible consumption campaign in at least 50% of our market volume <sup>17</sup>	Vietnam Market is out of scope for the minimum investment of 10% media spend on Heineken® campaigns.		
	99% of our sales and marketing employees to complete the e-learning module on the HEINEKEN Rules on Responsible Commercial Communication Code.	<b>More to Do</b> 46.7% of our sales and marketing team have read and understood the Code.	
<b>Partnership:</b> Every market in scope <sup>18</sup> has a partnership to address alcohol-related harm. All partnerships meet HEINEKEN's seven-point partnership criteria.	We aim to have 2 local partnerships to address alcohol-related harm.	<b>On track</b> In 2014, we had 1 partnership with the provincial Traffic Safety Committee.	
<b>Industry:</b> Precise goals for 2015 to be decided in conjunction with the industry via the International Alliance for Responsible Drinking (formerly known as ICAP and GAPG)	Not applicable to Asia Pacific.  Read more about the good progress we have made globally in 2014 in the Heineken N.V. 2014 Sustainability Report		

<sup>16</sup>Investments dedicated to responsible consumption messaging with regards to Heineken® brand communication. This includes the 'Dance More Drink Slow' and 'Sunrise' campaign, UEFA® Champions League-specific responsible consumption boarding and other specific activations at festivals and events. <sup>17</sup>Market scope, covering in total at least 50% of Heineken® global volume. We focus our efforts on the larger markets where we can make the biggest impact; out of scope are those markets where we are unable to run our responsible consumption campaign due to local (legal and religious) restrictions on alcohol advertising. <sup>18</sup>Out of scope are Islamic markets and small export markets where we don't have staff or a presence

 Achieved  On track  More to do  Not on track

# Product Safety, Quality and Hygiene

## The brewing process - How beer is made



Vietnam does have a market in counterfeit goods, which includes alcohol. We have always been mindful that the continued protection of our brands and consistent quality of our products is fundamental in building stakeholder trust and confidence in the sustainability of our business.

At VBL, we are dedicated to delivering top-notch, premium products to our consumers. From the use of the finest ingredients, coupled with the most advanced brewing and packaging processes, every product embodies excellent quality consistent with HEINEKEN's stringent standards. Our production process is supervised by experts who have undergone rigorous training with the HEINEKEN global team.

Our main raw ingredients for brewing beer such as malt and hops are imported from Europe and Australia as Vietnam's climatic conditions are unsuitable for the growth of these ingredients. To ensure the delivery of high quality ingredients, all farms and raw material suppliers are subjected to strict supervision process that starts from researching growing seeds to farming and harvesting. Only the best malted barley and hops are chosen for the brewing process and these suppliers have to be pre-approved by HEINEKEN.

All our 4 breweries in Ho Chi Minh City, Da Nang, Quang Nam and Tien Giang are equipped with the state-of-the-art brewing equipment that are in accordance to the VBL standards of quality management and consistent with that of other breweries of HEINEKEN around the globe. We also adhere to international standards such as the ISO 9001:2008 Quality Management, ISO 22000 Hazard Analysis and Critical Control Points (HACCP), and ISO 14001 Environmental Management.

Some of the highlights in our breweries include a fully automated packaging system equipped with the most advanced technology, enabling depalletizing, unpacking from the crates, container washing and rinsing and also overall bottling and canning to minimize likelihood of human error and ensure consistency. Finally, all products are inspected to ensure that all products meet the necessary standards in its content, weight and labelling before final packaging.

The final packaged products are transported and stocked by distributors and sub-distributors who are mandated to comply with the highest standards on quality management for transportation

and warehousing. This is to ensure that only top quality products reach the hands of our consumers.

At the post brewing stage, rigorous cleaning processes such as using hot water to kill bacteria in the equipment ensures the hygiene of our operations. As an added health precaution, all tanks are cleaned with phosphorous-free chemicals.

To eliminate and prevent any counterfeit products, we have taken measures to reinforce consumer trust in brand quality and assurance. All our bottles of HEINEKEN, Tiger, and Tiger Crystal are sealed with aluminum foil to ensure brand authenticity.

Our repeated, multiple wins at the Heineken Quality Awards and the Tiger Quality Awards is testament to the high standards in our production. More details can be found under the "Achievements and Awards" section.

### Compliance

During the year, we have not been informed of any accidents, incidences of product recall and HACCP complaints related to the safety of our products.





### Case study: The Seal of Perfection

In 2014, we launched a new exquisite bottle design for HEINEKEN, comprising of an embossed cap and neck foil. The sophisticated new cap features an embossed red star and the words “HEINEKEN QUALITY”, giving consumers a distinctive, premium look of authenticity, while preserving the freshness and world-class quality of our beer.

The new bottle, dubbed “the seal of perfection”, is part of our long-term commitment to rewarding consumers with world-class experiences, quality and innovation. Vietnam is proud to be the first market in the world to introduce this Seal of Perfection Bottle, and have extended the iconic design to our Tiger and Tiger Crystal products.

## Responsible Marketing

In 2010, we participated with the Vietnam Beers, Alcohol & Beverages Association to develop and apply a mandatory alcohol marketing code throughout the industry in Vietnam. Our operation is also required to comply with the HEINEKEN Rules on Responsible Commercial Communication (RCC Code), which we adopted in 2013. Both Codes ensure that we do not actively or unintentionally contribute to excessive consumption or misuse of alcohol through our promotional activities.

Since the implementation of the new HEINEKEN code, about than 50% of our sales and marketing targeted team has completed the e-learning module on the RCC code. We are aware that more needs to be done to achieve compliance and are currently in the process of stepping up efforts in ensuring all sales

and marketing personnel familiarize themselves with the rules. In spite of the setback, there were no reported cases of non-compliance relating to marketing regulations for the past two years.

### Short Highlight: Desperados – Enjoy responsibly from the first sip

In 2014, we expanded our portfolio of brands with the introduction of Desperados, the world’s first tequila flavored beer. At its launch party, about 2.000 gifts of Desperados & Lavie water were given to the partygoers before leaving, a gentle reminder of the message “Drink responsibly” from the party receptions. All branding items at the event were printed with responsible drinking messages. By giving them the choice to alternate their beverages and pace their drinking, we encourage our fun-loving consumers to enjoy alcohol responsibly and make the most of their night.



**Tiger**  
SINCE 1932

Thành phần: nước, đại mạch, ngũ cốc và hoa bia.  
Sản phẩm của Công ty TNHH Nhà Máy Bia Việt Nam,  
Tầng 18 và 19, Tòa nhà Vietcombank, số 5, Công Trường Mê Linh,  
Phường Bến Nghé, Quận 1, Thành Phố Hồ Chí Minh, Việt Nam.  
Sản xuất theo giấy phép chuyển quyền sử dụng nhãn hiệu bởi  
Heineken Asia Pacific Pte. Ltd.  
[www.tigerbeer.com.vn](http://www.tigerbeer.com.vn) [www.drink-savvy.com](http://www.drink-savvy.com)  
Đã uống thức uống có cồn thì không được lái xe.  
Hướng dẫn bảo quản và sử dụng: Bảo quản nơi sạch sẽ, khô ráo,  
thoáng mát, tránh ánh nắng mặt trời, tránh bị đông đá.  
Ngon hơn khi uống lạnh.  
**UỐNG BIA CÓ TRÁCH NHIỆM. DRINK RESPONSIBLY**  
Vui lòng liên hệ [www.vbl.com.vn](http://www.vbl.com.vn)

Icons: No driving after drinking, No drinking and driving, 18+, Paper recycling.

drinking habits in the community. Our long-running anti-drink driving programme, “Drink Don’t Drive”, has seen close partnerships with the National Traffic Safety Committee (NTSC) and International Centre on Alcohol Policies (ICAP) Vietnam.

This includes a highly commended TV drama serial titled “Know When” that went on air from 2009 to 2011, in which the importance of responsible drinking is played out via engaging storylines about drinking scenarios, the relationships of the different characters and the impact of his or her choices. A recurring theme in our anti-drink driving programme is to help drinkers understand personal limits as well as knowing when to be responsible and use alternative means of transport.

Besides engaging with our consumers through traditional and social media, we have also joined with ICAP Vietnam in 2011 - 2012 in its efforts to reduce alcohol harm prevention with the training sessions for local authorities and inter-city bus drivers on drink driving enforcement. Read more about our anti-drink driving efforts in 2014 in our case study.

## Responsible Product Labelling

To help our consumers make the right choices and to enjoy our products responsibly, we provide clear labelling on our products. We comply with legal requirements to include the alcohol content of our beer in the labels. In addition, all our products are also printed with the “Drink, Don’t Drive” & “Drink Responsibly” message to remind our consumers to adopt responsible drinking habits.

## Partnerships for Progress

The recent proposal to restrict the retail and consumption of alcohol has challenged the legitimacy and commercial freedom of the alcohol industry. More than ever, we acknowledge that continued dialogue with policy makers and other stakeholders to promote responsible alcohol consumption has become

essential to the continued sustainability of the industry.

This year, we spent a total of VND 5,045 million on our responsible drinking campaigns and initiatives. For many years, we have been a pioneer in carrying out programmes to promote responsible

In 2015, we hope to open more dialogues with like-minded policy makers and partners. We aim to develop new and effective programmes to influence consumer attitudes towards responsible alcohol consumption.





**Case Study:**  
**“Drink Don’t Drive”**

Drink-driving is the major cause of traffic accidents in Vietnam. To encourage awareness of traffic safety and reduce road



accidents associated with drink-driving, we have partnered with the NTSC to implement the “Drink Don’t Drive” programme since 2008.

Following insights into men’s concerns of “business, friend” versus “health, family”, the 2014 theme “Right Choice, Full Joy” aimed to foster a responsible drinking culture among drivers and motorcyclists. With inputs from provincial Traffic Safety Departments, we strategically placed 50 mini-billboards conveying our message at high traffic crossroads and streets in 5 big cities in Da Nang, Nha Trang, HCM City, Tien Giang and Can Tho. Through periodically changing the key visuals of the mini-billboards, we hoped to deliver the message beyond passive exposure, in a way that grabs attention and is retained by our target audience. The message was also widely disseminated via media and interactive activities such as quiz games and online contests.

**Campaign Results**



The campaign was successful, with over 227,712 visits to our website and more than 800 participants in our online quiz contest. Spurred by the encouraging results, we will continue to strive to develop a responsible drinking culture in the community.

**Case Study:**  
**Sending our employees on a safe ride home**

At VBL, we firmly believe that setting an exemplary example for responsible drinking begins with our employees. Since 2013, we have launched a motorbike taxi service for direct sales employees who drink on-site with our retailers and outlet owners as part of business. By providing them with an alternative, safe mode of transport, we eliminate the problem of drink-driving among our employee. At the same time the initiative creates positive impacts to the society, creating job opportunities to hundreds of people along the way.

Our employees have thus become the best testaments to our legacy in anti drink-drive advocacy.



**Case Study:**  
**“Enjoy Responsibly Day”**

On 4 September 2014, the HEINEKEN group activated Enjoy Responsibly Day, hoping to bring light to this critical issue integral to the sustainability of our business, and to educate and engage employees as ambassadors of self-regulation.

In conjunction with the group campaign, we rolled out various activities in Ho Chi Minh City, Da Nang, Tien Giang and Nha Trang from September to November, with over 950 employees participating. The health benefits of responsible drinking and negative consequences of alcohol

abuse were communicated to participants in a clear and fun way through group games, talk shows and interactions with nutrition experts.

For our employees, taking part in Enjoy Responsibly Day also meant committing to responsible drinking themselves and equipping them with helpful knowledge to be credible advocates of this message to their relatives, friends and the wider community.

In 2015, we plan to expand Enjoy Responsibly Day to continue to spread the message of responsible alcohol consumption.



## Protecting water resources



### Why is this important?

Beer is 95% water. As a brewing company, we consume large quantities of water in our operations. At the same time, water is essential for the day-to-day livelihoods of the communities around our breweries. Balancing both needs is therefore an issue of high importance as it directly affects the viability of our business.

Faced with limited natural water resources in the near future, our initiatives to conserve water have become more pressing and relevant. While we continue reducing water usage through efficiency improvements, we also seek opportunities to collaborate with stakeholders in our water stewardship efforts.

### Actions and Results

#### Reducing water consumption

In 2014, we achieved an impressive reduction in our specific water consumption by 5.9% to 3.07 hl/hl, down from 3.27 hl/hl in 2013. With this exemplary performance, we are proud to have exceeded our local target of 3.17 hl/hl, besides outdoing the HEINEKEN group average at 3.9 hl/hl and reaching the global 2020 commitment of 3.5 hl/hl six years early.

Of the four breweries, three had contributed to the remarkable reduction in water usage, with our Tien Giang and Da Nang breweries charting significant improvements of 22.9% and 13.0% respectively for their specific water consumption.

The improvements in Tien Giang and Da Nang were partially attributed to the efficiency of increased production in 2014, while simultaneously employing various water conservation measures to use less water per hectoliter of beer, cider, soft drinks and water produced.

In Tien Giang, our water initiatives included installing a backwash water recovery system at the water treatment plant and reusing surplus hot water from the brew house. The installation of two new ammonia evaporative condensers also saw

# 95%

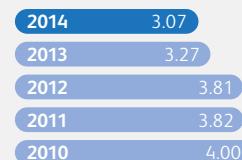
Water is central to our needs. We use it in our finished product – beer is 95% water

# +40%


Demand for water has doubled during the past 50 years and is expected to increase a further 40% by 2030

Specific water consumption **-5.9%**  
hl/hl beer

# 3.07 hl/hl



## Our commitments and link to BaBW targets

Global Targets	VBL Targets	Performance	Indicator
Reduce specific water consumption in the breweries to 3.9 hl/hl <sup>18</sup>	Reduce specific water consumption in the breweries to 3.17 hl/hl	<b>Achieved</b> We exceeded our global and local targets with a specific water consumption of 3.07 hl/hl in 2014	
100% of our production units in water-scarce and distressed areas will have a Source Water Protection Plan		Vietnam is not in scope	

 Achieved  On track  More to do  Not on track

improvements in the water efficiency of the cooling plant. We further increased the conductivity at our boiler to reduce water wasted through boiler blowdown.

Water saving measures undertaken in Da Nang, one of HEINEKEN's top 5 water performance breweries, will be further covered in a case study below.

### Specific Water Consumption<sup>18</sup> (hl/hl beer)

2014

Group Average 3.9

VBL Performance 3.07

2013

Group Average 4.1

VBL Performance 3.3

2012

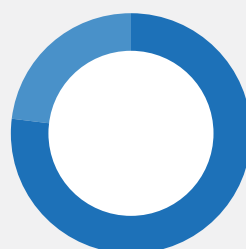
Group Average 4.2

VBL Performance 3.8

### Water Sources

Our breweries obtain our water primarily from ground water (77%), while the remainder is drawn from surface water (23%).

### Source of Water



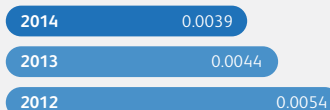
■ Ground water 77.0%  
■ Surface water 23.0%

### Waste water Management

At VBL, waste water is strictly treated to ensure the quality of water discharged to the water surface complies with laws & regulations. In 2014, the effluent organic load to surface water of the breweries in Ho Chi Minh City & Tien Giang Province were 0.0039kg/hl & 0.0115 kg/hl relatively, meeting all regulations (75mg/l wasted water ~ 0.015kg/hl beers) for discharging directly to the water surface regulated. And at our breweries in Da Nang & Quang Nam, waste water goes through quality treatment processes so that it can connect to the central waste water treatment plant of the relevant industrial zones.

In terms of total effluent organic load to surface water per year, our breweries at

### Effluent organic load discharged to surface water (kg COD/hl - Brewery in Ho Chi Minh City)



Ho Chi Minh City and Quang Nam both experienced a drop of about 2 tons in discharge. While both breweries reported a slight decrease in production levels during the year, at Ho Chi Minh City, the decrease in COD was mainly due to the increased efficiencies at our wastewater treatment plant. Here we improved conditions for the conversion of organic matter to biogas, which added to the reduction of COD levels.

A part of this treated wastewater is recycled for use in irrigation and aquarium purposes. Read more about our advanced wastewater treatment systems in our [case study](#).

We will continue to improve the quality of effluent discharge through proper environmental waste treatment and management, periodic auditing and training of our employees.

<sup>18</sup> Global baseline 2008

**Case Study:**

**Da Nang, a Top 5 water performing brewery in HEINEKEN**

Our Da Nang Brewery has made it to the second best water performing brewery across HEINEKEN group. With an impressive record of 2.86 hl/hl in 2014, our specific water consumption falls behind the number one HEINEKEN brewery in Poland by just a mere 0.16 hl/hl. So far, we have not only far exceeded our target expectation of 3.20 hl/hl, but also performed significantly better as compared to previous years.

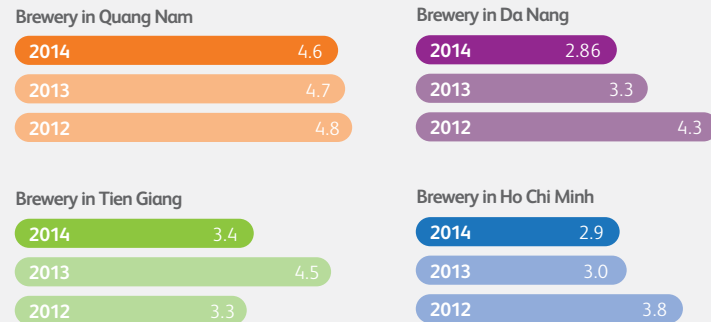
We attribute our success at Da Nang to a concerted effort of three main strategies:



Strategy	Key Measures in 2014	Water Saved as a Direct Result
1. Investing in water efficient equipment	<ul style="list-style-type: none"> <li>We switched to water-efficient tools for cleaning the cellar and our filtration systems.</li> </ul>	0.07 hl/hl
2. Improving operational procedures	<ul style="list-style-type: none"> <li>We rechanneled surplus hot water from our brew house for use in the pasteurization and cleaning-in-place processes.</li> </ul>	0.14 hl/hl
	<ul style="list-style-type: none"> <li>We also increased the speed of housekeeping activities to reduce water usage.</li> </ul>	0.05 hl/hl
3. Raising awareness among our employees	<ul style="list-style-type: none"> <li>We constantly reinforce the message of responsible water usage among our employees. Our staff is vigilant and quick to detect and report any leakages.</li> </ul>	Intangible, not quantified

We strive to become a world class brewery and hope to replicate our success in our other production sites.

**Specific Water Consumption by Brewery**



**Case Study:**

**Treating wastewater at Ho Chi Minh City**

We ensure that all effluent from our production units is treated before discharge to surface water, in order to prevent the pollution of external water bodies. To this end, we have invested heavily in world-class wastewater treatment systems to the tune of VND 200 billion at all our breweries. The first of these systems was installed at our Ho Chi Minh City Brewery in 1993 & and it was subsequently upgraded to adapt the full capacity of our brewery in 2013.

At our Ho Chi Minh City Brewery, our wastewater bio-treatment system is optimized with a pump pit, balancing tank, mur tank, anoxic tank and aeration tank. Methane is retrieved to generate thermal energy for the brewery while sludge is collected for subsequent processing to be used as fertiliser. The water remaining at the end of the treatment process is used for watering plants and supporting aquatic life in our fish pond. This is testimony to the quality of water discharged from our wastewater treatment facility.



## Reducing CO<sub>2</sub> Emissions



### Why is this important?

The operation of our breweries requires a considerable amount of energy. With rise in energy consumption, CO<sub>2</sub> emissions also grow in tandem. This contributes to climate change, causing increased incidences of extreme weather conditions that put the availability of raw materials for our operations at risk. Therefore, in support of Vietnam's 2020 national target to reduce its greenhouse gas emissions by 8 – 10% from 2010 levels, we constantly look for ways to lower our energy consumption, carbon footprint, as well as operating costs. We are committed to limiting our CO<sub>2</sub> emissions to combat climate change.

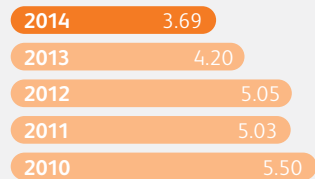
Reduced total energy consumption

**75.21 MJ/hl**

Achieved

**3.69 Kg/hl**

direct CO<sub>2</sub> emission



### Our commitments and link to BaBW targets

We have set the following priorities in support of the national cause and our global BaBW commitments.

Global Targets	VBL Targets	Performance	Indicator
Reduce CO <sub>2</sub> emissions in production by 27% <sup>19</sup> (resulting in 7.6kg CO <sub>2</sub> -eq/hl)	Direct CO <sub>2</sub> emissions capped at 3.89 kg/hl	<b>Achieved</b> Produced direct CO <sub>2</sub> emissions of 3.69 kg/hl	Overall, we reduced our CO <sub>2</sub> emissions in production from 7.3kg CO <sub>2</sub> -eq/hl in 2013 to 6.7kg CO <sub>2</sub> -eq/hl in 2014.
	Total energy consumption capped at 77.66 MJ/hl	<b>Achieved</b> Reduced total energy consumption to 75.21 MJ/hl	
Reduce the CO <sub>2</sub> emissions of our fridges by 42% <sup>20</sup>	100% Green Fridge Compliance	<b>Achieved</b> 100% Green Fridge Compliance	
Reduce the CO <sub>2</sub> emissions from distribution by 10% <sup>21</sup> in Europe and the Americas	Not Applicable to Asia Pacific		

<sup>19</sup>Baseline 2008. <sup>20</sup>Baseline 2010. <sup>21</sup>Baseline 2010/2011, scope is WE, CEE and Americas, 24 of our largest operations: Belgium, Bulgaria, France, Ireland, Italy, Netherlands, Portugal, Spain, Switzerland, UK, Austria, Belarus, Croatia, Czech Republic, Greece, Hungary, Poland, Romania, Russia, Serbia, Slovakia, Brazil, Mexico, USA

Achieved On track More to do Not on track

## Actions and Results

### Our carbon footprint

Our breweries produce nearly as much direct CO<sub>2</sub> emissions as indirect CO<sub>2</sub> emissions. Our direct emissions result primarily from fuel combustion and refrigerant losses, while indirect emissions pertain to heat import and purchased electricity.

In the coming year, we plan to conduct an extensive carbon footprint study, based on an extensive model developed by HEINEKEN that calculates the greenhouse gas emissions of the beverage life cycle. The model adopted the methodology from the WBCSD/WRI's Product Life Cycle Accounting and Reporting Standard, and will be applied across our value chain to map our carbon hotspots. The study will allow us to identify the biggest contributors to our CO<sub>2</sub> emissions and we will establish these areas as priorities for reduction in the coming years.

### Reducing CO<sub>2</sub> emissions in production

In 2014, we had brought our total specific CO<sub>2</sub> emissions down to 6.7 kg CO<sub>2</sub>-eq/hl, which was a reduction of 8.7% as compared to 2013. At 6.7 kg CO<sub>2</sub>-eq/hl, we had outperformed the HEINEKEN group average of 7.2 kg CO<sub>2</sub>-eq/hl. Despite higher production volumes in 2014, we

#### Specific Greenhouse gas emissions

(kg CO<sub>2</sub>-eq/hl beer)

2014

Group Average 7.2

VBL Performance 6.7

2013

Group Average 7.7

VBL Performance 7.3

2012

Group Average 8.4

VBL Performance 8.2

have successfully achieved this reduction through improving our energy efficiency for both thermal and electrical energy. We also replaced high CO<sub>2</sub>-intensive fuels with cleaner sources of energy such as biomass and biogas at our Da Nang and Ho Chi Minh City breweries. Further, we have always made use of the CO<sub>2</sub> generated from our operations in bottling our beers.

### Reducing energy consumption

In 2014, we used 75.2 MJ of energy to produce one hectoliter of beer. This represented an improvement from our prior year consumption by 7.1%, and is much lower as compared to the HEINEKEN group average of 97 MJ/hl.

#### Total specific energy consumption

(MJ/hl beer)

2014

Group Average 97

VBL Performance 75.2

2013

Group Average 103

VBL Performance 80.9

2012

Group Average 107

VBL Performance 96.6

In alignment with HEINEKEN's methodology, we define our total specific energy consumption as: thermal energy (MJ/hl) + 3.6 times electrical energy (kWh/hl). This figure excludes energy used in on-site logistics, as it accounts for only a small proportion of our total energy consumption in beverage production. Furthermore, we only report the consumption of purchased energy so as to encourage the use of on-site generated biogas as a replacement for fossil fuel. In 2014, 2.1 MJ/hl of energy was harnessed from the recovery of methane gas (biogas) generated at our wastewater treatment plants.

### Thermal Energy

In 2014, our specific thermal energy consumption showed a 9% decrease to 50.3 MJ/hl from 54.9 MJ/hl in 2013. At 50.3 MJ/hl, our specific thermal energy consumption was lower than the HEINEKEN group average of 67.7 MJ/hl. This was attributable to considerable investments in energy optimization at our

#### Specific thermal energy consumption

(MJ/hl beer)

2014

Group Average 67.7

VBL Performance 50.3

2013

Group Average 72.8

VBL Performance 54.9

2012

Group Average 77

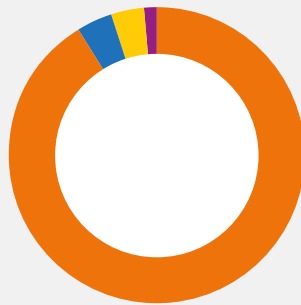
VBL Performance 69

Da Nang and Tien Giang brewery, which had achieved significant improvements in specific thermal energy consumption of more than 10%. Among the measures taken were the installation of heat recovery systems for energy recuperation, installation of higher efficiency boilers, better insulation of the hot water system, reducing the wort evaporation rate from 4.5% to 4% and reducing the temperature of the bottle washer from 80°C to 75°C. Costing a total of VND 7,006,868,159, we were able to save an estimated 25.6 MJ/hl directly as a result of the initiatives. More details can be found in our case study on the Da Nang brewery.

### Fuel Sources

Our thermal energy is primarily produced using liquid fuels (91.2%) such as diesel. While there is room for improvement, we use a reasonable amount of biomass and biogas at our breweries, amounting to approximately 8% of all fuels used. We also run our operations on a small amount

Types of fuel used



Liquid fuels (Diesel, Fuel, Oil, Gas oil, Kerosine)	91.2%
Biogas	4.0%
Biomass	3.6%
Gaseous fuels (LPG, natural gas, propane)	1.2%

of gaseous fuels (1.2%) such as liquefied petroleum gas. Moving forward, we aim to reduce our dependency on gaseous fuels in favour of biogas and biomass.

Electricity Consumption

Our specific electricity consumption saw a 4.1% decrease from 7.2 kWh/hl in 2013 to

Specific electricity consumption (kWh/hl beer)

2014

Group Average 7.7

VBL Performance 6.9

2013

Group Average 8.4

VBL Performance 7.2

2012

Group Average 8.4

VBL Performance 7.7

6.9 kWh/hl in 2014, outperforming the HEINEKEN group average of 7.7 kWh/hl. Activities were targeted toward the replacement of more electricity efficient light plates at our bottle line and utility room at our Da Nang brewery, as well as optimization strategies at our cooling plant that included minimizing the cooling and storage time of our beer and waste yeast. The activities directly yielded electricity savings of approximately 0.47 kWh/hl.

Reducing CO<sub>2</sub> emissions from fridges



Cooling of our beverages is essential to provide our consumers with a refreshing experience. However, fridges consume a considerable amount of energy (electricity), which can contribute to a substantial indirect carbon footprint. With this in mind, we pledged our commitment to the HEINEKEN Green Fridge Policy to reduce our environmental impact by purchasing new fridges and replacing all existing ones with green models.

As compared to a standard fridge, a green fridge saves up to 45% energy with the features shown in Heineken Green Fridge Policy – Features of a Green Fridge:

To date, we have achieved full compliance with the global policy.

Environmental Compliance

In 2014, we received 2 minor administrative (non-environmental) fines amounting to a total of VND 100,000,000 at our Ho Chi Minh City Brewery. We have taken responsibility for not updating, in a timely fashion, our toxic wastages after the expansion of our brewery capacity, and for not sending authorized personnel to participate in the Conference of Announcement of Environmental Inspection due to late receipt of invitation letter.

Learning from this oversight, we have immediately put in procedures for toxic waste reporting and will continue to step up all efforts to comply with all relevant environmental laws and regulations so as to avoid recurrence of such events.

Heineken Green Fridge Policy – Features of a Green Fridge

1. Use of a hydrocarbon refrigerant
2. LED illumination
3. Energy-efficient fans
4. An energy management system, wherever legally and technically possible

**Case Study:****Investing in energy optimization at Da Nang**

In 2013, we embarked on a capacity extension project at our Da Nang brewery, due to the rapid growth of our business. From the design of our extension to the installation of equipment, we sought opportunities to reap economic benefits while optimizing efficiency and energy use. We completed the construction of our new extension this year.

One prominent investment at our new extension was an energy recovery system. Comprising of a vapour condenser, energy storage tank, and wort pre-heater, the system helps reduce significantly the energy input required in the heating of wort. For our new purchased compressed air machines, only the ones with high efficiency motors are chosen, while larger evaporative condensers were installed at our cooling plant. The latter helps reduce the condensation temperature, thereby increasing the efficiency of the ammonia

compressor. All pumps and fans in both plants were equipped with variable speed drives for optimum control and less energy consumption.

As a result of these enhancements, 2014 saw a tremendous improvement in energy and water consumption ratios, which can be highlighted as follows:

We are very encouraged by this improvement and will continue to look for ways to increase our energy efficiency.

Parameter	Before optimization	After optimization	% improvement
Thermal energy consumption (MJ/hl)	114.0	52.9	53.6
Electricity consumption (kWh/hl)	11.2	6.8	39.3
Water consumption (hl/hl)	5.0	2.9	42.0

**Case Study:****Harnessing clean energy at Da Nang and Ho Chi Minh City**

As part of our commitment to reduce our carbon footprint, we are decreasing our reliance on fossil fuels through the introduction of renewables as part of the energy mix. Our biomass and biogas investments at our Da Nang and Ho Chi Minh City breweries are prime examples of this strategy.

In 2014, our Da Nang brewery switched from diesel to biomass as boiler fuel, reducing direct CO<sub>2</sub> emissions as a result. Under this initiative, a third party supplier is engaged to purchase rice husks from local farmers, which are then burned to boil water for conversion to steam. With a capacity of 30 tonnes of steam per hour, this clean source of energy has since cut CO<sub>2</sub> emissions at the brewery by 16%, in two months, equivalent to an estimated annual savings of 1,080 tonnes of CO<sub>2</sub> emissions. One key advantage of biomass fuel is that it is carbon neutral. The CO<sub>2</sub> released during the burning process has already been absorbed by the plant during its lifecycle.

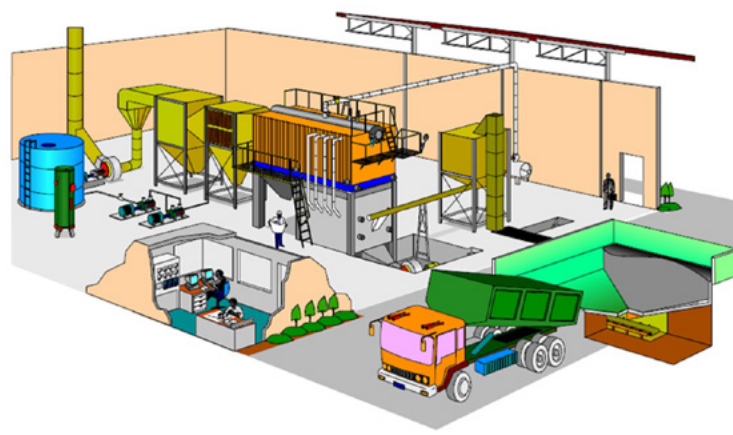
In addition to reducing our carbon footprint and mitigating the effects of global warming, the local community has also benefitted from the programme. Before the implementation of this programme, rice husks, associated as waste products from the growing of rice, were commonly burned at farms, posing

as an environmental and health risk to the local community. The programme has not only reduced the risks of such backyard burning, but also provided farmers with additional income from the sale of rice husks to our brewery.

At our Ho Chi Minh City brewery, our wastewater treatment plant is installed with biogas recovery capabilities. Waste water, which is a by-product in beer production, contains biodegradable organic compounds which can be broken down in the absence of oxygen to produce biogas, an alternative source of energy to fossil fuels. The process of harnessing biogas (essentially methane) typically involves the removal of impurities

like moisture before it can be used as a source of thermal energy to produce beer. The resulting biogas is used as fuel by our dual burner. The dual burner is able to run on both biogas and conventional diesel, with the usage of diesel regulated depending on the amount of input of biogas. In 2014, the use of biogas has contributed to about 9% reduction in CO<sub>2</sub> emissions in the brewery. (approximately 1,100 CO<sub>2</sub>-eq/year)

Following the success of the biomass and biogas programmes in our Da Nang and Ho Chi Minh City breweries, we plan to expand the initiatives to our Tien Giang brewery in 2015.

**BIOMASS BOILER FACTORY MODEL**



## Growing with Communities



### Why is this important?

The long-term growth of our business is built upon stable, thriving communities. We understand that our presence in our communities of operation may have wider economic, environmental and social implications, and have committed ourselves to creating lasting, positive impacts through investing in programmes that give back to society.

### Actions and Results

In 2014, our overall contributions totaled VND 10.7 billion which is a 15.5% increase compared to 2013. Consistent with our priorities, the majority of our corporate giving in 2014 was directed to community investment projects rather than philanthropy, and centered primarily on the objective of protecting the environment (water), followed by education. Our case studies highlight a few of our more prominent community investment projects.

**VND10.7**

billion invested

**+15.5%**

compared to 2013 investment budget

**61%** community investment

**39%** philanthropy

## Our commitments

Rather than general philanthropy, our corporate giving is aimed at strategic community investments in our priority areas of water and education.

### Water

As a business which is heavily dependent on water resources, it is our responsibility to invest actively in the protection and conservation of water to address the actual and potential impacts of our operations on local communities.

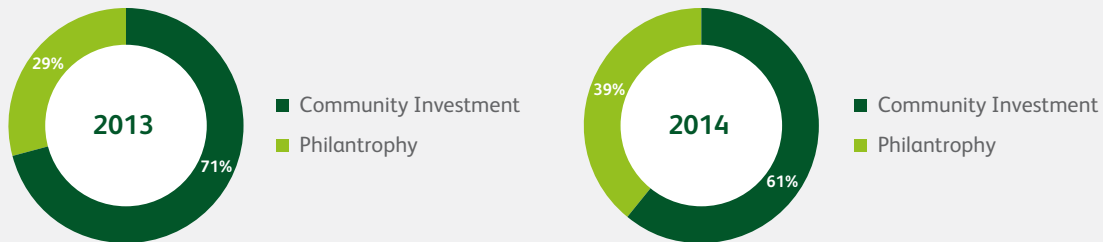
### Education

We want to ensure that our success as a business helps the communities in which we operate to prosper. Even though Vietnam has achieved impressive economic growth over the last two decades, the income disparity between the rich and poor has widened. It is our hope that providing educational scholarships for those in need will eradicate poverty through building capabilities and empowering people.

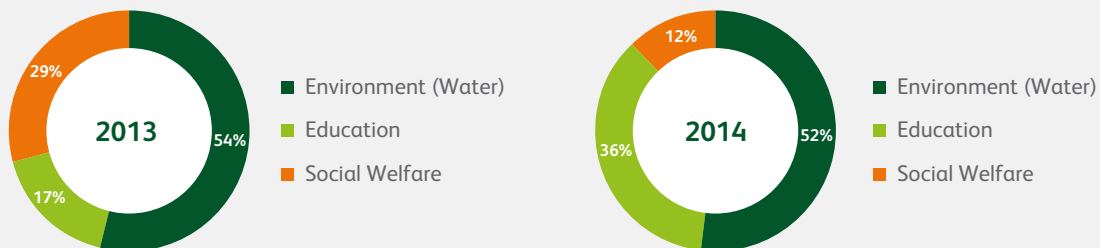
Priority Areas for Community Investment

We do not consider the promotion of responsible drinking, improvement of brand promoters' welfare and investment in operational infrastructures to be community investment. This is because these initiatives are fundamental to how we conduct our business responsibly. We consider general philanthropy as supporting charitable causes such as emergency relief.

### Contribution to Communities by Motive



### Contribution to Communities by Cause



### Case Study: Saving water through “1 minute less for million smiles”

Since its initiation in 2012, our “1 minute less for million smiles” campaign has been successful in raising public awareness of water conservation as well as bringing clean water to people in areas with limited

access to this precious resource. Every year, as part of the programme, our volunteers rally together to clean up the canals, rivers and beaches near our breweries and offices. Through the distribution of leaflets, we also spread the message of saving & protecting water resources to communities in the neighborhood, calling for commitments to conserve water through simple actions such as locking the tap while brushing teeth, and using

the correct power capacity on washing machines, etc.

In 2014, we partnered with universities and local youth unions, gathering the support of more than 2,000 volunteers to help promote awareness on the problem of water shortage. An impressive record of 94,955 water-saving commitments has been made on our website, while more than 134,152 “likes” have been recorded on our Facebook page. In 2014, we have raised a total of VND 900,000,000 to continuously support the construction of another 3 clean water projects in Tien Giang, Da Nang and Quang Nam. The latest projects in Tien Giang, Da Nang & Quang Nam consisted of building a water tower and pipelines to increase clean water accessibility to hundreds of households. In 2015, we aim to step up on our call for action by engaging with the central youth federation which will extend the reach of our programme.



### Case Study: Securing the future of water with education

We are committed to supporting the education and research efforts to safeguard our precious water resources for the sake of our future generations. Since 2012, we have spearheaded a scholarship programme “Young Talent Support Towards Water Security” for university students majoring in

Environment and Environmental Economy. Every year, 20 new scholarships worth VND 15 million each and research support worth a total of VND 600 million are granted to students and ideas that meet the criteria of the programme. The scholarship shall be continued for those that maintain excellent studying performance in the remaining years of university. In 2014, 22 students were awarded scholarships and four research topics were chosen for funding as follows:

- Research on a solution to improve the environmental quality of Tinh Tam Lake in Hue Citadel
- Research on application of GIS and WATERGEMS software for the control of pressure, flow and leak development in the water supply network system level 1, level 2 in Ho Chi Minh City
- The impact of land-use change and climate change on the hydrological regime of Cua Can River Basin, Phu Quoc, Kien Giang
- Research on wastewater treatment for cattle slaughtering and meat processing with Expanded Granular Sludge Bed model (EGSB), using the bed-bearing Polyvinyl Alcohol (PVA).  
From 2012 to 2014, we have awarded 34 scholarships to students worth VND 510 million & funded 7 research projects on water resources, making at a total value of VND 890 million



### Case Study: Spreading Tet Holiday warmth to the needy

Since Tet 2012, the annual VBL “Warm Spring” programme was designed to join hands in bringing the holiday cheer to the elderly, children and unfortunate

households and promoting the spirit of sharing within the community.

In 2014, we carried out the “Warm Spring” programme in 10 provinces including Quang Nam, Da Nang, Ho Chi Minh City, Tien Giang, Dong Thap, ... Despite remote destinations and a tight schedule at the end of the year, our

volunteer employees and business partners went the extra mile and arranged their time-off to join the programme of visiting and giving out Happy New Year greetings and presents to the needy. Together with our volunteers, we set aside a total contribution amounting to VND 908 million in cash and in-kind to aid 2,411 needy households.

In addition to Tet charity “Warm Spring”, VBL’s annual Mid-Autumn Festival program is another good deed VBL has done since 2013 realizing mid-autumn’s dreams with traditional games, fruits & cakes to remote children whose living condition may prevent them from having fun & enjoyment on this special day for children. In 2014, 329 volunteers brought mid-autumn festival to 2,389 children in 11 cities/provinces around VBL’s territory.



## Sourcing Sustainably



### Why is this important?

We recognize the part we play in influencing the business practices of our suppliers. Extensive supplier collaborations can help us to reduce the environmental and social impacts along our value chain, thereby ensuring a continuous, sustainable supply of materials that is critical to the growing demand for our products.

### Actions and Results

We have aligned ourselves with the HEINEKEN group by adopting the HEINEKEN Supplier Code in 2013. This four-step procedure applies to all 880 of our suppliers of materials and services. It sets clear guidelines for responsible sourcing practices and minimum requirements to be satisfied in the areas of Integrity and Business Conduct, Human Rights, and the Environment.

Having identified our active suppliers through a spend analysis in 2013, we began the process of implementing Step 1 of the Supplier Code Procedures in 2014. Currently, 55% of our vendors have signed the Supplier Code, exceeding our initial target of 50% supplier commitment for 2014.

Four-steps procedure applied to

# 880

suppliers


# +55%

Supplier Code signing rate

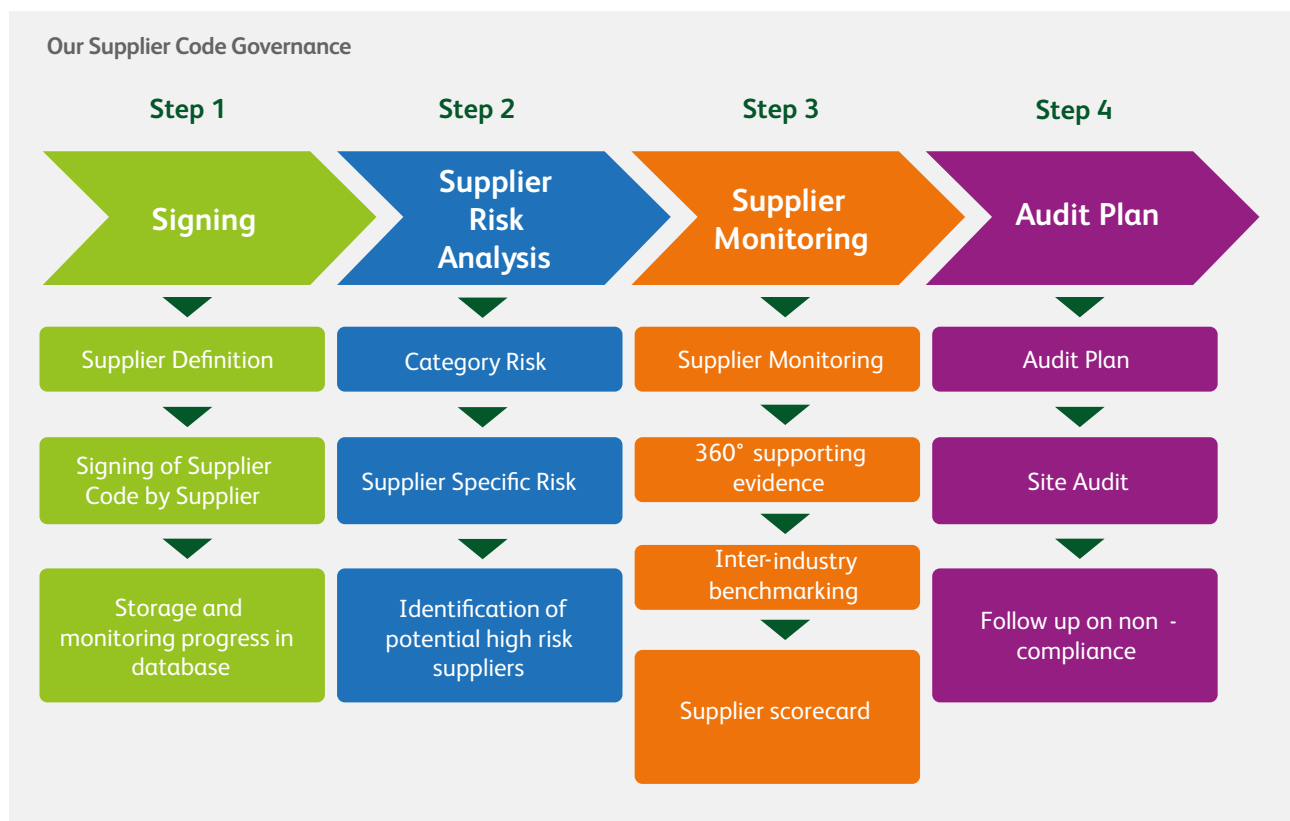
## Our commitments and link to BaBW targets

We have set down the following commitment in support of the BaBW strategy.

## Our Targets and Performance on Sustainable Sourcing

Global Targets	VBL Targets	Performance	Indicator
Aim for sustainable sourcing of raw materials for crop year 2015: 20% (barley), 40% (hops), 60% (bittersweet apples for cider) <sup>22</sup>	Not Applicable to Asia Pacific, as agricultural raw materials are imported by Heineken-approved suppliers from overseas, for consistent taste and quality.		
50% <sup>23</sup> of agricultural raw materials used in Africa to be locally sourced <sup>24</sup> within the continent		Not Applicable to Asia Pacific	
Four-step Supplier Code Procedures operational within all OpCos	To achieve at least 50% Supplier Code Signatories	<b>Achieved</b> 55% Supplier Code Signatories	

 Achieved  On track  More to do  Not on track



For full details of our Supplier Code and the corresponding four-step approach, please refer to <http://www.theheinekencompany.com/sustainability/focus-areas/sourcing-sustainably>.

<sup>22</sup>Based on Volume. <sup>23</sup>Based upon tonnage. <sup>24</sup>With local sourcing we refer to sourcing within the region of Africa & Middle East

# Promoting Health and Safety



## Why is this important?

Safeguarding the health and safety of all employees is essential to the efficiency of our operations. We recognize a safe and healthy workplace has a direct effect on employees' sense of engagement with their work, which will in turn impact our business performance. Therefore, we actively promote a "Safety First" culture in our breweries and strive to achieve a "Zero Accident" work culture.

At VBL, we have a particular focus on road safety. This is due to our past experience that most of our work-related accidents happen outside our production sites, when our people are travelling, or distributing our products. In Vietnam, the issue is more or less related to staff alcohol responsibility, as the job scope of our salespersons necessitates the need to share a drink with their customers.

Keeping in mind that health and safety is a joint responsibility between employer and employee, we will work towards enhancing the safety discipline across the company.

## Actions and Results

### Occupational Safety

Our safety committee drives our safety efforts. Represented by a total of 40 employees, the committee comprises of the Labour Safety Council, led by our Deputy Managing Director, and supported by the Brewery Safety Hygiene Team. Together, they formulate and implement strategies to improve procedures on areas such as labor safety, working conditions, and accident reporting and investigation in the company in compliance with HEINEKEN and local legal requirements.

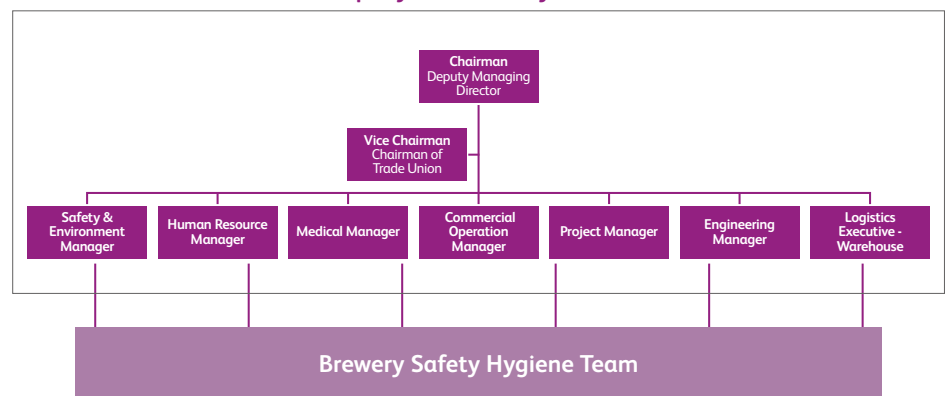
# 80%

Targeted staff took online training on Health & Safety

# -95.1%

Accident Frequency

### Company Labor Safety Council



Our Safety Committee

## Our commitments and link to BaBW targets

Promoting health and safety was introduced as a new focus area under BaBW in 2014. We are currently making progress on the implementation of its commitments, and will report a full picture of performance in the coming year.

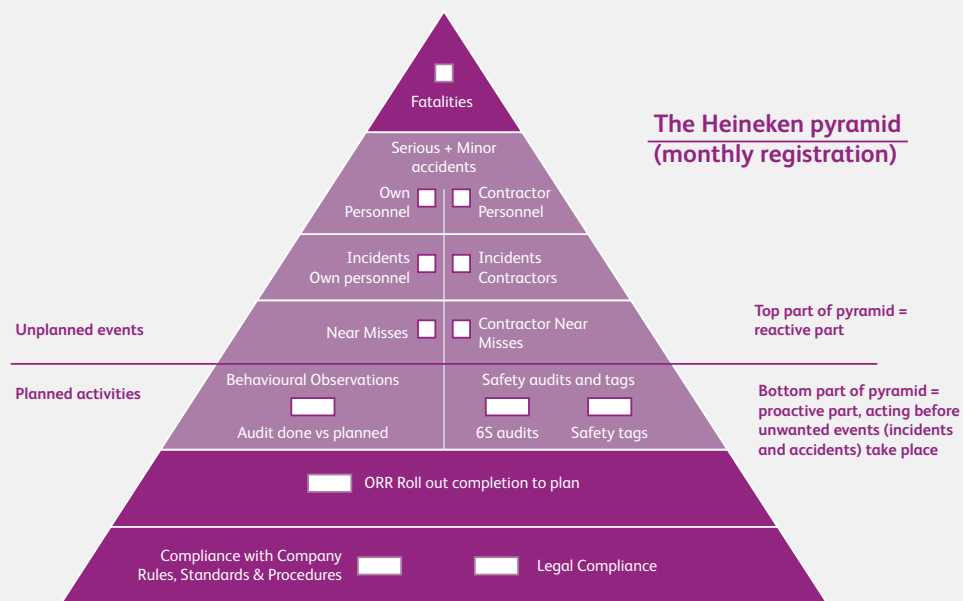
## Our Targets and Performance on Promoting Health and Safety

Area	Metric	Global Targets	VBL Targets	Performance	Indicator
Production	Accident Frequency	10% reduction	10% yearly reduction	<b>Achieved</b> 95.1% reduction	
Outside production	Percentage of sites reporting at least one near-miss per quarter	90% of OpCos at 75% of sites	100% of sites reporting at least one near-miss per quarter	<b>More to do</b> We will begin monitoring our progress in 2015.	
Company-wide	E-learning training	90% of OpCos to have trained 90% employees	50% of targeted employees trained	<b>Achieved</b> 80% of targeted employees trained	
	Fatalities	No global targets have been set for 2015.	No target set	<b>More to do</b> 2 Fatalities	

Some of the initiatives spearheaded by our safety committee include the following:

- Implementing the Safety pyramid throughout our supply chain. The Safety pyramid is essentially a concept and way of thinking to promote a safe working culture in our company. In essence, we build a strong broad foundation of the Safety pyramid through planned activities such as safety audits and mindset changes to minimize unsafe working habits. In this way, we can minimize any unplanned near-miss events which will in turn reduce the likelihood of serious accidents and fatalities.
- Continuous process of applying the Operational Risk Reduction (ORR) route to reduce the safety risks in our working environment. The ORR route consists of six steps starting with data collection on the activities and working environment of each plant, restoring basic conditions to latest safety standards, identification of hazards and hazard controls, detailed risk assessment, design and implementation of countermeasures for safety risks, and lastly standardization across the plant through monitoring activities and safety audits.
- Promoting a high level of safety awareness among our employees through active usage of the Safety Training Observation Program (STOP) system, near-miss labelling and safety tags at all levels
- Sharing best practices across the organization and the supply chain
- Organize world safety and health day every year to raise staff's awareness on safety both in work and in life
- Organizing safe-ride training as well as promoting the motobike taxi service providing to the sales force

### The Safety Pyramid



### Accident Frequency Cases/100 FTE, Production Units

2014

Group Average 0.83

0.12 VBL Performance

2013

0.22 VBL Performance

### Accident Severity Lost calendar days/FTE, Production Units

2014

Group Average 28

0.37 VBL Performance

2013

0.07 VBL Performance

## Safety Performance

In 2014, we implemented our Accident Reporting and Investigation Software programme (ARISO), in alignment with the HEINEKEN group. The ARISO system helped plug a gap we had in our previous reporting process, where safety data relating to areas outside of production was not being fully captured. The new process ensures all accidents and incidents company-wide are reported and investigated on a timely basis<sup>26</sup>. Currently, all our breweries have adopted the new system, and all applicable employees have undergone relevant training. We are in the midst of encouraging the use of ARISO for reporting outside the production units.

In 2014, the average accident frequency decreased from 0.22 accidents per 100 FTEs in 2013 to 0.12 accidents per 100 FTEs in 2014, while the average accident severity increased from 0.07 lost calendar days per FTE in 2013 to 0.37 lost calendar days per FTE in 2014. This was due to a single accident in Quang Nam, in which a mechanic had slipped and fractured his arm while standing on the edge of a wall 40cm high to drill a hole. Upon investigation, it was determined that the root causes of the accident were due to

the mechanic's negligence to perform a last minute risk assessment before starting work, as well as a lack of standard operating procedures for using portable drilling machines. In response to this accident, we have provided a refresher on last minute risk assessments for all staffs, implemented the standard operating procedures for use of the portable drilling machines, and arranged training for all mechanics and technicians.

It is regrettable that in 2014, two people lost their lives while working with us. This is a point of ongoing attention and concern. The first fatality was due to a road accident at the warehouse loading bay. A contractor driver on foot had been hit by a truck while crossing the internal road in front of the loading bay. Investigations revealed that the victim had not observed safety regulations by walking outside the designated pedestrian lane. As a result of the accident, we have taken the following measures to safeguard against a reoccurrence:

- A safety alert was issued globally
- Security personnel will strictly monitor pedestrians and insist they follow the designated pedestrian path and wait only in designated areas.
- Barriers were built between the roads and footpaths to prevent people

walking across without paying attention to their surroundings.

- The waiting areas were relocated away from the loading bay to separate the traffic flow.
- Driving speed of trucks will be monitored and controlled by installing a measurement system.
- We have been reinforcing the STOP program to re-train all transportation personnel on safety behaviours. The circumstances of the accident will be shared with all transport companies to raise awareness.

The second fatality was a sales representative. While stopping his bike by the roadside, he was killed by a passing truck. Police concluded that the truck driver had violated traffic rules and thereafter took full legal responsibilities for this accident. After this tragic accident, we implemented two programmes to protect our salesforce. Recognising that road accidents may occur not only through our actions but also from others' mistakes, we organized a course on defensive riding skills for our sales team, along with our motorbike taxi service for all salespersons. Read more about our motorbike taxi service in our case study under the "Advocating Responsible Consumption" section.

<sup>26</sup> As this process was not fully in place throughout the year, there may be under-reporting for areas outside of production for the full year of 2014.



## Employee Health and Well-being

As a food processing company, it is mandatory for all new hires to be checked for no contagious diseases. At VBL, we go beyond the statutory requirement and provide individual follow-up consultation sessions for each employee after the initial

medical checkup results have been released. Our in-house doctor has a full record of each employee's health and provides personal, direct medical care, looking after the health of every employee with regular tailored checkups. The follow-up medical advice is also extended to potential hires even though not eventually recruited.

### Case Study: Health and Safety Day

We are proud to be the first company in Vietnam to respond to the Heineken World Health & Safety Day with our own event. Our 2014 Health and Safety Day focused on raising awareness among our employees on how to stay healthy and safe.

Themed "Safety - Don't Think It, Live It", a slew of fun-filled activities were organized for around 680 participants. Making employees more aware of the importance of health and safety in a fun manner is an excellent way of engaging with our employees. We hope to increase the staff participation at our event next year to further extend the reach of our health and safety message.

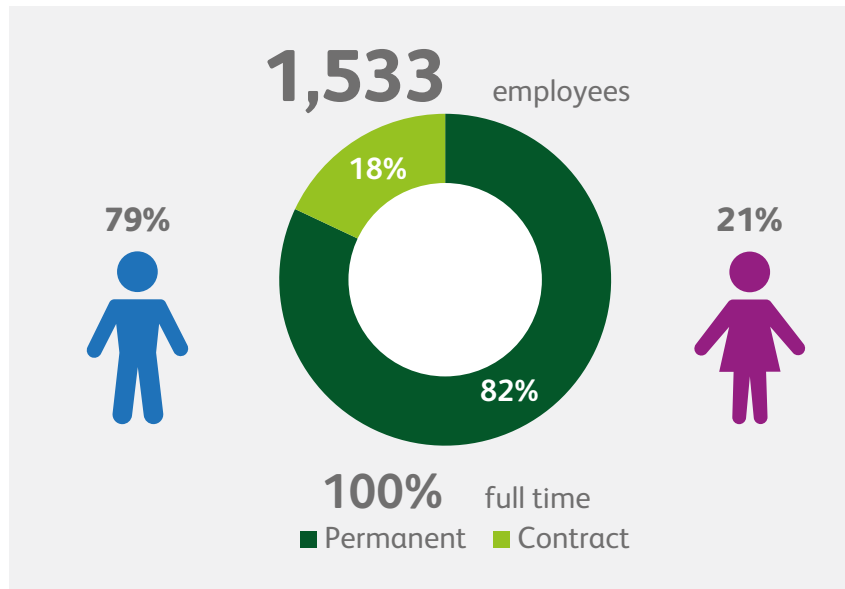


### Case Study: Keeping fit with Annual Sports Day

We believe that focusing on the benefits of a healthy lifestyle keeps our employees motivated and productive. On 24 May 2014, our annual company Sports Day took place at Thanh Long Sports Centre, Ho Chi Minh City, with the participation of more than 390 athletes and spectators from our offices and breweries nationwide. Our VBL athletes competed in 7 exciting categories which included football, tug of war, tennis, table tennis, badminton, race and swimming.

Besides encouraging our employees to keep fit, the yearly event is a celebration of internal solidarity, allowing our employees plentiful opportunities for interaction and team building.

# Values and Behaviours



Our Company Values

## Profile of the Workforce

Our employees are the foundation of our success. How they conduct themselves is integral to how we conduct our business and achieve our objectives. To this end, we have a set of core values and a suite of policies to guide and embed key behaviours into our culture and processes.

We are committed to conducting business with integrity, fairness and respect for the law and our values. This commitment is laid down in the HEINEKEN Code of Business Conduct, which we abide by. This replaces our previous code of conduct which shares similar principles.

The HEINEKEN Rules (HeiRules) are a set of 37 rules that define how we work and conduct our day-to-day business, in order to ensure that our growth remains sustainable. This requires us to act with integrity and respect for our long-standing values of Respect, Enjoyment, Passion, and Quality. Each rule consists of an objective, key dos and don'ts, as well as risks of non-compliance and controls that need to be set in place to mitigate the risks. Each HeiRule has references to relevant HEINEKEN Standards and Procedures, which explain in detail the implementation, execution and compliance of the HeiRule.

## Business Conduct and Employment Practices

### HEINEKEN Code of Business Conduct



Available in more than 30 languages, the HEINEKEN Code reflects the basic principles that each and every employee must observe when acting for or on behalf of the company. It encompasses policies and regulations from Personal, Commercial and Company Integrity perspective, covering a range of topics from employees' and human rights, conflicts of interest, bribery, to confidential information.

### HEINEKEN Rules



### SpeakUp

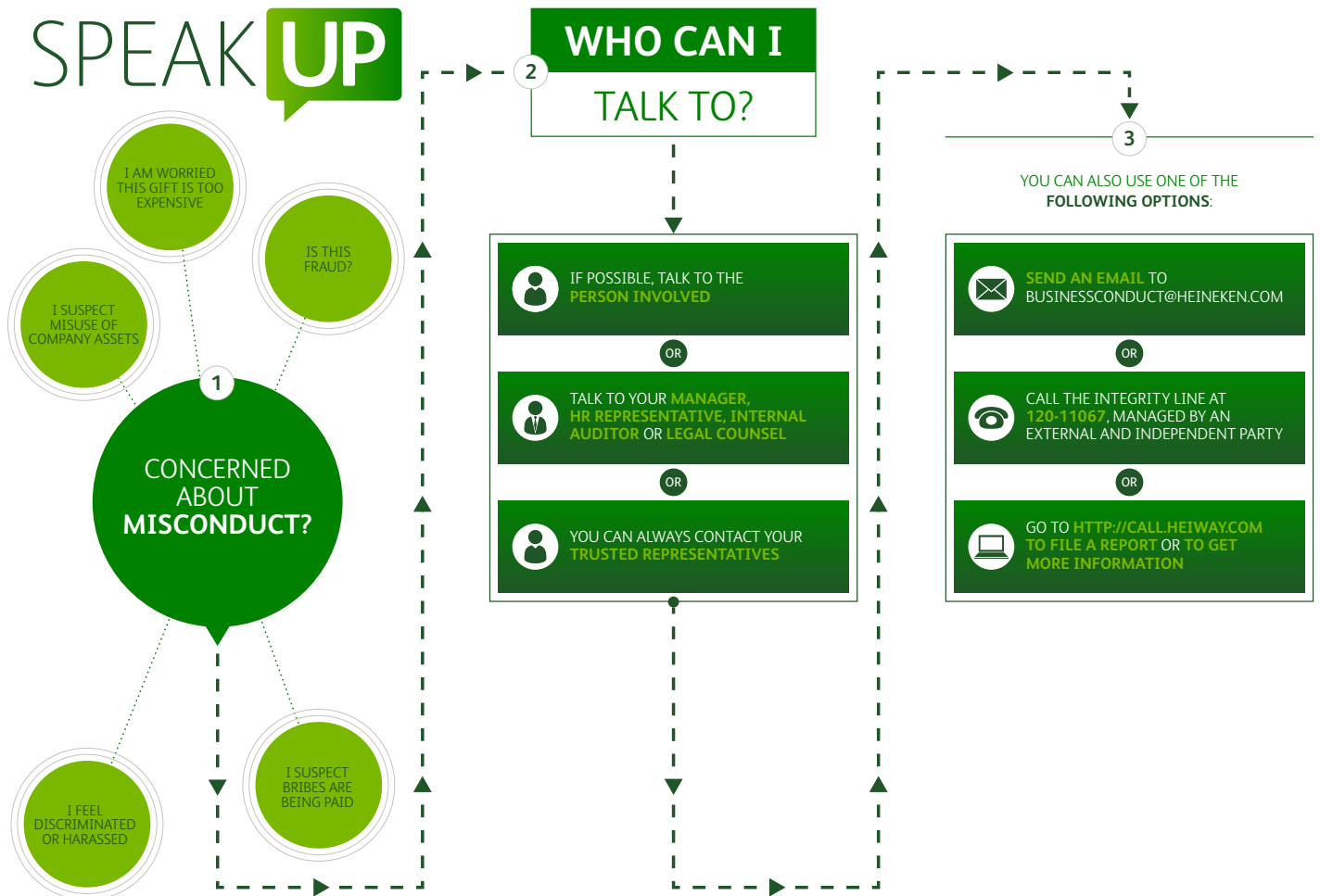
The SpeakUp Policy is a new initiative that encourages our people, or any member of the general public, to speak up in confidence and without fear of retaliation whenever they think they see a breach of conduct. This enables us to address the issue and take appropriate action. This service is managed by an independent party, EthicsPoint, a US-based corporation that deals with regulatory compliance software. Once a report is lodged, the reporter can follow up on the status with a dedicated hotline number, website, contact

numbers and email address. We will report on our use of the Speak Up service in 2015.

### Training and Education

We are currently in the midst of training our staff on the HEINEKEN Code, HeiRules and the SpeakUp Policy. We have scheduled to complete the training in 2015.

### Process of our SpeakUp Policy



# Global Reporting Initiative (GRI) Index

## General Standard Disclosures

Profile Disclosure	Description	Cross-Reference/Direct Answer
<b>Strategy and analysis</b>		
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	Managing Director's Foreword (P01)
<b>Organizational Profile</b>		
G4-3	Name of the organization	About Vietnam Brewery Limited (P02)
G4-4	Primary brands, products, and/or services	About Vietnam Brewery Limited (P02)
G4-5	Location of organization's headquarters	About Vietnam Brewery Limited (P02)
G4-6	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	About Vietnam Brewery Limited (P02)
G4-7	Nature of ownership and legal form	About Vietnam Brewery Limited (P02)
G4-8	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	About Vietnam Brewery Limited (P02)
G4-9	Scale of the reporting organization	About Vietnam Brewery Limited (P02)
G4-10	Total workforce by employment type, gender, employment contract and region	Snapshot of our Workforce (P40)
G4-11	Percentage of employees covered by collective bargaining agreements	All our employees are covered by collective bargaining agreements.
G4-12	Description of the organization's supply chain	Value Chain – From Barley to Bar (P11), Sourcing Sustainably: Actions and Results (P34)
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	There were no significant changes during the reporting year.
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization	Crisis Management (P10)
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	Advocating Responsible Consumption: Partnerships for Progress (P17) HEINEKEN is a signatory to the UN Global Compact (UNGC). HEINEKEN endorses the principles enshrined within the Universal Declaration of Human Rights and the Core or Fundamental Conventions of the International Labour Organization (ILO) based on respect for the dignity of the individual without distinction of any kind.
G4-16	Memberships in associations (such as industry associations)	Advocating Responsible Consumption: Our commitments and link to BaBW targets (P17), Responsible Marketing (P21), Partnerships for Progress (P22)

## General Standard Disclosures

Profile Disclosure	Description	Cross-Reference/Direct Answer
<b>Identified material aspects and boundaries</b>		
G4-17	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures (List all entities in the consolidated financial statements)	About Vietnam Brewery Limited (P02)
G4-18	Process for defining report content and the Aspect Boundaries and explain how the Reporting Principles has been implemented	Report Boundary (P03), Our Materiality Assessment and Focus Areas (P08)
G4-19	List all material Aspects identified	Our Materiality Assessment and Focus Areas (P08)
G4-20	The Aspect Boundary within the organization: Whether the Aspect is material within the organization; The list of entities included in G4-17 for which the Aspect is or is not material; Specific limitation regarding the Aspect Boundary within the organization	Report Boundary (P03)
G4-21	The Aspect Boundary outside the organization: Whether the Aspect is material outside the organization; The list of entities for which the Aspect is material, relate to geographical location; Specific limitation regarding the Aspect Boundary outside the organization	Report Boundary (P03)
G4-22	Explanation of the effect of any restatements	Not applicable as this is the first year of reporting
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	Not applicable as this is the first year of reporting
<b>Stakeholder engagement</b>		
G4-24	List of stakeholder groups engaged by the organization	Stakeholder Engagement and Communications (P12)
G4-25	Basis for identification and selection of stakeholders with whom to engage	Stakeholder Engagement and Communications (P12)
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Stakeholder Engagement and Communications (P12)
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting; Report the stakeholder groups that raised each of the key topics and concerns	What our stakeholders told us and how we responded (P14)
<b>Report Profile</b>		
G4-28	Reporting period	Reporting Period, Cycle and Standards (P03)
G4-29	Date of most recent previous report	Not applicable as this is the first year of reporting
G4-30	Reporting cycle	Reporting Period, Cycle and Standards (P03)
G4-31	Contact point for questions regarding the report or its contents	Reference Information (P48)
G4-32	a. Report the 'in accordance' option the organization has chosen b. Report the GRI Content Index for the chosen option	Reporting Period, Cycle and Standards (P03)
G4-33	Policy and current practice with regard to seeking external assurance for the report	Assurance (P03)

## General Standard Disclosures

Profile Disclosure	Description	Cross-Reference/Direct Answer
<b>Governance</b>		
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	Sustainability Governance (P10)
<b>Ethics and Integrity</b>		
G4-56	Describe the organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Company Values (P40), Business Conduct and Employment Practices (P40)

## Specific Standard Disclosures: Disclosure on Management Approach (DMAs)

GRI Aspect	HEINEKEN Focus Areas	Cross-Reference
Economic Performance	Not a HEINEKEN focus area	HEINEKEN Annual Report 2014, Report of the Executive Board: Operational Review (P9-15), Regional Review (P19)
Indirect Economic Impacts	Not a HEINEKEN focus area	Growing with Communities (P31)
Energy	Reducing CO <sub>2</sub> emissions	Reducing CO <sub>2</sub> Emissions (P27)
Water	Protecting water resources	Protecting Water Resources (P24)
Emissions	Reducing CO <sub>2</sub> emissions	Reducing CO <sub>2</sub> Emissions (P27)
Effluent and Waste	Protecting water resources	Wastewater Management (P25)
Environmental Compliance	Reducing CO <sub>2</sub> emissions	Reducing CO <sub>2</sub> Emissions (P29), Protecting Water Resources (P24)
Transport	Reducing CO <sub>2</sub> emissions	Reducing CO <sub>2</sub> Emissions (P27)
Overall Environmental	Reducing CO <sub>2</sub> emissions	Reducing CO <sub>2</sub> Emissions (P27)
Supplier Environmental Assessment	Sourcing sustainably	Sourcing Sustainably (P34)
Occupational Health and Safety	Promoting health and safety	Promoting Health and Safety (P36)
Supplier Assessment for Labor Practices	Sourcing sustainably	Sourcing Sustainably (P35)
Supplier Human Rights Assessment	Sourcing sustainably	Sourcing Sustainably (P35)
Local Communities	Growing with communities	Growing with Communities (P31)
Compliance	Growing with communities	Growing with Communities (P31)
Supplier Assessment for Impacts on Society	Sourcing sustainably	Sourcing Sustainably (P35)
Customer Health and Safety	Advocating responsible consumption	Advocating Responsible Consumption (P19)
Product and Service Labelling	Advocating responsible consumption	Advocating Responsible Consumption (P22)
Marketing Communications	Advocating responsible consumption	Advocating Responsible Consumption (P22)
Compliance	Advocating responsible consumption	Advocating Responsible Consumption (P22)

## Specific Standard Disclosures: Performance Indicators

Profile Disclosure	Description	Cross-Reference/Direct Answer
<b>Economic Performance</b>		
G4-EC1	Direct economic value generated and distributed, including revenues, operating costs, employee wages and benefits, payments to providers of capital, payments to government (by country) and community investments; EVG&D separately at country, regional or market level	About Vietnam Brewery Limited (P02), Growing with Communities: Actions and Results (P31)
<b>Indirect economic impacts</b>		
G4-EC7	Development and impact of infrastructure investments and services supported	Case Study: Saving water through “1 minute less for million smiles” (P33), Case Study: Securing the future of water with education (P33)
G4-EC8	Significant indirect economic impacts, including the extent of impacts	About Vietnam Brewery Limited (P02)
<b>Environmental</b>		
<b>Energy</b>		
G4-EN3	Energy consumption within the organization	Reducing energy consumption (P28)
G4-EN5	Energy intensity	Reducing energy consumption (P28)
G4-EN6	Reduction of energy consumption	Reducing energy consumption (P28)
<b>Water</b>		
G4-EN8	Total withdrawal by source	Water Sources (P25)
G4-EN10	Percentage and total volume of water recycled and reused	Wastewater Management (P25)
<b>Emissions</b>		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Our carbon footprint (P28), Reducing CO <sub>2</sub> emissions in production (P28)
G4-EN16	Indirect greenhouse gas (GHG) emissions (Scope 2)	Our carbon footprint (P28), Reducing CO <sub>2</sub> emissions in production (P28)
G4-EN18	Greenhouse gas (GHG) emissions intensity	Reducing CO <sub>2</sub> emissions in production (P28)
<b>Effluents and waste</b>		
G4-EN22	Total water discharge by quality and destination	Wastewater Management (P25)
<b>Compliance</b>		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Environmental Compliance (P29)
<b>Overall</b>		
G4-EN31	Total environmental protection expenditures and investments by type	Reducing CO <sub>2</sub> Emissions: Thermal Energy (P28), Protecting Water Resources: Case Study: Treating wastewater at Ho Chi Minh City (P26)
<b>Supplier environmental assessment</b>		
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Sourcing Sustainably: Actions and Results (P34)
<b>Social</b>		
<b>Labour practices and decent work</b>		
<b>Occupational health and safety</b>		
G4-LA5	Percentage of total workforce represented in formal joint management – worker health and safety committees that help monitor and advise on occupational health and safety programmes	Promoting Health and Safety: Occupational Safety (P36)

## Specific Standard Disclosures: Performance Indicators

Profile Disclosure	Description	Cross-Reference/Direct Answer
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Promoting Health and Safety: Safety Performance (P38)
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	Promoting Health and Safety: Why is this important? (P36)
<b>Supplier assessment and labour practices</b>		
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	Sourcing Sustainably: Actions and Results (P34)
<b>Human rights</b>		
<b>Supplier human rights assessment</b>		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Sourcing Sustainably: Actions and Results (P34)
<b>Local communities</b>		
G4-SO1	Percentage of Operating Companies with implemented local community engagement, impact assessments, and development programmes	Advocating Responsible Consumption: Responsible Marketing (P21), Partnerships for Progress (P22), Growing with Communities: Our commitments (P32)
G4-SO2	Operating Companies with significant actual or potential negative impacts on local communities	Advocating Responsible Consumption: Why is this important? (P17), Protecting Water Resources: Why is this important? (P24)
<b>Compliance</b>		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Responsible Marketing (P21), Environmental Compliance (P29), Product Safety, Quality and Hygiene: Compliance (P19)
<b>Supplier assessment for impacts on society</b>		
G4-SO9	Percentage impacts of new suppliers that were screened using criteria for impacts on society	Sourcing Sustainably: Actions and Results (P34)
<b>Product responsibility</b>		
<b>Customer health and safety</b>		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Product Safety, Quality and Hygiene (P19)
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	Product Safety, Quality and Hygiene: Compliance (P19)
<b>Product and service labelling</b>		
G4-PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	Responsible Product Labelling (P22)
<b>Marketing communications</b>		
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Responsible Marketing (P21)
<b>Compliance</b>		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Product Safety, Quality and Hygiene: Compliance (P19)



# Appendix

## Definition of Parameters and Indicators

### Environmental parameters and indicators

Parameters	Definition
Thermal energy consumption	Consumption of thermal energy in MJ (the corresponding CO <sub>2</sub> emission is derived from this figure using the WBCSD Protocol)
Electricity consumption	Consumption of electrical energy in kWh
	Water consumption in m <sup>3</sup>
Solid waste disposal	Non-recycled waste in kg such as hazardous waste, wastewater treatment sludge and industrial waste
COD load of effluent	The chemical oxygen demand of treated or untreated wastewater leaving the production unit and discharged to surface water in kg
Number of complaints	External complaints related to nuisance
Number of external environment-related incidents	Incidents related to environment and safety which had an impact outside the production unit

Performance indicators	Definition
Specific thermal energy consumption	Consumption of thermal energy in MJ
Specific electricity consumption	(the corresponding CO <sub>2</sub> emission is derived from this figure using the WBCSD Protocol)
Specific total energy consumption	Consumption of electrical energy in kWh
Specific CO <sub>2</sub> emission	Water consumption in m <sup>3</sup>
Specific water consumption	Non-recycled waste in kg such as hazardous waste, wastewater treatment sludge and industrial waste

### Safety parameters and indicators

Parameters	Definition
Fatal accidents	Fatalities of production unit staff and contractor personnel
Accidents	Accidents of production unit staff and contractor personnel
Lost days	Absence due to an accident, own staff in calendar days
Workforce	Expressed in Full-Time Equivalents (FTE)

Performance indicators	Definition
Accident frequency	Number of accidents resulting in absence from work per 100 FTE
Accident severity	Lost days from work per 100 FTE

# Reference Information

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### Let us know your thoughts

We are fully committed to listening to our stakeholders and we welcome your feedback on our sustainability report and any aspect of our sustainability performance.

Please address your views and suggestions to: [baocaobenvung@vbl.com.vn](mailto:baocaobenvung@vbl.com.vn)

### Tran Minh Triet

Corporate Affairs Director

### Le Thi Ngoc My

CSR Manager

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