

Sustainability Report 2015

Brewing a better Vietnam



The 2030 Agenda for Sustainable Development saw countries committing to do their parts in improving water quality and conserving water. As Vietnam has been experiencing more droughts and rising sea levels, water security has become a growing concern for our nation and the people. At Heineken Vietnam Brewery Limited Company (Heineken Vietnam Brewery), we recognize our responsibility to utilize and conserve water resources for our neighboring communities. We continue to do this by reducing the amount of water used in production through innovation and change in behaviors, ensuring the safe discharge of brewery effluent, and collaborating with stakeholders in our various water stewardship efforts.

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Managing Director's foreword



2015, another great year for Heineken Vietnam Brewery on our sustainability agenda

We are delighted to see that sustainability is perceptibly gaining more well-deserved attention across the globe and in Vietnam. While continuing to work on our key focus areas aligned with the HEINEKEN global sustainability strategy, we have proactively had dialogues in 2015 with both internal and external stakeholders on materiality issues and received very valuable feedback for our agenda.

What we have done in response to our stakeholders is reflected in page 12 and 13). A key concern of one of our major stakeholders, the Government, is national productivity. At Heineken Vietnam Brewery, our focus on zero-loss in all dimensions of our operations commenced many years ago, and currently stands out as one of the highest within the HEINEKEN group. Our achievement is attributable to our adoption of the Total Productivity Management (TPM) methodology, consistent investment in improving efficiency, and our long-standing culture of championing learning, achieving zero-loss, and ensuring safety, which have been reinforced by our commitment to encourage change in behaviours in our people.

In 2015, the United Nations introduced the Sustainable Development Goals with the aim of ending poverty by 2030 and to address a broad set of additional Corporate Social Responsibility objectives. This has provided additional impetus for our sustainable approach "Brewing a Better Vietnam". We continue our efforts and progress in promoting responsible consumption, preserving water resources, reducing CO₂ emissions, harnessing clean energy, and contributing to economic growth.

Continuous progress

Becoming better never stops, and at Heineken Vietnam Brewery we make persistent efforts to improve the effectiveness of our sustainability agenda.

Our responsible drinking initiative continues to be rolled out to the wider community. In 2015, we reached out to youths, by running the "Enjoy Responsibly Day" program at local universities for the first time.

Furthermore, 2015 saw us joining hands with Heineken Hanoi Brewery Company Limited as one unified voice of HEINEKEN in Vietnam, and holding the first dialogue on alcohol abuse with the Central Government. We now have a more acute understanding of the government's concerns, and are pushing ahead with joint programs in the coming years.

To protect water resources, we replicated our state-of-the-art wastewater management systems, and water conservation technologies across all our breweries in Vietnam. Our Da Nang brewery remains the second best performing brewery in water management across the HEINEKEN group (globally comprising 167 breweries). We also continued to develop our long-term water community program, "1 Minute Less for Million Smiles", under a new three-year partnership with the Central Youth Union. Our environmental scholarship program "Towards Water Security" saw several of our underprivileged scholars completing university and securing jobs in the environmental field.

Reducing CO₂ emissions remains one of our first priorities with our continual investment in biomass technology at all breweries of Heineken Vietnam Brewery. Specifically in 2015, our Da Nang brewery achieved a 100% reliance on biomass and biogas for its energy requirements. We are proud to add that three of our breweries are among the Top 5 performing breweries in both low energy

consumption on an intensity basis and year on year percentage reduction in absolute energy, across the HEINEKEN group.

We have stepped up on our yearly training and activities to put workplace safety and health as a top priority throughout the company. We have striven to make "Put Safety First" as our foremost corporate culture, and thereby achieve a mindset shift in every single employee at Heineken Vietnam Brewery to ensure safety at all three spheres – at work, home and on the road.

We practice sustainable and local sourcing. 75% of our packaging materials are locally sourced, creating demand and jobs in the domestic market, and benefitting smallholder farmers and factories. At the same time, we gain cost savings and reductions on our transport-related carbon footprint.

Looking forward

Following Heineken Vietnam Brewery's first sustainability report released last year, we have received constructive feedback and comments from many of our stakeholders and our employees. These responses have been very helpful in enabling us to move forward on the right track, contributing increasingly to the economy, our communities and our business in Vietnam.

We are clear that to address responsible drinking most effectively, we should continue to work closely with both our internal and external stakeholders. We have made positive moves in 2015 by running the responsible drinking program more widely and had new action plans after our in-depth dialogues with the Government; however, there is still a distance to cover to instil a responsible drinking mindset in all our customers and consumers.

As we continue our long-term journey towards "Brewing a Better Vietnam", as further inspiration to our own staunch commitment, we look forward to support from our people and stakeholders.

I would like to take this opportunity to express our sincere thanks to you all for your interest in our sustainability reporting. Your views will continue to be pivotal in improving our implementation of our sustainability agenda next year, and in the years to come.

Heineken Vietnam Brewery will proudly celebrate its 25th Anniversary in 2016. On this occasion, I would like to extend our heartfelt thanks to all our stakeholders, business partners, customers and consumers for your steadfast support and cooperation, without which we could not have made Heineken Vietnam Brewery what it is today.

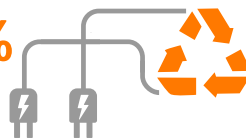
Leo Evers

Managing Director
July 2016

Engaged
1,600
university students
on responsible
consumption



Beer brewed by
100%
Biomass &
Biogas
at Da Nang

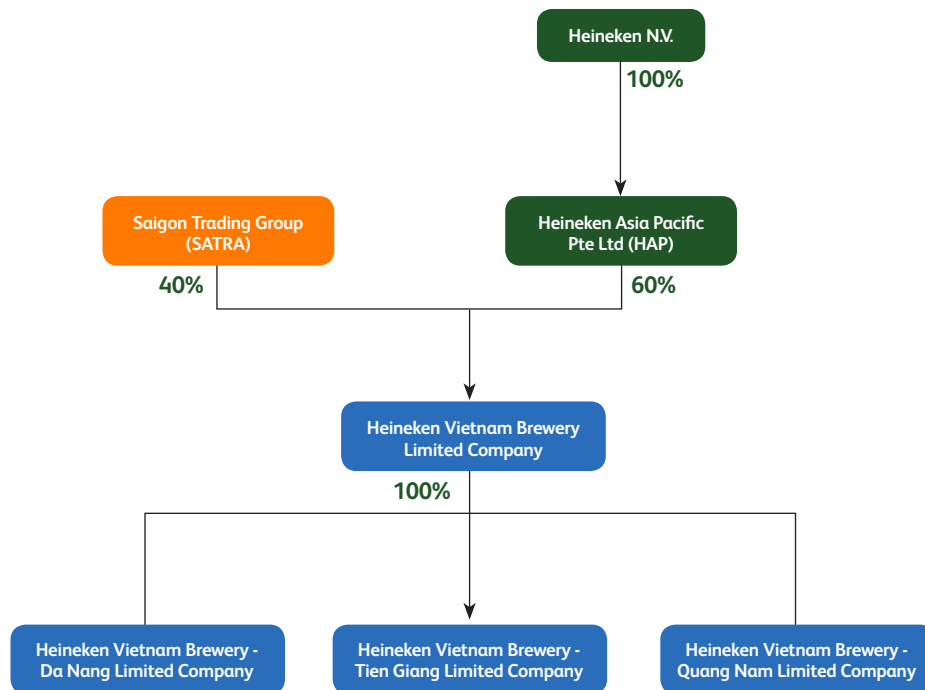


Da Nang,
Tien Giang and
Ho Chi Minh City
Breweries



About Heineken Vietnam Brewery Limited Company

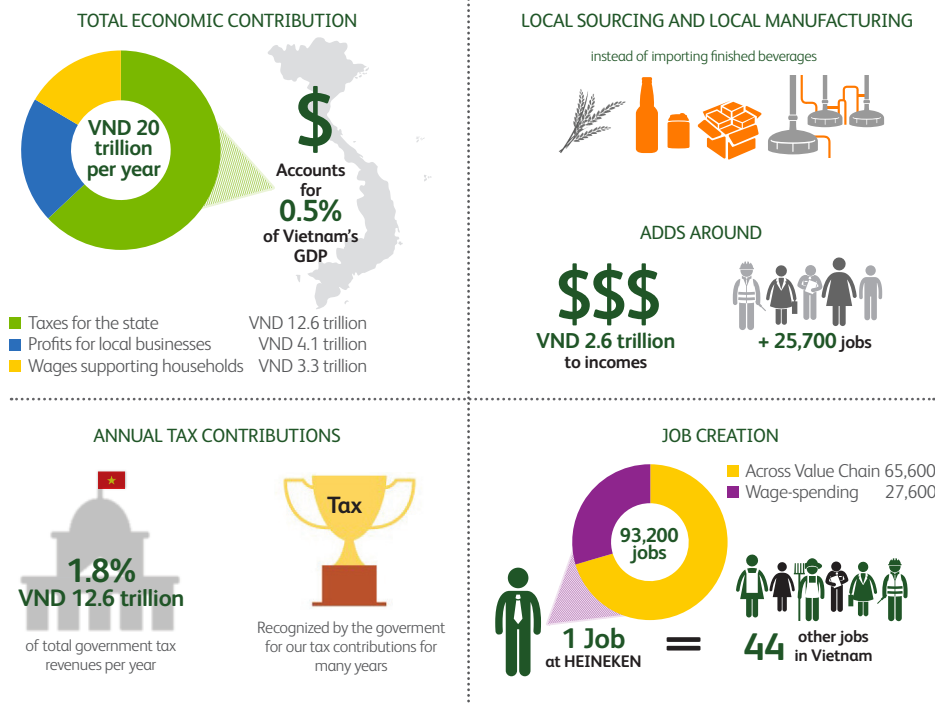
Company Structure



Established in 1991, Heineken Vietnam Brewery Limited Company (formerly named: Vietnam Brewery Limited) is a joint venture between Singapore-headquartered HEINEKEN Asia Pacific Pte Ltd (HAP), and Vietnamese multi-corporation Saigon Trading Group (SATRA). With operations in Da Nang, Ho Chi Minh, Quang Nam and Tien Giang, we serve the Vietnam beer market with a portfolio of well-known brands including Heineken, Tiger, Tiger Crystal, Desperados, Strongbow Cider, Biere Larue, Biere Larue Export, BGI and Bivina.

As one of the leading brewers in the local beer industry, our operations have made a significant contribution to the economy, through job creation, productivity improvement, through job creation, productivity improvement, advanced skilled workforce, high quality beverage products, generating income, and by paying taxes. In 2015, we commissioned a socio-economic impact assessment¹ of our country-wide operations. The fact-based study was conducted by independent external consultants, and quantified the direct and indirect economic ripple effects of the manufacture and sale of our beverages. The findings showed that the significant contribution we make extends beyond income generated through direct employment, and is a result of our long-standing investments in Vietnam.

Socio-Economic Impact



Zero-loss productivity

Our high standards in production are part and parcel of our Total Productivity Management (TPM) methodology. TPM is a continuous process of reducing losses in production, through the active engagement of employees in managing productivity, cost savings, quality, safety, energy and water consumption, recycling rate, and learning and development. We frequently take suggestions for new zero-loss initiatives from our people, and reward them for successful implementation. One such ground initiative was the repositioning of the glide liner area of the infed labeler, so as to prevent bottles from being stuck along the bottling line. This in turn has reduced the time lost in rectifying the congestion of bottles along the line in Ho Chi Minh City brewery. As a result, in 2015, our productivity increased by 64.5% from 2003 levels. In comparison, the national productivity growth was around 3.4% between 2000 and 2013*.

¹The reported value-added impact is based on 2014 data, and includes the contribution by a distribution agency and a brewery owned by Heineken in Northern Vietnam. 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 Heineken Vietnam Brewery (Special Consumption Tax (SCT), Corporate Income Tax (CIT), Personal Income Tax (PIT), import duties, social security contributions, royalty and license taxes), VAT included in the final selling price, as well as taxes paid by in the supply chain, hospitality and retail. *At the "Aspirations for Vietnam 2035" CSR Calendar Forum in April 2016, the national productivity level has grown around 3.4% between 2000 and 2013.

About this report

This report communicates our progress towards our long-term commitments for sustainability. We continue to focus on addressing the environmental, social, and economic topics of material importance in the local context, while coordinating our programs with the HEINEKEN “Brewing a Better World” global strategy.

Report Scope

This report covers the performance of all our consolidated Operating Companies from 1 January 2015 to 31 December 2015. The Environmental section of our report only includes the performance of our breweries, where impact is expected to be significant due to the nature and scale of their production activities. The following is a list of the Operating Companies (OpCos) and breweries in scope:

Operating Companies in scope

- Heineken Vietnam Brewery Limited Company
- Heineken Vietnam Brewery - Da Nang Limited Company
- Heineken Vietnam Brewery - Tien Giang Limited Company
- Heineken Vietnam Brewery - Quang Nam Limited Company

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



Reliability, Completeness and Methodology

We have produced our report in accordance with the “Core” requirements of the internationally recognized Global Reporting Initiative (GRI) G4 guidelines. We have reported data to the best of our knowledge, in good faith, and in accordance with agreed procedures, using the global data collection systems of HEINEKEN, which include:

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

We continue to work on implementing a more robust data collection process, by continuous development of systems, strengthening the ownership of data, training, and internal and external assurance activities. Where possible, standard calculations are built into our systems to minimize errors. Our sustainability performance is also included in the HEINEKEN NV. 2015 Sustainability Report, which has been externally assured.

Brewing a Better World



Global Approach and Focus Areas

HEINEKEN's Brewing a Better World Strategy

Sustainability is embedded throughout our business. Our global approach to sustainability, Brewing a Better World (BaBW), focuses on six areas where we and our stakeholders believe we can make the biggest difference. This is supported by our values and behaviours, and adopting the standards of a World Class Brewery Organization (WCBO) to achieve high performance. We are now half way through

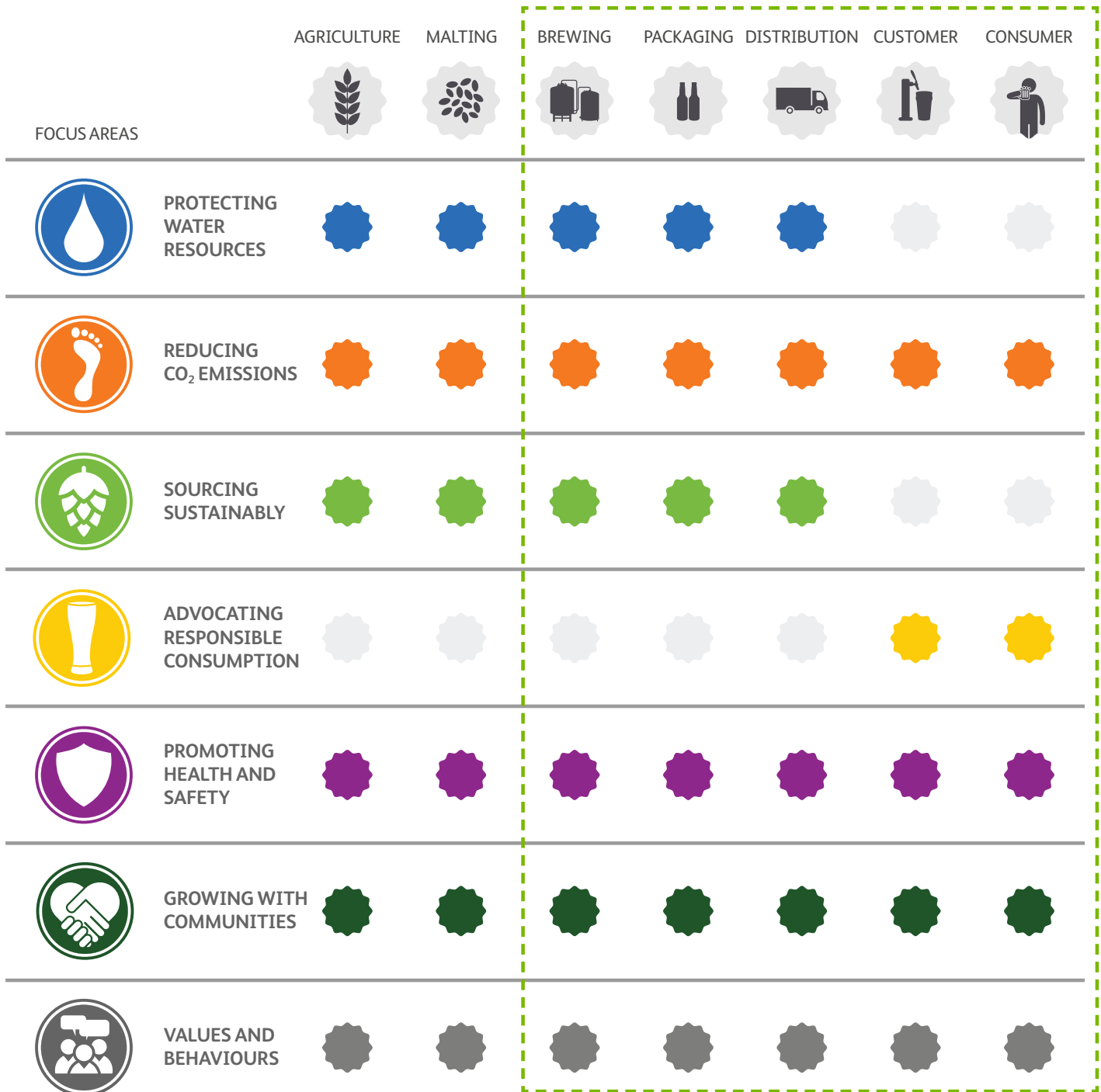
our BaBW commitments for 2020, and have made good progress on our 2015 milestones. On the back of these winning results, we have created concrete new milestones for 2018, and have reviewed our local sustainability strategy towards achieving these ambitions.


Our BaBW approach covers the entire value chain "From Barley to Bar"². For our Vietnam

operations, this starts from the brewing process and ends with the consumers' disposal of the product packaging after consumption. Our sustainability strategy at Heineken Vietnam Brewery is aligned to the global approach, while customized locally to aspire towards Brewing a Better Vietnam.

² A full description of our value chain can be found at HEINEKEN's website.

HEINEKEN's Value Chain "From Barley to Bar"



 Heineken Vietnam Brewery's Value Chain

From Barley to Bar

We pursue an increasingly holistic approach to sustainability. Our strategy focuses on the entire value chain 'From Barley to Bar'. This value chain includes many forms of capital, from the vital natural resources needed to make our products, through to financial capital from the sale of our products. We continuously consider the sustainability of each step with respect to our key focus areas.

Heineken Vietnam Brewery Inputs

Financial

Shareholders' equity, Capex, assets and borrowing

Natural

Land, water, energy, biodiversity and ecosystem

Human

Employees, training and benefits, safety and Code of Conduct

Manufactured

Buildings, breweries, packaging materials, transport, equipment and supply chain

Social

Communities, NGOs, customers, suppliers and industry

Intellectual

Brands, R&D, innovation, processes and corporate reputation

EMPLOYEES

Heineken Vietnam Brewery employs more than 1,600 people. They enjoy benefits and rewards – pay, training, healthcare, career opportunities – their hard work deserves. The Heineken Vietnam Brewery Employees and Human Rights Policy supports and guides us all to act according to our core values. And our global Code of Conduct provides guidance so that every employee knows what is expected of them. The annual employee Climate survey tracks engagement levels and action is required on dimensions that fall short.

BREWING

Brewing beer is a craft. We own and operate 4 breweries. Strict safety standards are adhered to. We invest in capacity expansion and build greenfield breweries, respecting all land rights. We are committed to improving energy and water efficiency and switching to more environmentally friendly energy sources where feasible.

PACKAGING

The majority of our beer is served in bottles, cans and kegs. We are constantly looking to innovate, finding ways to optimize the production of our packaging materials, such as light-weighting and increasing the recycling and re-use rate.

DISTRIBUTION

The movement of our products across local market is carefully managed. Several modes of transport are used, including road, rail, sea and inland barges. Health and safety policies are in place to reduce the incidence of accidents. We optimize the distribution by changing the form of transport, training drivers on road safety, using more efficient engines and reassessment of distribution networks.

CUSTOMERS

Thousands of retailers, bars, restaurants and clubs serve a selection of our brands. Fridges purchased by VBL meet green standards. We promote awareness on responsible consumption to ensure our products are consumed responsibly.

COMMUNITY

Growing with communities underlines our ambition to have a positive impact in the communities where we live, work and sell our products. Our community investment is based on two priority areas: water and education. We take utmost efforts in conserving water resources and empowering youth through providing educational scholarships to those in need.

Heineken Vietnam Brewery Outputs

Financial

VND 1,700 billion for corporate income tax
As we are not listed, we will not be disclosing other financial figures.

Natural

Sustainably sourced raw materials:

21% barley, **53%** hops*
29% renewable electricity
28% renewable thermal energy used

Human

46,241 training hours completed by employees
2,668 employees completed Road safety training
74% of employees completed Anti-bribery e-learning module
86% Climate survey score on employee engagement

Manufactured

4 breweries in Vietnam
3% water reduction since 2014
13% specific thermal energy reduction since 2014
As of 2015, **100%** green fridges are in use

Social

VND 10.9 million in donations
6.2% media spent on "Drink Responsibly" program
2 partnerships to raise awareness of responsible alcohol consumption among university students

Intellectual

4.25 (out of 5) reputation ranking across 90 external stakeholders
9 brands locally

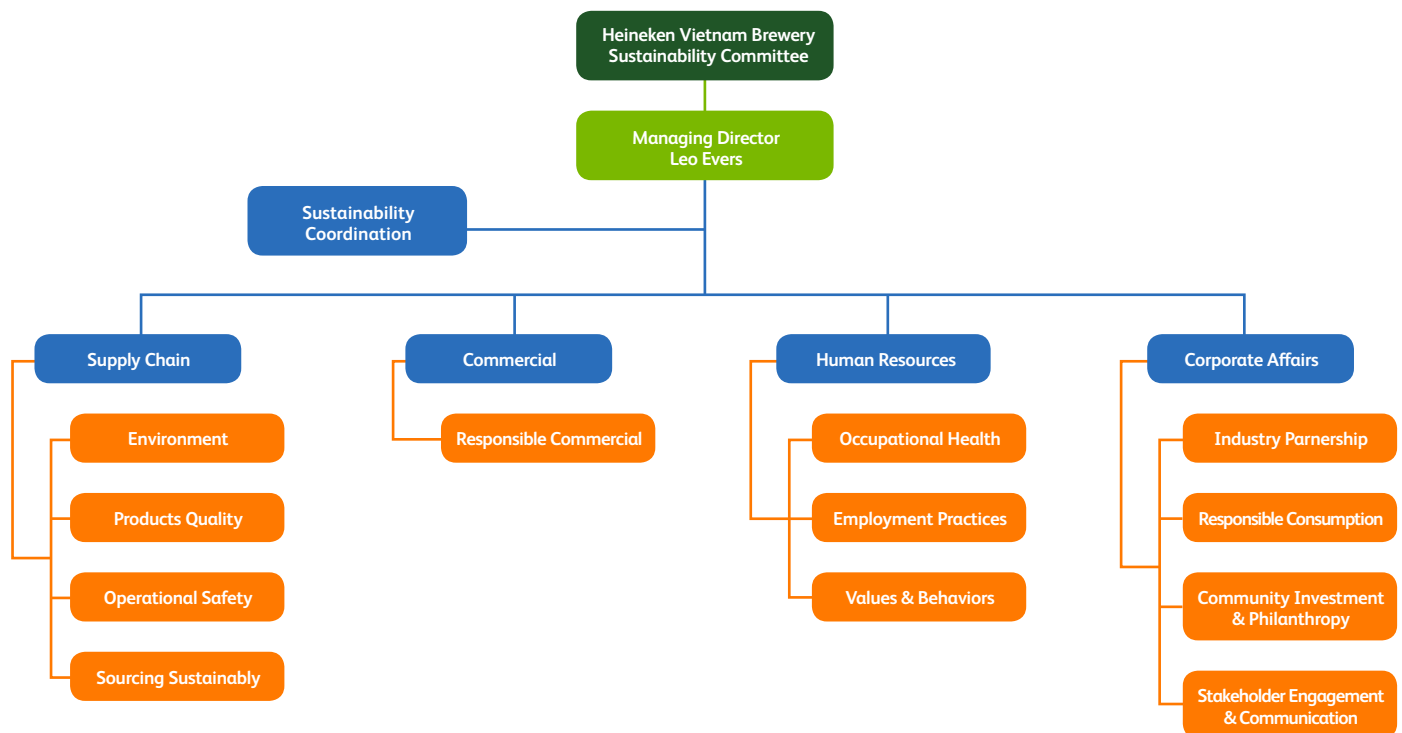
CONSUMERS

We provide choice through our premium portfolio approach. Innovations, especially in the low-alcohol categories, are meeting changing consumer tastes. Across Vietnam, we engage consumers on responsible drinking, most notably with our "Drink Don't Drive" program.

Sustainability Governance

In 2015, the Executive Team, chaired by the CEO, replaced the Corporate Affairs Committee as the highest governing sustainability body across the HEINEKEN Group. This places the responsibility of delivering the sustainability agenda directly with our key business decision makers. At a local level, the tone is set at the top with our Heineken Vietnam Brewery sustainability governance committee being chaired by Managing Director Leo Evers since 2013. Together with a Sustainability Coordinator and cross-functional representatives, the committee is responsible for formulating and implementing our sustainability strategies and programmes, as well as monitoring our performance against global and local commitments. Progress is reported on a quarterly basis to the Global Sustainable Development Team

Heineken Vietnam Brewery's Structure of Sustainability Governance










Crisis Management

Since 2007, we set up a Crisis Management team in each brewery to handle emergency situations. All members of the teams are comprehensively trained on the Crisis Manuals, which detail the standard operating procedures and special measures to manage crisis situations. These Crisis Manuals, which are aligned with the HEINEKEN Global Crisis Manual, have 4 main objectives:

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

What we said and what we've done

Focus Areas	2015 global milestones	2015 Heineken Vietnam Brewery achievements	Indicator	2018 global milestones	2020 global commitments
	Reduce specific water consumption in the breweries to 3.9 hl/hl ³	Achieved We have surpassed our 2015 target and decreased our water consumption by 3% to 3.0 hl/hl . This has surpassed too the HEINEKEN global ambition for 2020		Reduce specific water consumption in our breweries to 3.6 hl/hl ³	We have raised our ambition for 2020 to 3.5 hl/hl ³ overall, and 3.3 hl/hl on average for breweries in water scarce and water distressed areas
	100% of production units ⁴ in water-scarce and distressed areas will have a Source Water Protection Plan	Not Applicable to Heineken Vietnam Brewery.		18 production units ⁴ in water-scarce and water-distressed areas have started to implement their action plan for Water Balancing	Aim for significant water compensation/ balancing by our production units in water-scarce and water-distressed areas
	Reduce CO ₂ emissions in production by 27% ⁵ (resulting in 7.6kg CO ₂ -eq/hl)	Achieved We cut our CO ₂ emissions from 6.7 kg CO ₂ -eq/hl in 2014 to 5.0 kg CO₂-eq/hl in 2015, surpassing the HEINEKEN global target for 2018		Reduce CO ₂ emissions in production by 37% ⁵ (resulting in 6.5 kg CO ₂ -eq/hl)	Reduce CO ₂ emissions in production by 40% ⁵
	Reduce the CO ₂ emissions from distribution by 10% ⁶ in Europe and the Americas	Not Applicable to Asia Pacific		Reduce the CO ₂ emissions from distribution by 16% ⁶ in Europe and 0% in the Americas	Reduce the CO ₂ emissions from distribution by 20% in Europe and the Americas
	Reduce the CO ₂ emissions of our fridges by 42% ⁷	Achieved All our fridges are 'green', in compliance with the HEINEKEN policy		100% green fridges purchased. Reduce the CO ₂ emissions of our fridges by 47% ⁷	Reduce the CO ₂ emissions of our fridges by 50% ⁷
	Aim for sustainable sourcing of raw materials for crop year 2015: 20% (barley), 40% (hops), 60% (bittersweet apples for cider) ⁸	Not Applicable to Asia Pacific, as agricultural raw materials are imported from HEINEKEN -approved suppliers from overseas, for consistent taste and quality		Aim for at least 25% of our main raw materials from sustainable sources	Aim for at least 50% of our main raw materials from sustainable sources
	50% ⁹ of agricultural raw materials used in Africa to be locally sourced ¹⁰ within the continent			56% of agricultural raw materials used in Africa to be locally sourced within the continent	Deliver 60% of agricultural raw materials in Africa via local sourcing within the continent
	Four-step Supplier Code Procedures operational within all OpCos	On track Although we were out of scope for the 2015 global milestone, we started to roll out the Supplier Code Procedure and 50%¹¹ of our suppliers have signed the Supplier Code		95% compliance with four-step Supplier Code Procedure	Ongoing compliance with our Supplier Code Procedure



Achieved



On track












Partly achieved



Not achieved

³ Global baseline 2008. ⁴ Twenty-three production units. ⁵ Baseline 2008. ⁶ 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. ⁷ Baseline 2010. ⁸ Based on Volume. ⁹ Based upon tonnage. ¹⁰ With local sourcing we refer to sourcing within the region of Africa & Middle East. ¹¹ Percentages of suppliers who have complied with the supplier code procedures have decreased from 55% in 2014 to 50% in 2015. This is due to weaknesses in the recording process. Improvements are currently underway, and we hope to report the accurate percentage in the future reports.

What we said and what we've done

Focus Areas	2015 global milestones	2015 Heineken Vietnam Brewery achievements	Indicator	2018 global milestones	2020 global commitments
	We commit to invest a minimum of 10% of our media spend ¹² for Heineken® (5% for Heineken Vietnam Brewery) in supporting our dedicated responsible consumption campaign in at least 50% of our market volume ¹³	Achieved We invested 6.2% of total media spend. The Heineken® responsible consumption campaigns are largely angled towards European clientele. We are currently revisiting our local strategy on responsible consumption campaigns		We commit to invest a minimum of 10% of our media spend ¹² for HEINEKEN® in supporting our dedicated responsible consumption campaign in at least 50% of our market volume	Make responsible consumption aspirational through HEINEKEN®
	Every market in scope ¹⁴ has a partnership to address alcohol-related harm.	Achieved We have had 2 partnerships (provincial traffic safety committees & universities) to promote responsible consumption.		Operating companies representing 90% of sales volume have and report publicly on a measurable partnership aimed at addressing alcohol abuse	Every market in scope has and reports publicly on a measurable partnership aimed at addressing alcohol abuse
	All partnerships meet HEINEKEN's seven-point partnership criteria				
	Contribute to the five industry commitments and related KPI's, as defined through the International Alliance for Responsible Drinking (IARD)	Not Applicable to Asia Pacific. Work on these commitments is coordinated on a global level		Deliver global industry commitments by end of 2017 and report in 2018	Not applicable.
	10% reduction within HEINEKEN production units	Not achieved In 2015, we had a few cases of minor accidents, resulting in an increase in accident frequency from 0.27 to 0.38 .		Operating companies representing 95% of employees have 80% of the actions coming from Life Saving Rules action plans accomplished	Life Saving Rules action plans accomplished
	90% of Operating Companies to report at least one near miss in 75% of sites	Achieved 87% of the sites reported at least one near miss.			
	90% of operating companies to report 90% completion of targeted e-learning modules	Achieved Employees beyond the target group have also completed the modules, leading to a completion rate of 266.3%			
	2,000 sales managers to have received road safety training with Alert Driving	Achieved 98% of our 49 sales managers have attended the training, while the remaining sales manager left Heineken Vietnam Brewery			
	No milestones have been set for 2015	Not Applicable		No milestones have been set for 2018.	Global commitments for 2020 to be decided in the coming years

 Achieved  On track  Partly achieved  Not achieved




¹² 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 ¹³ 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. ¹⁴ Out of scope are Islamic markets and markets where we have a Joint Venture and three minimal-volume markets for whom allocating resource is unrealistic (Laos, Solomon Islands and Sri Lanka).

Stakeholder engagement and communications

Our stakeholders are crucial to our sustainability journey. In 2015, under the guidance of an independent consultancy, we carried out a 5-step stakeholder management process to map stakeholders and define key messages for communication. With each target stakeholder group, we have studied and identified the most efficient modes of engagement. Mastering our stakeholders communication strategy keeps us focused on topics that are most important, and relevant to our business, while also responding to our stakeholders' concerns.



Our key stakeholders and how we communicate

Stakeholders	Examples	Purposes and goals	Methods of engagement	Frequency of engagement
Customers and Consumers 	<ul style="list-style-type: none"> Distributors Outlet owners Consumers 	<ul style="list-style-type: none"> Strengthen and expand distribution network Maintain & increase brand loyalty Promote sustainability awareness Promote responsible consumption Increase customer & consumer satisfaction 	<ul style="list-style-type: none"> Distributor Conference Market Visit Researches Reputation Survey Media, PR and Digital 	<ul style="list-style-type: none"> Annually Daily Monthly Every two years Frequently
Employees 	<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> Enhance and increase employee commitment and loyalty Promote sustainability awareness Promote responsible consumption 	<ul style="list-style-type: none"> Town-hall meeting Executive Forum Flash news Newsletter Year-end dinner Away-day Employee Climate Survey Enjoy Responsible Day Employee Conference CSR Forums 	<ul style="list-style-type: none"> Twice a year Twice a year On events Quarterly Yearly Yearly Yearly Yearly Yearly On events
Employee representatives 	<ul style="list-style-type: none"> Vietnam General Confederation of Labour Vietnam Labor Safety Committee Department of Labours, Invalids & Social Affairs Trade Union 	<ul style="list-style-type: none"> Ensure business operation complies with law & regulation Laws & Regulation updates 	<ul style="list-style-type: none"> Conference Meeting and workshops 	<ul style="list-style-type: none"> Frequently on events Frequently on events

Our key stakeholders and how we communicate

Stakeholders	Examples	Purposes and goals	Methods of engagement	Frequency of engagement
Governments 	<ul style="list-style-type: none"> Prime Minister's Office National Assembly Ministry of Health Ministry of Industry and Trade Ministry of Finance General Department of Tax Member of National Assembly in province People's committees (in-charge of the province and cities) DPI, DoH, DoC, DoF, DoNRE, DoIT, DoCS, DoIC, DoTax Provinces' Authorities 	<ul style="list-style-type: none"> Advocates alcohol related law / regulation development Support for business operations i.e. extension projects, in-charge, advertisement, promotion, construction, land & housing Economic & business development consultation & feedbacks 	<ul style="list-style-type: none"> Courtesy visits Festive occasions (New year, Tet Autumn Festival, Biz. anniversary) Industry workshops Business calls Sponsorship Reputation Survey 	<ul style="list-style-type: none"> Frequently/On events Every two years
Industry associations 	<ul style="list-style-type: none"> International Center for Alcohol Policies Vietnam Beer Alcohol Beverage Association 	<ul style="list-style-type: none"> Support for law/regulation development 	<ul style="list-style-type: none"> Industry workshops Supporting sponsorship 	<ul style="list-style-type: none"> Monthly/ on events
Investors 	<ul style="list-style-type: none"> Bankers Saigon Trading Group 	<ul style="list-style-type: none"> Maintain & increase shareholders' relationship Exchange of shareholders' views and perspectives 	<ul style="list-style-type: none"> Monthly/Quarterly Reports Ad-hoc updates Year-end review Daily Transaction 	<ul style="list-style-type: none"> Monthly/quarterly Ad-hoc Annually Daily
Media 	<ul style="list-style-type: none"> Thanh Nien HTV VN Express 	<ul style="list-style-type: none"> Exchange of views and information 	<ul style="list-style-type: none"> Media Meeting Press Conference Reputation Survey 	<ul style="list-style-type: none"> Twice a year On events Every two years
NGOs & international organizations 	<ul style="list-style-type: none"> Red Cross Central Youth Union Vietnam Chamber of Commerce and Industry Vietnam Business Council for Sustainable Development 	<ul style="list-style-type: none"> Partnership for impact Information update and exchange on best practices/expertise on sustainability development 	<ul style="list-style-type: none"> Tet Charity/Mid-Autumn Festival Water Programmes Reputation Survey Expert Meetings/Forum 	<ul style="list-style-type: none"> Annually Frequently Every two years On events
Suppliers 	<ul style="list-style-type: none"> Crown Da Nang Malaya Vietnam Glass Limited 	<ul style="list-style-type: none"> Ensure business performance and compliance 	<ul style="list-style-type: none"> Reputation Survey Expert Meetings 	<ul style="list-style-type: none"> Every two years On events

Spotlight on Stakeholder dialogue

We highlight a few notable channels of dialogue with selected stakeholders during the year:

1. Dialogue on alcohol abuse with the Central Government

In 2015, Heineken Vietnam Brewery and Heineken Hanoi Brewery Company Limited came together as one unified voice of HEINEKEN in Vietnam and organized the first joint dialogue with the ministries of the Central Government (namely, the Ministry of Transport, Ministry of Health, Ministry of Trade and Industry, Ministry of Public Security, and National Traffic Safety Committee). The agenda was to understand the government's concerns on the beer industry and how we could contribute towards reducing alcohol abuse in the country. Subsequent to this session, we are exploring joint initiatives with the government, while also re-strategizing our approach in advocating responsible consumption.



2. Employee engagement: 2015 Climate Survey results

Employee engagement index

86%

Heineken Vietnam Brewery

2015 86%

2014 83%

Heineken

77%

International Benchmark

73%

Staff feeling proud to work for Heineken Vietnam Brewery

92%

2015 92%

2014 91%

Staff to recommend Heineken Vietnam Brewery to a friend as a good place to work

88%

2015 88%

2014 87%

Staff extremely satisfied with this company as a place to work

88%

2015 88%

2014 85%

The HEINEKEN Climate Survey is conducted annually in coordination with IBM to assess employees' views on our working environment. In 2015, 96% of our staff participated in the Climate Survey. The results showed that Heineken Vietnam Brewery's performance had gone up in all dimensions against 2014, leading to an overall improvement in our employee engagement index¹⁵ at 86%. Our results remain higher than HEINEKEN's global average and other benchmark international companies, reflecting our continued success in making changes for a better working environment.



3. Reputation Survey with external stakeholders

In 2015, we completed our first reputation research with 90 external stakeholders from the local government, media, suppliers, customers and the NGOs. The study was a combination of personal interviews by phone and an online survey over four dimensions – 'leadership and culture', 'business performance', 'sustainability and responsibility', and 'brewing excellence and inspiring brands'. Our reputation rating was 4.25 (out of 5), which was higher than our HEINEKEN group average at 4.15. We have applied the outcomes of the reputation research for assessing materiality, analyzing gaps and related action planning.



What our stakeholders told us and how we responded

During our dialogue with our stakeholders, a number of relevant issues were highlighted. Here is what we heard and did in response:

Issue



Promote responsible consumption

A handful of stakeholders would like to see Heineken Vietnam Brewery promote responsible alcohol consumption more strongly.

Our response

- In continuation of our past success on promoting responsible consumption, we are currently working to break through new and higher-impact responsible consumption campaigns in cooperation with various government departments.
- We have recently completed our first dialogue session with the Central Government to address alcohol abuse. See 'Spotlight on Stakeholder Dialogue' for more details.



Maintain product quality

Given that there are concerns of counterfeit products and food hygiene in Vietnam, it is crucial that Heineken Vietnam Brewery safeguards the authenticity and quality of its products.

- We hold ourselves to high standards of quality management in the production of our beer. Our numerous awards over the years are testament to this. See 'Achievements and Awards' for more information.
- While we received a number of customer complaints in 2015, these complaints were found to be "non-justified"¹⁶ after investigation.



Improve productivity

The government is concerned with the low labour productivity in Vietnam, which is below that of other countries in the region¹⁷.

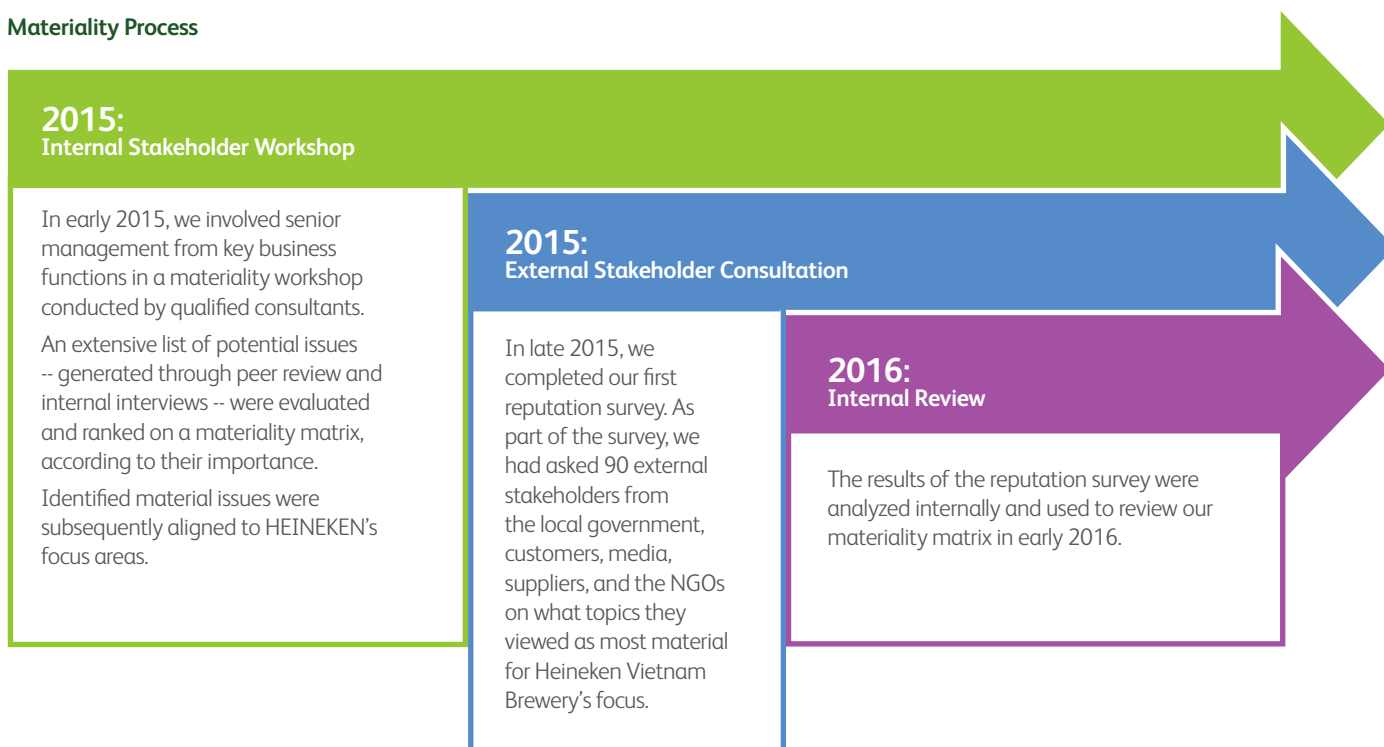
- In this year's report, we clarify that our focus on zero-loss productivity had started many years ago, with the adoption of our Total Productivity Management (TPM) methodology, constant investments into efficiency, and our culture of learning. Our productivity level is one of the highest across the HEINEKEN group. See 'Product Safety, Quality and Hygiene' for more information.

¹⁵ Calculated by IBM as a combination of advocacy, commitment, satisfaction and pride. The dimensions surveyed include personal development, the relationship between employees and their managers, as well as customer relationship. ¹⁶ Non-justified complaints relate to issues that occur due to mishandling of our products in market place. Product store & handling guidelines are widely & regularly trained to our direct & sub distributors, outlets owners. ¹⁷ The General Statistics Office of Vietnam reported in 2015 that the labour productivity of Vietnam is at a low level compared to Singapore, Malaysia, Thailand and Indonesia.

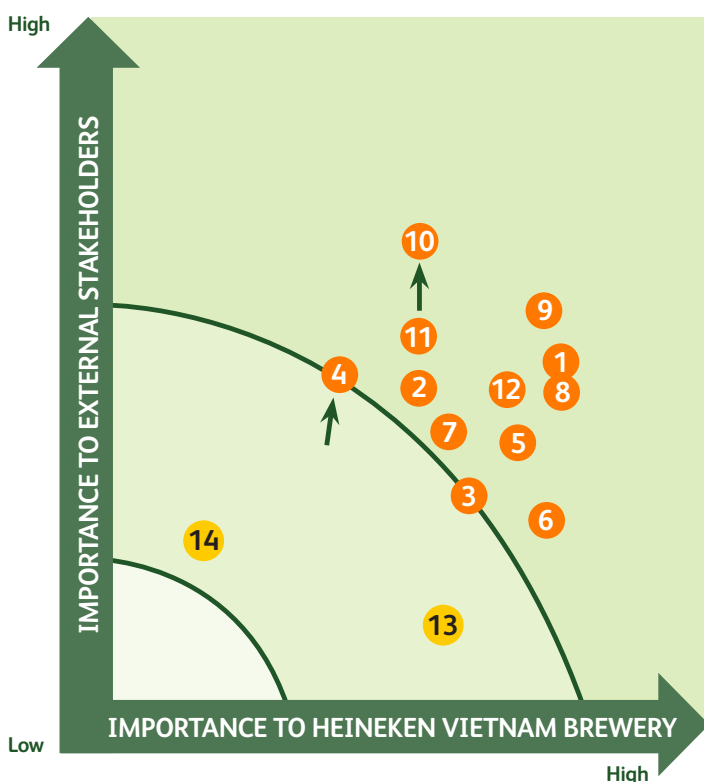
Materiality assessment at a local level

Materiality assessment to identify the material sustainability issues is a continuous process at Heineken Vietnam Brewery. In 2015, we conducted an internal stakeholder workshop, and consulted our external stakeholders on material issues through our first reputation survey. Following which, in early 2016, we updated our materiality matrix based on the results of our reputation survey and internal review. The top two issues of mention were waste management and socio-economic impact. We have responded to the identified material issues and will continue our efforts in 2016. Our materiality process is detailed below.

Materiality Process



Materiality Matrix








1	Regulatory Compliance	8	Counterfeiting
2	Water Management	9	Product Safety, Quality and Hygiene
3	Energy and Carbon Footprint	10	Economic Impact
4	Waste Management	11	Community Investment & Development
5	Responsible Alcohol Consumption	12	Stakeholder Communications
6	Staff Alcohol Responsibility	13	Occupational Health and Safety
7	Responsible Marketing	14	Sourcing Sustainably

- High Priority
- Low priority but considered important due to HEINEKEN Focus Areas
- ↑ Trend

Mapping of sustainability issues

Material issues

Material issue	Definition	GRI Aspect	HEINEKEN Focus area
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"> Compliance 	
Water management	Efficient use of water	<ul style="list-style-type: none"> Water Effluent and Waste 	
Energy and Carbon Footprint	Efficient use of energy to reduce carbon emissions	<ul style="list-style-type: none"> Energy Emissions 	
Waste Management	Minimising waste generation and reusing/recycling waste for beneficial use	<ul style="list-style-type: none"> Effluent and Waste 	
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"> Local Communities 	
Staff Alcohol Responsibility	Encourage employees to lead by example on responsible alcohol consumption	<ul style="list-style-type: none"> Occupational Health and Safety 	
Responsible Marketing	Advertise brand and drinking in an accountable and positive manner, including responsible product labelling	<ul style="list-style-type: none"> Product and Service Labelling Marketing Communications 	
Counterfeiting	Protection of brand value against production of fake replicas	<ul style="list-style-type: none"> Customer Health and Safety 	Not applicable
Product Safety, Quality and Hygiene	Pursuing high standards in product safety and product quality	<ul style="list-style-type: none"> Customer Health and Safety 	Not applicable

Material issue	Definition	GRI Aspect	HEINEKEN Focus area
Economic Impact	Generating sustainable economic value in our communities we operate through our business	<ul style="list-style-type: none"> ▪ Economic Performance ▪ Indirect Economic Impacts 	
Community Investment & Development	Contributions to the communities in which we operate	<ul style="list-style-type: none"> ▪ Local Communities 	
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"> ▪ N.A 	Not applicable

Other issues not voted as high priority but considered important due to HEINEKEN Focus Areas

Other issue	Definition	GRI Aspect	HEINEKEN Focus area
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"> ▪ Occupational Health and Safety 	
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"> ▪ Supplier Environmental Assessment ▪ Supplier Assessment for Labor Practices ▪ Supplier Human Rights Assessment ▪ Supplier Assessment for Impacts on Society 	

Spotlight on Sustainable Developments Goals

Following the launch of the 17 Sustainable Development Goals (SDGs) by the UN's General Assembly in September 2015, we have reviewed the relevance of each SDG to our sustainability strategy. Our analysis of current policies and activities highlighted how our strategy directly relates to and supports several of the 17 SDGs.

Where it connects

Growing with Communities

- Community investments by our operating companies and external partners
- Supporting education and water technology through scholarships and research grants
- Spreading awareness on water conservation through partnerships with local youth unions

Promoting Health & Safety

- Our 'Safety First' approach for our employees and contractors
- Implementation of Safety Pyramid and STOP safety frameworks throughout the company
- Use of ARISO and emphasis on near-miss reporting throughout our company
- Provision of regular and personalized healthcare checkups for all employees

Advocating Responsible Consumption

- Making responsible consumption aspirational through Heineken® campaigns
- Building partnerships to address alcohol-related harm
- Implementing a new seven principle responsible marketing code for all employees



Where it connects

Protecting Water Resources

- Reducing the amount of water used in production
- Improving operational procedures
- Increasing use of water efficient equipment
- Ensuring the responsible discharge of brewery effluent
- Instilling the sense of water responsibility and promptness towards reporting water leakages

Reducing CO₂ Emissions

- Energy-saving initiatives in production
- Increasing use of renewables (biomass, biogas)
- Increasing use of low-emission and energy efficient equipment
- Installing more energy-efficient fridges

Sustainable Sourcing

- Our local sourcing projects, helping smallholder farmers and businesses to improve yields and increase incomes
- Sustainable sourcing of our packaging raw materials and rice husk for biomass production
- Ongoing compliance with our Supplier Code Procedures

Definition of SDGs¹⁸



No poverty

End poverty in all its forms everywhere

(Growing with communities of Heineken Vietnam Brewery)



Good health and well-being

Ensure healthy lives and promote well-being for all at all ages.

(Advocating responsible consumption & Promoting Health & Safety of Heineken Vietnam Brewery)



Quality education

Ensure inclusive and equitable quality education and promote learning opportunities for all.

(Growing with communities of Heineken Vietnam Brewery)



Clean water and sanitation

Ensure availability and sustainable management of water and sanitation for all.

(Protecting water resources & Growing with communities of Heineken Vietnam Brewery)



Affordable and clean energy

Ensure access to affordable, reliable, sustainable and modern energy for all.

(Reducing CO₂ emissions of Heineken Vietnam Brewery)



Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

(Growing with communities of Heineken Vietnam Brewery)



Industry, innovation and infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

(Growing with communities of Heineken Vietnam Brewery)



Sustainable cities and communities

Make cities and human settlements inclusive, safe, resilient and sustainable.

(Reducing CO₂ emissions & Growing with communities of Heineken Vietnam Brewery)



Responsible consumption and production

Ensure sustainable consumption and production patterns.

(All focus areas of Heineken Vietnam Brewery)

¹⁸ Only the SDGs that are directly relevant to Heineken Vietnam Brewery have been included for the purpose of this report.

Achievements and awards

The external and company awards we win serve as a barometer of our progress in Brewing a Better Vietnam. These achievements celebrate the company's and our employees' efforts, thus spurring us on to do even better. The following is just a selection of the key awards won in recent years.



Green Brand Award



Year awarded: 2015

We were honoured with a Merit Award by the Ministry of Natural Resources and Environment for our significant contribution toward national green growth – defined as socio-economic development while, at the same time, protecting the environment.

Excellent Performer in Tax Contribution



Year awarded: Many years

For many years, we have retained our position among the top corporate tax payers in Ho Chi Minh City and Da Nang. Our corporate income tax paid to the local government amounted to VND 1,700 billion in 2015. In recognition of our compliance with tax policies and laws, we have received the Certificate of Merit from the General Department of Taxation over the past few years.

Best Water Management, Sustainable Business Awards



Year awarded: 2014

As part of Heineken Asia Pacific, we won the Best Water Management Award for our extensive efforts in water conservation, management and engagement in community programs.

HEINEKEN TPM Bronze Award



Year awarded: 2009, 2015

In 2015, our Danang and Tien Giang breweries achieved the prestigious Total Productivity Management (TPM) Bronze Award. Three of our breweries, including our Ho Chi Minh City brewery, are now ranked among the 47 best performing breweries in the HEINEKEN group. The TPM Awards recognize our all-rounded efforts in achieving zero-losses in productivity, quality, safety, and the environment.

HEINEKEN Quality Award, Tiger Quality Award



Year awarded: 2002 – 2004, 2006 – 2010, 2012 – 2013

Since the inaugural year of the awards, we are proud to have outperformed other HEINEKEN breweries worldwide, having won the HEINEKEN Quality Award nine times, and the Tiger Quality Award three times. Both awards celebrate excellence in brewing quality (freshness and taste) and packaging quality.

HEINEKEN Innovation Experience Award



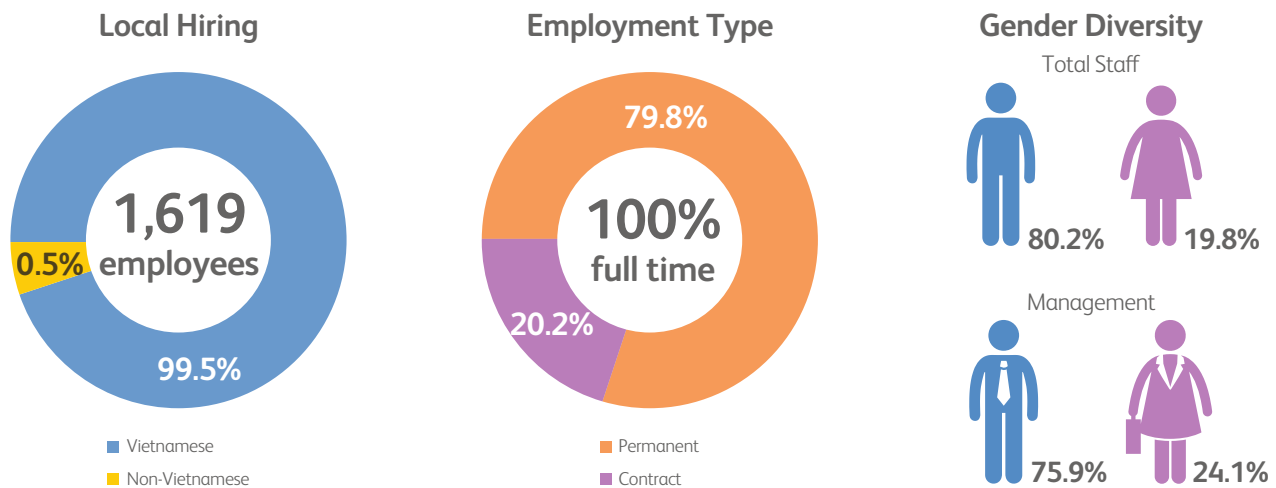
Year awarded: 2015

In 2015, we won the 3rd prize at the HEINEKEN Innovation Experience (INEX) Awards, for the successful implementation of our biomass boiler projects in the Da Nang and Tien Giang breweries. Our CO₂ and cost savings achieved by our biomass boilers are detailed under 'Reducing CO₂ Emissions'.

Values and behaviours



Profile of the workforce



Our values and behaviours represent what we stand for as an employer, a business partner and a corporate citizen. We believe that continued, sustained growth is only possible with a corporate culture that embeds sustainability into the mindset of our people. To ensure that our conduct and decisions are constantly in line with our objectives, our set of core values, key behaviours, and policies are formalized and communicated to all our people.

Our Core values



Our Greenprint to Win – Six behaviours



In 2015, we launched the HEINEKEN Greenprint to Win – Six Behaviours (as illustrated above). The Six Behaviours reaffirm our commitment to our core values and our long-standing culture of safety, learning, and zero-loss. At the same time, they challenge and inspire us to further improve and achieve the excellence of a high-performing organization.

The Six Behaviours were introduced to our people through a one-day executive workshop. We then appointed Change Leaders to organize projects that convey the key messages of each behavior and embed these behaviors in the workplace. Work is well underway for each project and we intend to share their outcomes next year. A preview of what we have kickstarted for one of the Six Behaviours, 'Put Safety First', is available under 'Promoting health and safety'.



**2015 Dollar
Investment in Training
and Development**



2015 Average Training Hours FTE

Heineken Vietnam Brewery	26
Group Average	21

Training and development

People development helps shape the future of our company. In 2015, we dedicated around VND 10 billion into building our staff capabilities, through a combination of technical and soft skills training. In support of our business priorities, we rolled out functional competencies for our production unit, and are constantly developing our core competencies of change management and problem solving. We also support personal development, by sitting down with our employees to craft their development goals and plans every year. All our employees undergo a yearly performance appraisal and personal development plan.

With our 'Train the Trainers' program, we have successfully embedded the learning culture by developing internal trainers and methodology experts, who will in turn train other employees. One such program that is entirely taught by Heineken Vietnam Brewery internal trainers is the First Line Manager Development Program, which equips our supervisors with leadership skills on various topics such as Team Performance Effectiveness. Our 'Trainers of the Year' Awards recognize the contributions of our top internal trainers every year.



Case study:
**Grooming leaders with the
HEINEKEN Impact Leadership
Program (HILP)**



The HILP for our middle managers was launched in April 2015 with the facilitation of the Royal Melbourne Institute of Technology (RMIT) Vietnam. The four-months program, taught over a series of workshops and in-role exercises, offered our 21 participants fresh perspectives, an opportunity to practice leadership skills, get feedback, and create a tangible personal action plan. As part of the program, Managing Director Leo Evers also shared personal stories about growing as a leader. Our participants are now better able to influence and engage their peers, build up a winning team, and manage the challenges associated with their role in HEINEKEN's global matrix.

Communication and Training on the Code and Policies



**Code of Business Conduct Training
for All Employees (includes HeiRules
and Speak Up)**

80% completed in-class learning

90% completed e-learning

100% passed quiz assessment (managerial level)



**Three-year Anti-Bribery
E-learning Training Programme for
Managers**

74% completed Module 1

We communicate our Code and policies to our employees through a variety of training materials in both English and Vietnamese. All our employees have to complete training, either online or in the classroom, while our managers are subject to further assessment through an online quiz. To help our people avoid corrupt practices and resist requests for bribes, we launched a three-year Anti-bribery e-learning training program for our managers in 2015. Module 1 was rolled out this year, with modules 2 and 3 scheduled to run in 2016 and 2017.

HEINEKEN Code of Business Conduct



Our commitment to conducting business with integrity, fairness and respect for the law and our values, is demonstrated through the HEINEKEN Code of Business Conduct. The Code sets a clear expectation of our people when they are acting on behalf of the company.

HEINEKEN Rules



The HEINEKEN Rules (HeiRules) are a set of 37 rules that define how we work and conduct our day-to-day business. Each HeiRule has references to relevant HEINEKEN Standards and Procedures, which explain in detail the objectives, implementation, execution and compliance of the HeiRule.

SpeakUp



We encourage our people and any member of the public to inform us whenever they think they see a possible breach of conduct. In 2015, we enhanced the credibility and confidentiality of our Speak Up framework by adding a dedicated central review team to assess reports. 2 cases were reported and resolved within the same year.

Advocating responsible consumption





Engaged
1,600
university students
on responsible
consumption



Launched new
**Responsible
Marketing Code**



Why is this important?

To promote the health and well-being for all, leaders across the world have committed under the SDGs to strengthen the prevention and treatment of substance abuse, which includes the harmful use of alcohol¹⁹. Beer drinking is a culture in Vietnam, where consumption has risen nearly 41% from 2010 to 2015²⁰, with each Vietnamese, men and women alike, downing approximately 38 liters of beer a year.

With the aim of protecting the public's health and limiting the consumption of alcoholic beverages, the government has raised special excise tax with effect from 1 January 2016.

The government is also proposing the implementation of the draft Alcohol law which aims to restrict consumption and would have implications on commercial freedom.

Our perspective in this industry has always been to create a sustainable business model. This is made possible only by encouraging responsible consumption patterns. As a leading brewer in the country, we recognise we have an important role in shaping consumers' perception towards responsible drinking, while addressing the negative social and health problems associated with alcohol abuse. We aim to provide quality beers which are safe for our consumers to enjoy responsibly.

Commitment areas and results

2015 global milestone:

We commit to invest a minimum of 10% of our media spend²¹ for Heineken® (5% for Heineken Vietnam Brewery) in supporting our dedicated responsible consumption campaign in at least 50% of our market volume²²

2015 Heineken Vietnam Brewery target:

We commit to invest a minimum of 5% of our media spend for Heineken® in supporting our dedicated responsible consumption campaign in at least 50% of our market volume. The Heineken® consumption campaigns are largely angled towards European clientele.

Performance vs 2015 target:

Achieved



We invested 6.2% of total media spend for Heineken® consumption campaigns. We are currently revisiting our local strategy on responsible consumption campaigns. In 2015, we held the first joint dialogue with various ministries, and will be exploring further initiatives with the government in future years.

2015 global milestone:

Every market in scope²³ has a partnership to address alcohol-related harm. All partnerships meet HEINEKEN's seven-point partnership criteria.

2015 Heineken Vietnam Brewery target:

We aim to have a local partnership to address alcohol-related harm.

Performance vs 2015 target:

Achieved



We worked with 2 partnerships (local traffic safety committees & universities) to promote responsible consumption to students and partnered with local traffic safety committees to display "Drink Don't Drive" billboards at 5 cities.

Our commitments and link to BaBW targets

HEINEKEN's Three-tiered Strategy for Advocating Responsible Consumption

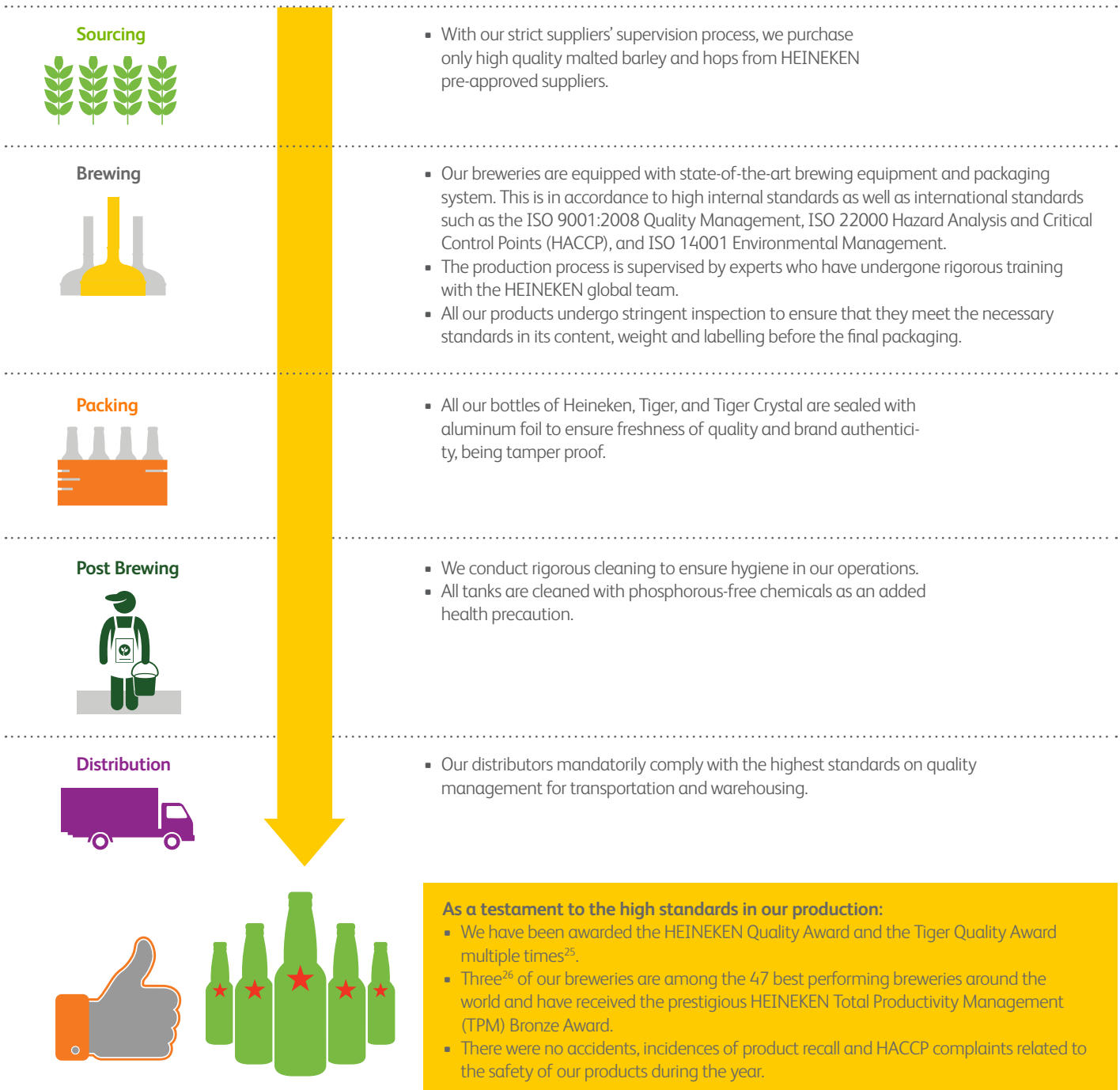


With our strategy towards responsible consumption aligned to the HEINEKEN's three-tiered strategy of Brand, Partnership and Industry²⁴, we have laid down the following commitments.

¹⁹ SDG Target 3.5: Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol. ²⁰ VietNamNet, "Vietnamese drank 3.4 billion liters of beer in 2015", 6 January 2016. ²³ Out of scope are Islamic markets and markets where we have a Joint Venture and three minimal-volume markets for whom allocating resource is unrealistic (Laos, Solomon Islands and Sri Lanka). ²¹ 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. ²² 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. ²³ Out of scope are Islamic markets and markets where we have a Joint Venture and three minimal-volume markets for whom allocating resource is unrealistic (Laos, Solomon Islands and Sri Lanka). ²⁴ The "Industry" tier of the HEINEKEN strategy is not applicable at the Heineken Vietnam Brewery level, as work on these commitments is coordinated on a global level. Together with the International Alliance for Responsible Drinking (IARD), HEINEKEN and other signatory companies have published a second Commitments Progress Report outlining the actions to date.

Product safety, quality and hygiene

We invest great attention to every stage of our brewing process, in delivering high quality beers consistent with HEINEKEN's stringent standards.



²⁵ See "Achievements and Awards" for more information. ²⁶ Ho Chi Minh City, Da Nang and Tien Giang.

Responsible marketing



We ensure our promotional activities do not actively or unintentionally encourage negative attitudes towards alcohol. Our HEINEKEN Responsible Marketing Code sets out guidelines for us to follow in the portrayal of our brands, whether in packaging, events, sponsorships or advertisements (print, media and social media). The 'Drink responsibly' message is always prevalent throughout our communications.

At our events, we enforce the legal drinking age restrictions, and dedicate an area for "Enjoy



Responsibly" messages. We offer our attendees free flow of water to alternate their drinking. On the packaging of all our products, we provide our consumers with information on the alcohol content of our beers, and include responsible drinking symbols to discourage drink-driving, consumption by pregnant women, and underage drinking.

In 2015, HEINEKEN launched a global challenge for creative agents worldwide. The aim of "TalentLab: Moderation" was to co-



create inspiring solutions to make moderate drinking appealing for the next generation. Ten chosen finalists, including one from Vietnam, were invited to collaborate with HEINEKEN experts to devise new concepts with real impact on consumers. As a result of this initiative, a number of exciting ideas have been produced, including a beer dispenser for bars that simultaneously allows consumers to pour a glass of water. These ideas will be further developed for use in our responsible drinking campaigns and events in the future.

Case study:

Our renewed Responsible Marketing Code: a "Must Do!"



In 2015, HEINEKEN launched a renewed Responsible Marketing Code to replace the existing Rules on Responsible Commercial Communication and Rules on Digital Commercial Communication. With this Code, we are now fully in line with both the IARD and World Federation of Advertisers' commitments. While the old Rules were "nice to do" for our sales and marketing personnel, the new Code is a "must do" for all our employees. The Code has eight principles which everyone has to abide by:



Principle 1: We do not primarily appeal to minors



Principle 2: We actively restrict exposure of our branding to minors



Principle 3: We're always legal, ethical and truthful



Principle 4: We advocate drinking responsibly, driving responsibly and general safety



Principle 5: We do not associate our brands with anti-social behaviour or overconsumption



Principle 6: We never claim that consuming our brands leads to social or sexual success or enhanced performance



Principle 7: We are committed to our brands being part of a healthy lifestyle



Principle 8: We are progressive about cultural context and its evolution

Our progress of implementation

Since the implementation of the Code, 100% of our employees have signed and acknowledged compliance with the guidelines. In addition, we have mandated all our creative agencies to commit to similar requirements before the commencement of their services with Heineken Vietnam Brewery. As a result, there have been no reported cases of non-compliance relating to marketing regulations, a record that we have held for the past three years.

Partnerships for progress

We believe in the concept of “unity is strength”. By building partnerships, our efforts in promoting responsible consumption will reach wider audiences and have bigger impacts. Since our beginning years as a pioneer in responsible drinking programs, we have collaborated with the National Traffic Safety Committee (NTSC) and International Centre on Alcohol Policies (ICAP) Vietnam. This year, we reached out to youths, by running the “Enjoy Responsibly Day” program at local universities for the first time.

In 2015, we have taken the bold step of revisiting our local strategy on responsible consumption campaigns. Our ambition is to develop effective, country-wide programs that have a real impact on consumer attitudes towards alcohol. To kick off the process, we joined hands with Heineken Hanoi Brewery Company Limited as one unified voice of HEINEKEN in Vietnam, and held the first dialogue on alcohol abuse with the Central Government. We now have a better understanding of the government’s concerns and will be pushing ahead with joint programs in the coming years.

Case study: Engaging University Students on “Enjoy Responsibly Day”



This year marked a milestone for us, as we extended the internal success of our “Enjoy Responsibly Day” program to 1,600 students at the Ho Chi Minh City University of Technical Education and Ho Chi Minh City University of Polytechnic. With the theme of “Moderate drinking is an enjoyable and responsible drinking culture”, we raised awareness of how to consume alcoholic beverages in moderation, while encouraging the next generation to promote responsible drinking in the society.

The expansion of our program to students is one of our new directions in our strategy to address alcohol abuse. We believe in the effectiveness of imparting the responsible drinking culture during a youth’s first encounter with alcohol at his legal drinking age. Thereafter, harnessing the social



network of our youth ambassadors who will in turn influence their peers towards self-regulation.

At the end of our program, we received positive feedback from the students, who appreciated the efforts of a beer company in educating them on responsible consumption, rather than encouraging them to drink more. Our post-event survey showed that 94% of our participants understood our key

message of “responsible drinking is to drink at the right time and right place”, while 64% are now aware of the risks of drink-driving and have stated that they would not drive after drinking.

In all, a total of 1,122 staff and 1,600 students participated in this year’s program.

Lessons from “Enjoy Responsibly Day”

<p>FILL YOUR STOMACH BEFORE DRINKING</p> <p>LESSON 087</p>		<p>LESSON 367</p> <p>DON'T MIX YOUR DRINKS</p>	
	<p>PACE YOUR DRINKS WITH WATER</p> <p>LESSON 934</p>		<p>LESSON 167</p> <p>DON'T DRINK AND DRIVE</p>
<p>DRINK SLOWLY</p> <p>LESSON 489</p>		<p>KNOW YOUR LIMITS</p> <p>LESSON 321</p>	

Protecting water resources





Our Da Nang Brewery is
within the **Top 5**
performing breweries across
HEINEKEN group worldwide²⁸



3.0 hl/hl

water consumption in our breweries,
improving on the HEINEKEN group
average consumption

Why is this important?

The 2030 Agenda for Sustainable Development saw countries committing to do their part in improving water quality and conserving water²⁹. Central to this SDG was the objective to build capacity in water-related activities and programs, including water-use efficiency, wastewater treatment and recycling and reusing technologies.

With Vietnam experiencing more droughts and rising sea levels³⁰, water security has become a growing concern with our nation and the people. As beer contains 95% water, water is an essential part of our operations. Concurrently, the communities around our breweries are also highly dependent on water for their livelihoods. As such, it is critical that we use this shared resource responsibly. We continue to do this by reducing the amount of water used in production through innovation and change behaviours, ensuring the safe discharge of brewery effluent, and collaborating with stakeholders in our various water stewardship efforts.

Actions and Results

Reducing water consumption

Since 2014, we have already achieved the global 2018 milestone and 2020 commitment³¹ several years early. We are proud to continue our winning performance in 2015 with a further reduction of our water consumption by 3% to 3.0 hl/hl (2014: 3.1 hl/hl). This is below our local target of 3.05 hl/hl and the HEINEKEN group average performance at 3.7 hl/hl.

Three of our breweries posted a remarkable reduction in water use this year. Most notable were Tien Giang and Da Nang, where significant improvements of around 21% were achieved.

Our commitments and link to BaBW targets

Commitment area and result

2015 global milestone:

Reduce specific water consumption in the breweries to 3.9 hl/hl³²

2015 Heineken Vietnam Brewery target:

Reduce specific water consumption in the breweries to 3.05 hl/hl

Performance vs 2015 target:

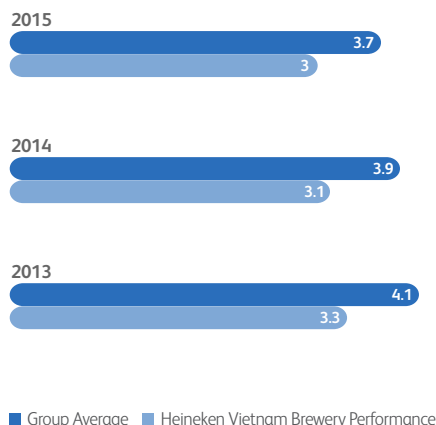
Achieved



We have surpassed our 2015 target and decreased our water consumption to 3.0 hl/hl. This has surpassed the HEINEKEN global ambition for 2020.

Specific Water Consumption

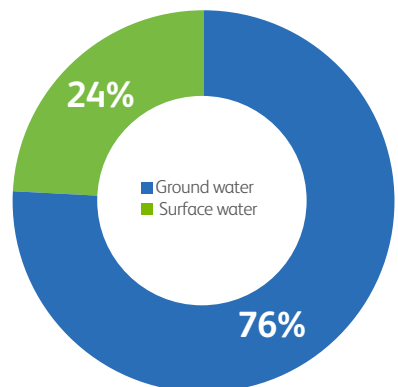
hl/hl beer



Source of Water

Our approach across all breweries is to make detailed action plans for saving water, embedded within the Total Productive Management (TPM) framework. Based on impacts and improvement potential, we prioritise improvement projects, and some of our key ongoing water conservation measures are tabulated below.

Conversely, due to the higher frequency of rain and lower production volume at Quang Nam in 2015, our Quang Nam brewery had increased its water consumption from 2014 by 6.5%. Used beer bottles collected from villages during the rainy season, required more rounds of washing before they were reused for future productions. At the same time, the lower production volume had affected the optimal operating capacity of our brewing line. With frequent pauses and restarts



of the system, more water was used for cleaning each time the system commenced operations. Moving forward, we will continue to work on our water conservation efforts in addressing the effects of external factors.

²⁸ Top 5 performing breweries based on performance in hl/hl. This includes all breweries with more than 500,000 hl of production. ²⁹ SDG target 6.a: By 2030, expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies. SDG target 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. SDG target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources. ³⁰ VietNam News, "Securing the Mekong Delta water supply", 6 April 2016. ³¹ The global 2018 milestone and 2020 commitment are set at 3.6 hl/hl and 3.5 hl/hl respectively. ³² Global baseline 2008.

Our water saving strategies across our breweries in recent years



Direct water savings

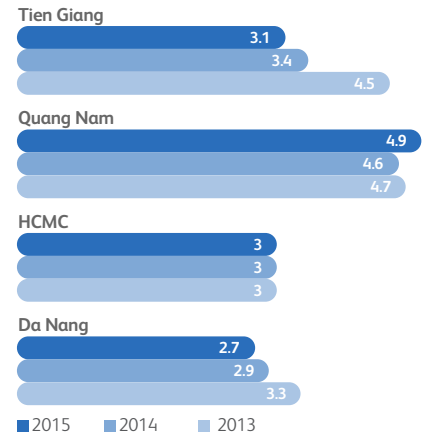
More than **60 thousand m³** in 2015, equivalent to filling an estimated 24 Olympic-sized swimming pools



Direct cost savings

Around **VND 150 million** in 2015

Specific water consumption by brewery hl/hl beer

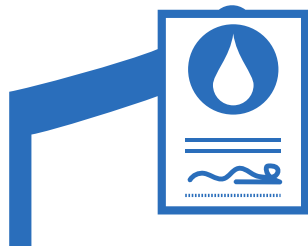


Our strategy

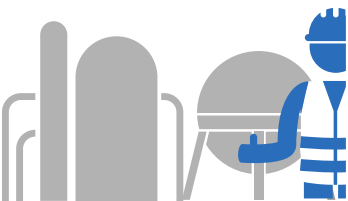
Investing in water efficient equipment



Improving operational procedures



Change behaviour



Our key measures

- At Da Nang, we installed a sludge washer in the wastewater treatment plant so as to reuse the discharge of the waste treatment plant in cleaning the system.
- We switched to water-efficient tools for cleaning the cellar and the filtration systems at the Da Nang brewery.
- At Da Nang, we connected residual hop water from the system to bottling line to reuse treated wastewater for cleaning.
- We rechanneled surplus hot water from our Da Nang brew house for use in the pasteurization and cleaning-in-place processes.
- We optimised the cycle of our Da Nang brewery cleaning filler to once every 6 hours instead of once every 4 hours.
- At Ho Chi Minh City and Tien Giang, we made modifications to the design dimensions of the water nozzle in the backwash water recovery system from 3mm to 1.5mm.
- We increased the speed of housekeeping activities at our Da Nang brewery to reduce water usage.
- At Da Nang, we switched from "wet cleaning" practices (use of running hose in cleaning) to "dry cleaning" practices (mop and pail). We put in place a step by step methodology and conducted awareness trainings.
- Through our Daily Control System (DCS), we promote responsible water usage and encourage our people across our breweries to be vigilant and timely in reporting any leakages. Furthermore, we encourage our employees to come up with ideas for zero loss initiatives, and reward them for these ideas.

Wastewater management

Our responsible use of water extends to the quality of our water discharge. Through our investments in advanced wastewater treatment technologies, we have gone beyond strict compliance with prevailing laws and regulations, with our Ho Chi Minh City and Tien Giang breweries achieving Grade A on wastewater effluent, surpassing the government's basic requirement of Grade B. This treated wastewater is used to sustain aquarium life and vegetation in our brewery gardens. At our Da Nang and Quang Nam breweries, wastewater is treated to Grade B quality before it is connected to the central wastewater treatment plant of the relevant industrial zones.

Our effluent organic load discharged to surface water remained relatively constant overall in 2014 and 2015. This was due to a decrease in the amount of effluent organic load discharged to surface water at our Da

Nang, and Tien Giang breweries by 28% and 13% respectively. The decrease was as a result of improved operations at Da Nang and the commencement of our advanced wastewater treatment plant at Tien Giang. In contrast, our Ho Chi Minh City and Quang Nam breweries experienced an increase in COD discharged by 11% and 13% respectively. This was due to the increase in productivity in Ho Chi Minh City, where a higher volume of beer was produced before each drainage or cleaning of the lines, leading to the higher COD concentration. At Quang Nam, the increase was due to a particularly heavy rainy season, which led to the need for multiple rewashing of accumulated dirt in used beer bottles collected from villages during that period.

Despite of increment in trend, COD at all breweries is by far under government regulations. The following year, we will be replicating our modern wastewater treatment systems from Ho Chi Minh City and Tien Giang at the Da Nang and Quang Nam breweries.

Effluent organic load discharged to surface water by brewery

kg COD/hl

HCMC

0.0043
0.0039

Tien Giang

0.0102
0.0117

Da Nang

0.0272
0.0377

Quang Nam

0.0201
0.0178

■ 2015 ■ 2014



Case study:

“Better Never Stops” – Da Nang retains No. 2 title for Best Water Performing Brewery in HEINEKEN group, for second year running

For the second consecutive year, our Da Nang Brewery emerged No. 1 in Asia for its water performance, retaining its No. 2 title in HEINEKEN group worldwide. With continuous improvements in our water conservation measures, we successfully achieved a further reduction in our water consumption of around 5% to 2.72 hl/hl, far exceeding our target expectation of 2.85 hl/hl. This stellar performance has narrowed down the gap between our performance and that of the No. 1 HEINEKEN brewery in Elblag, Poland, to

only 0.04 hl/hl. In addition, our Da Nang brewery has reduced the COD levels in our wastewater discharge by 8%[#], as compared to 2014.

The reason for our continual success is succinctly described in our motto, “better never stops”. “Better never stops” describes our brewery culture at Da Nang of perseverance and passion in outperforming our best. Our people are not just involved in job execution but fully engaged and take ownership of driving process improvements. With the launch of the

HEINEKEN Greenprint to Win in 2015, as well as adopting the standards of a World Class Brewery Office (WCBO), we are on track to becoming a High Performing Organisation, starting with the TPM Bronze Award in 2015. “Better never stops”, with the commissioning of a new aerobic wastewater plant by end 2016, we will be able to discharge Grade A effluent directly to the river, a significant improvement from the current wastewater treatment plant which discharges Grade B effluent to the Industrial Zone.

[#] While our Da Nang brewery has successfully reduced our COD levels in 2015, it remains the highest contributor of effluent organic load discharge as compared to other breweries. This is because the decrease in water consumption resulting from our improved operations, led to more waste concentration in a smaller volume of water and therefore higher COD levels. Notwithstanding, the COD levels are still within the permissible limits set by the government.

Reducing CO₂ emissions



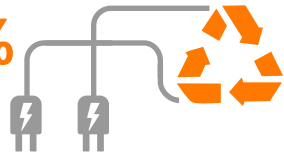
**ZERO CO₂
BIOMASS
FUEL**



BIOMASS STEAM BOILER
OPERATED SINCE 6/3/2015



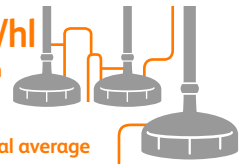
Beer brewed by
100%
Biomass &
Biogas
at Da Nang



Da Nang,
Tien Giang and
Ho Chi Minh City
Breweries³³



5.0 kg-eq/hl
CO₂ emissions in
our breweries,
surpassing the
HEINEKEN global average



Why is this important?

The use of energy gives rise to CO₂ emissions, which directly contribute to climate change, causing a hike in temperatures and sea levels. This in turn has a negative impact directly and indirectly on the availability and cost of raw materials and other resources. With the launch of the SDGs³⁴ in 2015, the world leaders have committed to reducing the adverse per capita environmental impact of their cities and economic activities overall, in several ways, through facilitating access to clean energy research and technology, efficient use of natural resources, and strengthening scientific and technological capacity towards sustainable patterns of consumption and production.

Following the recent developments, the Vietnamese government has renewed the nation's commitment to reduce emission intensity by 8% in 2030³⁵. Along with the world and national commitments, we have set our own ambitious targets for energy and emission reductions in the brewing and cooling parts of our business. This continues from our past efforts as we replicate our clean energy and energy saving best practices across our breweries. At the same time, we constantly explore new ways to minimize our impacts on the environment.

Our carbon footprint

In 2015, the HEINEKEN group updated the carbon footprint of its beverage across its global operations and the complete value chain from Barley to Bar. This extensive carbon footprint model was based on a life cycle approach including greenhouse gases scope 1, 2 and 3 emissions, with reference to the WBCSD/WRI's Product Life Cycle Accounting and Reporting Standard³⁷. Results showed that packaging materials was the biggest contributor to the total carbon footprint, followed by cooling and beverage production.

At Heineken Vietnam Brewery, we are committed to the global methodology and are under progress to map our carbon hotspots across our value chain. Based on our progress so far, we have observed that our breweries produce nearly as much scope 1 emissions (resulting from fuel combustion and refrigerant losses) as scope 2 emissions (resulting from heat import and purchased electricity). We will focus on reducing emissions in these areas as we continue with our study in the coming years.

Our commitments and link to BaBW targets

Commitment areas and results

2015 global milestone:

Reduce CO₂ emissions in production by 27%³⁶ (resulting in 7.6kg CO₂-eq/hl)

2015 Heineken Vietnam Brewery target:

Direct CO₂ emission capped at 3.63 kg CO₂-eq/hl to contribute on reducing the total CO₂ emission in production

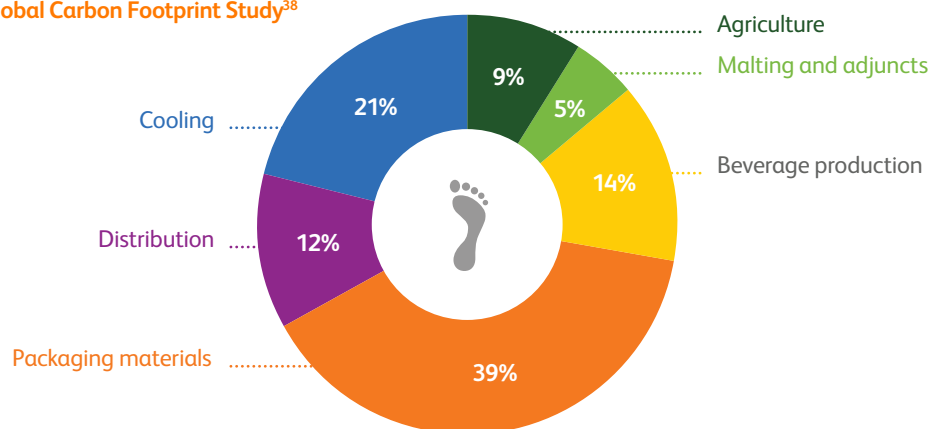
Performance vs 2015 target:

Achieved



The total CO₂ emissions in production decreased by 34% compared to last year (resulting in 5.0 kgCO₂-eq/hl) especially due to the significant reduction in the direct CO₂ emission (resulting in 2.1 kg CO₂-eq/hl)

Results of the 2015 Global Carbon Footprint Study³⁸



³³ Top 5 performing breweries based on performance in MJ/hl (Da Nang and Ho Chi Minh City) and total energy reduction per hl in % (Tien Giang). ³⁴ SDG target 7.a: By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.

SDG target 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

SDG target 12.2: By 2030, achieve the sustainable management and efficient use of natural resources

SDG target 12.a: Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production

³⁵ United Nations Framework Convention on Climate Change, Intended Nationally Determined Contribution (INDC) of Vietnam, 29 September 2015. The INDC is the climate action plan of Vietnam, which pledges to reduce emission intensity by 8% in 2030 from Business as Usual levels. ³⁶ Baseline 2008. ³⁷ HEINEKEN participates in the EU Product Environmental Footprint Pilot (PEF) for the Beverage Industry and will update its carbon footprint calculation methodologies accordingly. ³⁸ Data based on 80% of the HEINEKEN volume in 2014.

Reducing CO₂ emissions in production

We use energy for heating and power throughout our production processes. Our energy consumption (and therefore CO₂ emissions) includes both thermal and electrical energy sources.

In 2015, we achieved a 34% reduction in our CO₂ emissions in production amounting to 5.0 kg CO₂-eq/hl as compared with 2014. We used, on average, 10% less energy to produce one hectoliter of beer in 2015. This reduction was made up of a 13% decrease in our thermal energy consumption³⁹ to 43.7 MJ/hl, as well as a 3% decrease in our electricity consumption to 6.7 kWh/hl. In all instances, our performance outshone the HEINEKEN group average performance in 2015. Our Da Nang, Ho Chi Minh City and Tien Giang breweries were among the Top 5 performing breweries across the HEINEKEN group.

Our commitments and link to BaBW targets

Commitment areas and results

2015 global milestone:

Reduce the CO₂ emissions of our fridges by 42%

2015 Heineken Vietnam Brewery target:

100% Green Fridge compliance

Performance vs 2015 target:

Achieved



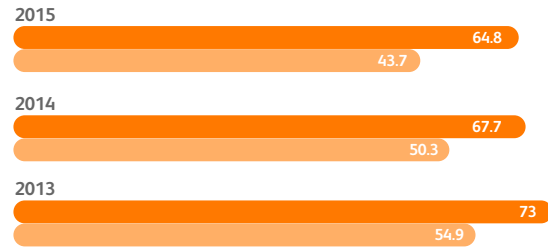
Specific greenhouse gas emissions

5.0

 kg CO₂-eq/hl beer


Specific thermal energy consumption

43.7

 MJ/hl beer


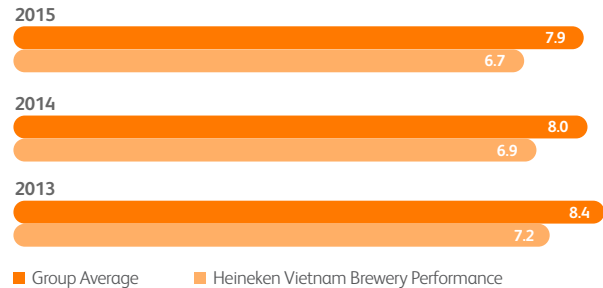
Total specific energy consumption

67.9

 MJ/hl beer


Specific electricity consumption






6.7

 kWh/hl


³⁹ In line with HEINEKEN's methodology, we define our total specific energy consumption as: thermal energy (MJ/hl) + 3.6 times electrical energy (kWh/hl). There are two exclusions from this calculation. To encourage increased use of biogas as a valuable and effective alternative to fossil fuels, we do not include it in our calculations. Additionally, a small proportion of the energy consumption not related to production (logistics activities on-site). For reasons of clarity, we exclude this from our calculations of energy consumption related to beverage production.

Our total reduction in CO₂ emissions and energy consumption of 34% and 10% respectively was in spite of a 16% increase in total beer production in 2015. Large investments in energy optimization were completed at our Da Nang and Tien Giang brewery expansions in late 2014. In 2015, we reaped economic and environmental benefits from these investments, as seen from the significant improvements in specific thermal energy consumption of 18.5% and 22.1% at Da Nang and Tien Giang respectively. We achieved this remarkable reduction through harnessing renewable energy and implementing energy saving initiatives. Our efforts to reduce CO₂ emissions are highlighted in the table below.

Our CO₂ emissions saving initiatives across our breweries in recent years

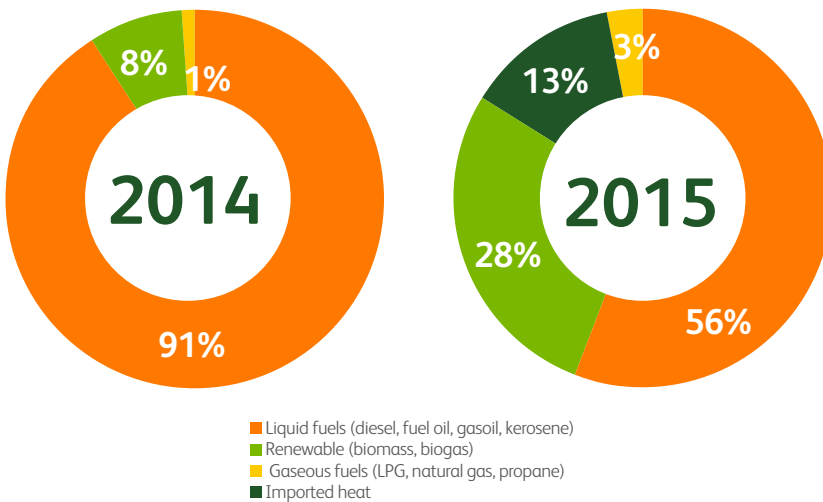
Our strategy	Our key measures
Harnessing clean energy 	<ul style="list-style-type: none"> At Da Nang and Tien Giang, we harnessed steam from burning rice husks in biomass boilers to generate thermal energy for beer production. We will be implementing the biomass project at our Ho Chi Minh City brewery in 2016. Our wastewater treatment plants at Ho Chi Minh City and Da Nang produce biogas (essentially methane) which is then used as a source of thermal energy to produce beer. We conducted feasibility studies for solar power in 2015, and will be installing solar panels at our Ho Chi Minh City brewery in 2016.
Switching to lower-emission sources 	<ul style="list-style-type: none"> We switched from diesel to natural gas to power our forklifts at the Ho Chi Minh City brewery.
Investing in energy efficient equipment 	<ul style="list-style-type: none"> Our Heat Recovery Systems reuse the steam produced by the hot water system as a by-product to reheat the wort. At Da Nang, we also installed the Wort Stripper in the Heat Recovery System, which further reduces the thermal energy required for boiling with a positive impact on the quality. We adopted a new technology, Equitherm, at our brewhouse in Ho Chi Minh City in 2015. The new technology extracts energy at high temperature levels after the wort has been boiled. This energy is then reused in other processes such as the Cleaning-In-Process system, which are run at lower temperatures than that required for boiling the wort. We installed high efficiency boilers, as well as variable speed drives in all pumps and fans for optimum control and reduced energy consumption. We improved the insulation of the hot water system, which reduces the amount of energy needed for heating through limiting energy losses. All lights used at the packaging lines have been changed to energy-efficient LED.
Improving operational procedures 	<ul style="list-style-type: none"> We have reduced the heating temperature of the bottle washers from 80°C to 75°C. This reduces energy consumption without compromising on cleanliness. We have minimized the cooling and storage time of our beer and waste yeast at our cooling plants.
Change behaviour 	<ul style="list-style-type: none"> Air-conditioning at the breweries are now set at a temperature of at least 25 degrees Celsius. This is part and parcel of influencing our people's habits of saving electricity. We encourage staff to contribute ideas on saving electricity, water and thermal energy, by organising biannual brainstorming sessions and rewarding them for their ideas. In 2015, we launched an "emulation movement" in the packaging department of our Quang Nam brewery. Each shift in the packaging department competed to beat the zero-loss efficiency of the previous shift, which includes energy efficiency.

Renewables in the energy mix

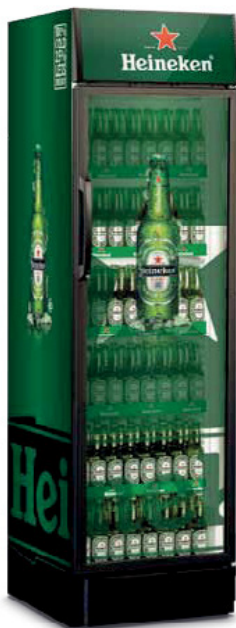
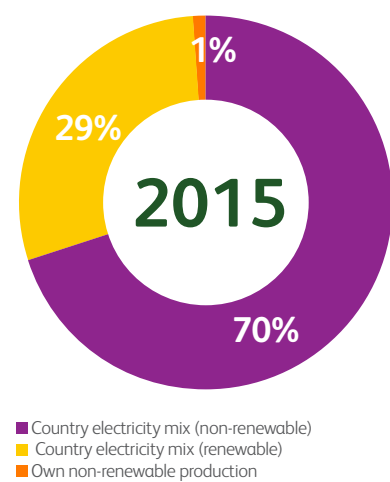
Increasingly, we have introduced more renewable energy and lower-emission sources into our production energy mix. In 2015, biomass and biogas produced nearly one-third of our total thermal energy consumption, up from just 8% in 2014. This has helped us to generate significant reductions in our CO₂ emissions of around 2,000 tonnes CO₂-eq per year. In particular, our Da Nang brewery has achieved a breakthrough by operating 100% on biomass and biogas. Despite the crash in oil prices during the year, we continued to use rice husk from farmers and wastewater as renewable fuel. We made this decision due to our concerns for the impacts of fossil fuels on the environment and the benefits of the biomass program on the local community. Besides being carbon neutral, the sale of rice husk to our breweries eliminates the health risks otherwise associated with backyard burning by farmers. It is also an additional income for these farmers.

Our biomass boiler project won the 3rd prize for implementation at the HEINEKEN group 2015 INEX Awards. The success of our biomass boiler and biogas projects will be replicated across our breweries. Come 2016, we will next be harnessing solar energy in our Ho Chi Minh City and Da Nang breweries.

Thermal fuel mix for beer production



Electricity mix for beer production



Reducing CO₂ emissions from fridges

To maintain the quality and branding of our beers, we supply fridges to our retailers. All our fridges are in line with the HEINEKEN Energy Efficiency Index (HEEI)⁴⁰, as well as the HEINEKEN four 'green' characteristics⁴¹. Compared to the fridges bought before 2010, our existing "green" fridges are on average 45%⁴² more efficient in energy use.

⁴⁰ HEINEKEN Energy Efficiency Index is the energy consumption of the fridge divided by the average energy consumption of similar HEINEKEN fridges on the market in 2010, multiplied by 100

⁴¹ Depending on size and local regulations, the four characteristics of green fridges are: 1. Use of hydrocarbon refrigerant, 2. LED illumination, 3. An energy management system, 4. Energy-efficient fans.

⁴² HEINEKEN global savings of average energy use as compared with baseline year 2010.

Waste management and environmental compliance

We aim to recycle the majority of our residual products from the brewing process, which comprises brewer's spent grains, surplus yeast and materials like glass, cardboard, aluminum, plastic and paper. Our methodology, called the HEINEKEN Waste Hierarchy, gives top priority to preventing the creation of waste in the first place. When waste is created, we prioritize preparing it for re-use, recycling, other recovery (such as energy recovery) and disposal (landfill) in descending order of environmental preference.

In 2015, we measured our waste recycling rates during the production of our beer for the first time. Results showed that 94% of our residual products were recycled into animal feed and fertilizer, owing to the high nutritional value of brewer's grains and yeast. 4% were recycled into material loops.

The 2% of our residual products that were not recycled, were incinerated or disposed at the landfill or dump. We have kept this percentage low, with the installation of a Beer Membrane Filter (BMF) in our Ho Chi Minh City brewery. The BMF has led to a reduction in the use of kieselguhr powder, which is toxic to the environment and has to be treated before disposal. In all, our non-recycled industrial waste production was 0.12 kg/hl, outperforming the HEINEKEN group average at 0.38 kg/hl. During the year, there were also no environmental complaints and accidents related to our waste management. We intend to further reduce our waste generation by applying the BMF at other breweries in the coming years.

Waste Hierarchy

	Destination	2015 Quantity (ton)	% of total
Most preferred option	Re-use	—	—
	Human consumption	—	—
	Animal feed	132,807	89%
	Materials	5,611	4%
	Compost/ soil improvement	7,911	3%
	Energy (biogas)	18	0.0%
	Combustion with energy recovery	—	—
	Combustion without heat recovery	1,552	1%
	Landfill	846	1%
	Dump	13	0.0%
Total co-products and waste		148,956	100% ⁴³
		■ Recycling ■ Recovery ■ Disposal	



Case study:

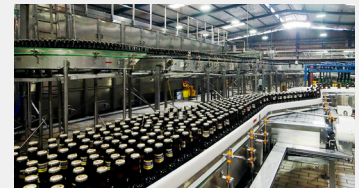
Tien Giang, our second garden brewery⁴³



After three years of expansion work, our Tien Giang brewery has successfully harmonized industry with nature to become a clean and green garden brewery. With production facilities and offices right next to footpaths and greenery, our brewery at first glance may be mistaken for a resort rather than a production plant. While being aesthetically pleasing, these features serve greater benefits to the environment and our people. Here is how our garden brewery has brought about positive impact:

Environment

Our various investments in energy and emission saving projects, notably the heat recovery system and biomass boiler, have yielded tremendous improvement in energy consumption and CO₂ emissions. Our brewery recorded the highest reduction in specific thermal energy consumption (by 22.1 %) and specific Scope 1 emissions (by 87.8%) across Heineken Vietnam Brewery. In addition, approximately 20% of our brewery grounds is dedicated to greenery, serving as a carbon sink for our CO₂ emissions. We also do our part in waste recycling, by reusing discarded metal from brewery construction to build the safety railings around our brewery, and shelves in our spare parts storeroom.



People

The vast greenery and footpaths create a relaxing and healthy work environment for our people, and is conducive to enhanced productivity.

Beyond our own employees, we have also created a positive impact to farmers in our community. By using more biomass, we have provided additional income to farmers by purchasing rice husk from them.

We are proud of our achievements and will continue to explore new ways to minimize our carbon footprint.

⁴³ The first garden brewery in Heineken Vietnam Brewery was Ho Chi Minh City.

Promoting health and safety





Safety Pyramid & STOP

Now extended to ALL our breweries



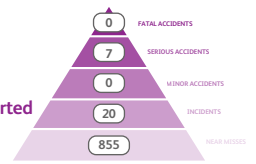
Ariso

Now covers reporting from BOTH production and commercial lines



Near-Miss Reporting

855 near misses reported by employees and contractors in 2015



Why is this important?

Under the SDGs, the international community has committed to reducing half of global deaths and injuries from road traffic accidents by 2020⁴⁴. In Vietnam, more than 9,000 lives are lost on the road every year⁴⁵. This is particularly relevant for our business, where most work-related accidents happen during staff commuting. The risk is higher for our salespersons, whose job scope requires drinking with our customers.

At Heineken Vietnam Brewery, nothing is more important than ensuring that our people are safe and in good health while performing their duties. Besides caring for their well-being, it drives operational efficiency and performance. Our “Safety First” approach is therefore more than a set of actions; it aims to transform from within as a behavioural change.

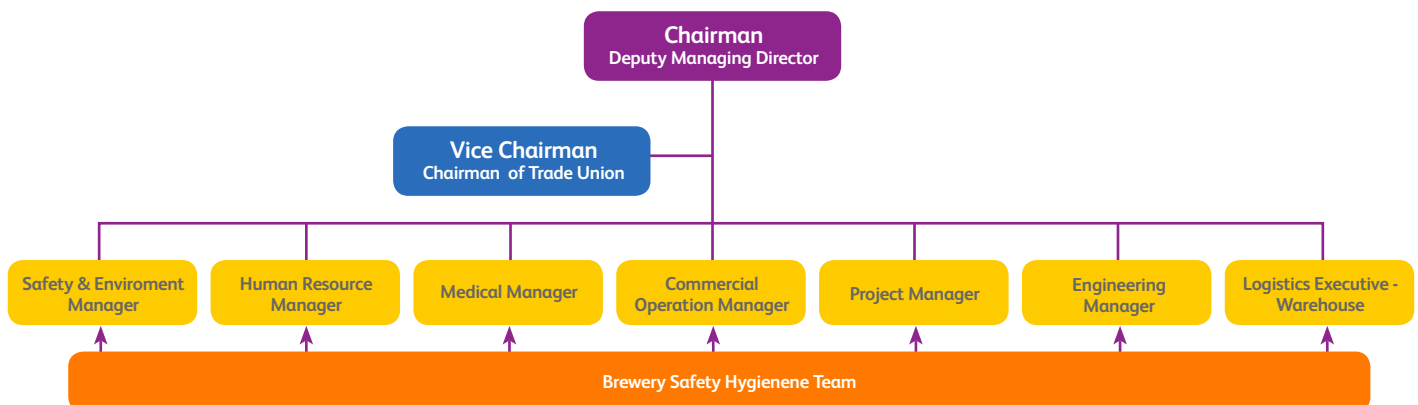


Actions and Results

Occupational Safety

In 2015, we reviewed the structure of our Labour Safety Council, supported by a team of 32 Safety Ambassadors. The Safety Committee and our Safety Ambassadors systematically address safety across our company in compliance with HEINEKEN and local legal requirements. We have highlighted some of our key initiatives below.

COMPANY LABOR SAFETY COUNCIL



Our commitments and link to BaBW targets

Commitment areas and results

2015 Heineken Vietnam Brewery targets:

Accident frequency

0 accident frequency/100FTE for production
Target for non-supply chain not required yet

Reporting

75 % sites report at least 1 near-miss

Safety e-learning

90% completion of targeted e-learning modules

Road safety

100% completion

Performance vs 2015 target:

Accident frequency: Not achieved

Reporting: Achieved

Safety e-learning: Achieved

Road safety: Achieved



⁴⁴ SDG target 3.6: By 2020, halve the number of global deaths and injuries from road traffic accidents. ⁴⁵ Channel News Asia, “Vietnam aims to halve traffic death toll by 2020”, 21 December 2015

Safety performance

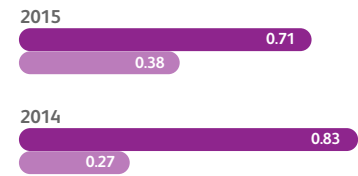
In 2015, we experienced zero fatalities. However, the average accident frequency had increased from 0.27 accidents per 100 FTEs in 2014, to 0.38 accidents per 100 FTEs in 2015. This was a result of extending our robust reporting system, ARISO, to all departments outside of production at the start of the year. Of the serious accidents reported, most were traffic accidents, which we have attempted to address through our road safety training and safety e-learning program. One notable accident that happened within our brewery involved our engineering staff losing his right middle finger when attempting to replace faulty high pressure valves. As a non-routine activity, our engineer should have conducted an last minute risk assessment. However, he chose instead to finish the work fast, and embarked on risky procedures which ultimately led to the severance of his finger. After this accident, we took immediate action to inform and remind all staff to prevent similar incidents from reoccurring in the future. A SOP was created for non-routine activities, and safety guidelines were prominently displayed at the work desk to remind employees of the proper work procedures.

Safety data

	Production only ⁴⁷		Company-wide	
	2014	2015	2014	2015
Fatalities	1	0	2	0
Fatalities of Company personnel	0	0	1	0
Fatalities of contractor personnel	1	0	1	0
Accidents	2	4	3	7
Accidents of Company personnel	1	4	2	7
Accidents of contractor personnel	1	0	1	0
Lost days of Company personnel	28	76	41	124
Total workforce (FTE)	873	897	1,802	1,905

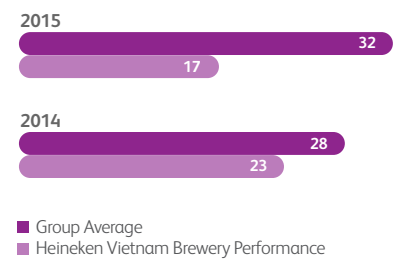
Accident Frequency

0.38 Cases/100 FTE



Accident Severity

17 Lost calendar days/FTE



Healthcare and well-being

We pay special attention to employee healthcare in our company, going beyond the mandatory requirements of a food processing company to ensure that all new hires are healthy. Manned by in-house doctors, our healthcare programs provide each and every employee with regular, personalized medical checkups and consultations. Our in-house doctors also organise various talks to promote health and well-being among our employees including our distributors, contractors and sales promoters.

In 2015, our headquarters moved into a new office building, which allowed the Marketing and Trade Marketing department to work alongside our other support functions for the first time. Besides facilitating better communication and interaction among employees from different departments, the new working environment is also equipped with high class facilities such as a gym, table tennis, foosball table, and yoga practice classes are conducted regularly to promote a healthy lifestyle and recreation.

⁴⁷ Includes the production facilities and the logistics as they happen at the production facilities



Case study:

Health and Safety Day: "Come home safe everyday"

"The number one priority for Heineken Vietnam Brewery is safety; it is not profit, it is not revenue, it is not sales volume. Safety and health is not only an issue for Supply Chain, Brewery and Sales. It is an issue for every function, every department and every employee of Heineken Vietnam Brewery."

- Mr. Leo Evers, Managing Director of Heineken Vietnam Brewery

Mr Leo Evers' opening speech on our annual Health and Safety Day reaffirmed safety as our top priority. With the event into our second year, we chose to focus on a key cause of work-related accidents, road safety, to promote the safety message to our employees. Simulation games of real-life accidents delivered meaningful messages about safety, with all 5 main messages listed below:



Message 1: Subconscious Safety Alarm Bell

We invited a specialist in Neuro-Linguistic Programming (NLP) to instill a subconscious safety alarm bell in the minds of our employees. The safety bell will ring whenever our people are faced with unsafe conditions. Our people will then be expected to act appropriately to ensure their safety. As part of this program, our people have to undergo daily rituals such as repeating the safety message to themselves and embedding it into their lives.

Message 2: Let's Drive Defensively and Safely

Our people teamed up to play a simulation



game which involved racing a human vehicle along a "road" while obeying traffic rule signals. Throughout the simulation game, our teams were conditioned by the subconscious safety alarm bell to respond accordingly whenever an emergency road situation arose. This activity was used to strengthen the subconscious safety alarm bell of Message 1 while allowing our employees to practice obeying the rules of the road and driving etiquette.

Message 3: Correct Lifting Technique & Weight Limit for Manual Lifting

Our teams were introduced on the safe and proper way of lifting heavy loads. They participated in a game in which they had to move heavy weights to a finished line safely and correctly. This game allowed our people to put their knowledge into practice.



Message 4: Safety Beliefs and Safety Behaviors: Everyone's Responsibility

Safety behaviours arise from safety beliefs. In this game, our teams tried to transport a glass of water safely to the finishing line, by each holding onto a piece of string tied to the tray. Each string represented each employee's safety beliefs. From this experience, our people understood that when they let go of their safety beliefs, they would also lose their safety behaviours. Besides emphasizing the importance of safety beliefs, the game also reinforced the role of team work in keeping each other safe.



Message 5: Come Home Safe Everyday

Upon completing each station, teams were given pieces of a puzzle to be completed at the end of the day. The combined puzzle formed our event's key message of "Come Home Safe Everyday". We also introduced the catch phrase "TEAM", which stands for "Together Everyone Achieve More". This re-iterates the role of teamwork in keeping each other safe.

This year, the event attracted a total of 1,314 participants across Heineken Vietnam Brewery.





Case study:

“Put Safety First”: The Number One HEINEKEN Behaviour



Following the launch of the HEINEKEN Six Behaviours in 2015, we instituted the “Put Safety First” project. While we regularly organise a variety of programs and activities to remind our staff on keeping safe, the “Put Safety First” project was a fresh initiative aimed at helping our people become fully aware of the importance of safety for themselves, their families, the company and society as a whole. Together with our 32 Safety Ambassadors, we are working to set up an internal communication plan for safety, while preparing a series of activities to spread and embed the message. In 2015, we successfully held a fire fighting and prevention training for all head office and sales staff with the attendant of about 1.600 staffs in 14 runs. We also carried out the 5S System Training Program for our Safety Ambassadors and other teams. We aim to do more to promote the safety message among our employees in inspiring ways, and look forward to reporting the results of our efforts in the coming years.

The 5S System Training Programme



“This fire fighting and prevention training is a helpful and practical program. It helps improve knowledge of and skills needed for safety and risk prevention not only for myself but also for my family and colleagues.”

- Mr. Nguyen Huu Quang, Safety Ambassador from Commercial

Growing with communities





3-year
partnership with
Central Youth Union
to spread awareness
on water conservation
to Vietnamese youths



A total of
55 scholarships and
4 researches
grants awarded under Young Talent Support
“Towards Water Security” program



Why is this important?

The recent SDGs were a call to action for world nations to help their communities prosper sustainably. Besides improving resource use and reducing pollution, the actions include strengthening access to basic services, housing, education, and more⁴⁸, thereby providing equal opportunities for all.

At Heineken Vietnam Brewery, we recognize that our long-term success is dependent on the well-being of our communities. We acknowledge that our business may impact on our communities in many ways and as such, we seek out community investments and partnerships that create lasting, positive changes for them.

Our commitments⁴⁹

We prioritize community investments aligned with our business and sustainability agenda over general philanthropy⁵⁰. The following are our priority areas for community investment:



Water

As a business that is heavily reliant on water, we recognise our responsibility to utilise and conserve water resources for our neighbouring communities. We therefore provide access to clean water and support the participation of local communities in improving water management.



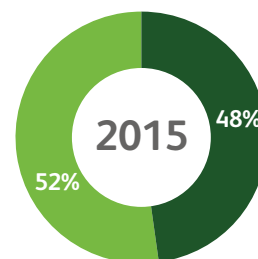
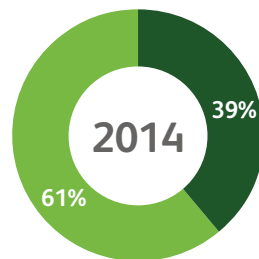
Education

To help bridge the income disparity between the rich and poor in Vietnam, we provide scholarships for higher education to the underprivileged. We hope to extend our company's learning culture to the young and empower them with skills and knowledge.

Actions and results

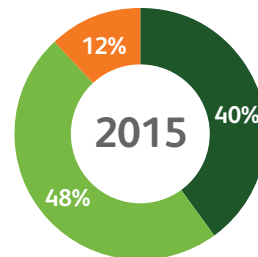
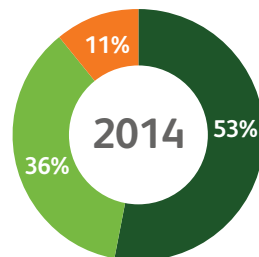
In 2015, our overall contributions comprising cash contributions, management of programs and employee volunteering time totalled VND 10.9 billion. This was a 5% increase from 2014. Consistent with our priorities, we maintained at least half of our total corporate giving to community investments, with water and education continuing to stand out in contribution. There was a slight decrease of around 10% in the proportion directed to community investments, in particular on our water program. As we had launched a partnership on our water program with the Central Youth Union in 2015, we had leveraged on external contributions. Contributions from external partners had increased by 34% from VND 368 million in 2014 to VND 491 million in 2015. We will continue to focus on long-term projects that have clear objectives and targeted beneficiaries, and leverage on mutually beneficial and sustainable partnerships for bigger impacts in our future projects.

Contributions to Communities by Motive



■ Community Investment
■ Philanthropy

Contribution to Communities by Cause



■ Environment
■ Education
■ Social Welfare

Forms of direct contribution to Communities

2014



Cash
54%



Management
44%



Time
2%

2015



Cash
61%



Management
37%



Time
2%

⁴⁸ SDG target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. SDG target 4.b: By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programs, in developed countries and other developing countries.

SDG target 6.b: Support and strengthen the participation of local communities in improving water and sanitation management.

SDG target 11.1: By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.

⁴⁹ We do not include our responsible drinking campaign, improvement of brand promoters' welfare and investment in operational infrastructures as part of community investment. This is because we consider these initiatives as basic building blocks which are essential for the responsible operation of our business. ⁵⁰ General philanthropy is considered as supporting charitable causes such as emergency relief.



2,405 employees together



...contributed
9,620 hours to helping...



...5,771
households
in Vietnam



Case study:

"1 Minute Less for Million Smiles": Furthering our reach with a new three-year partnership



In Vietnam, clean piped water only reaches around 10% of the rural households⁵¹. To help bring clean water to these people, our "1 Minute Less for Million Smiles" program sponsors one water station at a water-scarce community, for every 100,000 pledges or good deeds made by members of the public towards water conservation.

In 2015, our signature program was relaunched under a three-year partnership between Heineken Vietnam Brewery and the Vietnam Central Youth Union (CYU). This new partnership aims to create real change by cultivating good water saving habits in people from young, at the same time expanding the reach and scope of our activities with CYU's diverse network of millions of members⁵².

As a result of our partnership efforts, we received a significant increase in the support towards our conservation campaign. With over 290,000 commitments and good deeds gathered on our website, as well as more than 250,000 page likes on Facebook, we recorded the best response since the introduction of our program in 2012.

To date, our program has gone to eight cities and provinces with the participation of more than 2,000 Heineken Vietnam Brewery employees and volunteers. In 2015, we helped 50 underprivileged families in Phu Quy (Binh Thuan), build 50 clean water

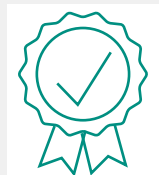


Campaign Results

3 water-scarce provinces sponsored with water station



2,490 volunteers



292,704
commitments



259,193



storage tanks worth VND 100 million. We also inaugurated freshwater systems in Muc Village (Quang Nam) and Xeo Mam (Ca Mau), benefitting over 180 households in both areas. The freshwater systems, with Heineken Vietnam Brewery support of VND 100 million each, consisted of fresh water drainage and a tank. Apart from supporting the locals with the installation through sponsorship funds, we have also distributed leaflets to the villagers to raise awareness of environmental protection, and collected waste along the sea.

We understand that every action towards our communities goes a long way. Our program has greatly impacted the lives of the local people and we strive to do more in the following year.

"We are so happy when we have a clean water construction here. With Phu Quy – an offshore island town, this gift is more meaningful and practical. When this construction is completed, we will guide our citizens on how to use clean water resource effectively and save water."

- Mr. Nguyen Van Linh, Vice Chairman of People's Committee of Phu Quy

"Previously we had to wait long for clean water but now we do not need to worry about water shortages during droughts. Our meals have become tastier and our children won't cry because of illness anymore."

- Mr. A-Rat-Trai, Resident of Thanh My, Quang Nam

"Recently, our wells became saline, filled with alum that made it unusable. There was a shortage of clean water. We had to carry water over long distances as four reservoirs were damaged. The project solved the shortage and provided freshwater for farming. I hope Heineken Vietnam Brewery will support us in many clean water projects in the future."

- Mr. Nguyen Dang Khoa, Chairman of Ngoc Hien, Ca Mau

⁵¹ World Health Organization, "Viet Nam: Closer to bringing drinking water and sanitation to all", July 2015. ⁵² In Vietnam and overseas.



Ngo Long Binh
at work

Case study:

Young Talent Support “Towards Water Security”: brings hope to the future of Vietnam



For some of us, receiving VND 15 million per year is not a huge sum. But for students in reduced circumstances like Ngo Long Binh, the gift of VND 15 million each year has greatly reduced his family's financial burden for his tuition fees and daily expenses.

A former student at the National University of Poly-technique of Ho Chi Minh City, Ngo Long Binh was one of our star scholars whom we had supported with the Heineken Vietnam Brewery Young Talent Support “Towards Water Security” scholarship throughout his university years from 2012 to 2016.

Since 2012, Heineken Vietnam Brewery's “Young Talent Support towards Water Security” scholarship program was established to address the need for clean water in Vietnam, while providing access to higher education. Every year, we award scholarships and research grants to deserving, underprivileged students like Ngo Long Binh, majoring in Environmental Studies and Environmental Economy.

Apart from helping our scholars out financially, our program researchers are also given the chance to present their findings and receive valuable feedbacks from a panel of experts from the Selection Board, thus benefitting both our grantees and other candidates who applied for the grant, and receive valuable feedbacks and advices to their researches & studies.

Research topics shortlisted for funding in 2015

1. Research on using sponge membrane technology to reduce antibiotics in medical wastewater

2. Using membrane photobioreactors (MBPR) to study the nutrition withdrawal and algae biomass development

3. Effect of using denatured bentonite clay via adsorption and flocculation to remove organic and inorganic pollutants in contaminated surface water

4. A research into the application of a multi-agent system for irrigation water management at the large paddy fields in Mekong Delta

In the four years that we have carried out the program, we have awarded, to date, a total of 131 scholarships and 16 research grants worth VND 1,927.5 million and VND 1,860 million respectively.

Our scholarship program is a powerful initiative that benefits both Vietnam and her people. Besides helping to break the cycle of poverty for our recipients and their families, it also empowers our next generation of talents to contribute their knowledge in research, management and conservation of water resources in our country. “With this support,” says Ngo, “I have completed successfully my studies and now have a job in the Environment & Natural Resources Institute of the National University of Poly-technique, a chance for me to dedicate efforts for a better environment for all of us.”

Here at Heineken Vietnam Brewery, we will continue to develop our Young Talent Support “Towards Water Security” scholarship program, to inspire and effect positive change and action. With a group of passionate young talents committed to the cause of water conservation, Vietnam will have a greener and sustainable future.



Sourcing sustainably





75%

of local sourcing of raw materials used in packaging



Why is this important?

In order for our community to grow holistically and sustainably together, it is our responsibility to ensure that we remain sensitive towards the social and environmental impacts of our suppliers. One of the ways the SDGs promote this is through responsible sourcing practices⁵³. At Heineken Vietnam Brewery, we work together with our suppliers to ensure we implement the right practices throughout our supply chain. Through our local sourcing efforts, as well as our Supplier Code Procedures, we ensure a consistent supply of our raw materials to meet the growing demand for our products.

Actions and results

Local Sourcing

75% of our packaging materials are locally sourced, and this includes our glass, cans and cartons for packaging, as well as rice husk which is used as fuel for our biomass boilers. Local sourcing allows us to create jobs in the domestic market, benefitting smallholder farmers and factories. At the same time, it allows us to achieve cost savings and reductions on our carbon footprint relating to transportation along the value chain.

We currently do not source agricultural raw materials locally, as Vietnam's climatic conditions are unsuitable for the growth of these ingredients. Instead, we import only the best from HEINEKEN pre-approved suppliers, for whom sustainability commitments are taken care of under strict HEINEKEN global guidelines.

Our commitments and link to BaBW targets

Commitment areas and results

2015 global milestone:

Four-step Supplier Code Procedures operational within all OpCos

2015 Heineken Vietnam Brewery target:

Out of scope for 2015 global milestone

Performance vs 2015 target:

On track



Although we were out of scope for the 2015 global milestone, we started to roll out the Supplier Code Procedure and 50%⁵⁴ of our suppliers have signed the Supplier Code.

Our Supplier Code Procedures⁵⁵

Since 2013, we have adopted the HEINEKEN Supplier Code Procedures in our operations. These four-step procedures apply to all our suppliers of materials and services, and provide clear guidelines and minimum standards to comply within the areas of Integrity and Business Conduct, Human Rights, and the Environment. As of 2015, we are currently at Step 2 of this framework to identify potential high risk suppliers, according to their service sector, purchase value, and their use of sub-contractors. While the percentage of suppliers who have complied with our Supplier Code Procedures has decreased from 55% in 2014 to 50% in 2015, this was due to weaknesses in the recording process. Improvements are currently underway, and we hope to report the accurate percentage in future reports.

Step 1:



Signing

- Supplier Definition
- Signing of Supplier
- Storage and monitoring progress in database

Step 2:



Supplier Risk Analysis

- Category Risk
- Supplier Specific Risk
- Identification of potential high risk suppliers

Step 3:



Supplier Monitoring

- Supplier Monitoring
- 360° supporting evidence
- Inter-industry benchmarking
- Supplier scorecard

Step 4:



Audit

- Audit Plan
- Site Audit
- Follow up on non-compliance

■ Heineken Vietnam Brewery is currently at Step 2

⁵³ SDG target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities. ⁵⁴ Percentage of suppliers who have complied with the Supplier Code Procedures has decreased from 55% in 2014 to 50% in 2015. This is due to weaknesses in the recording process. Improvements are currently underway, and we hope to report the accurate percentage in the future reports. ⁵⁵ For full details of our Supplier Code and the four-step procedures, please refer to <http://www.theheinekencompany.com/sustainability/focus-areas/sourcing-sustainably>.

Global Reporting Initiative (GRI) Table 4.0

General Standard Disclosures



Profile Disclosure	Description	Cross-Reference/Direct Answer
Strategy and analysis		
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 foreword (Page 2)
Organizational Profile		
G4-3	Name of the organization	About Heineken Vietnam Brewery Limited Company (Page 4)
G4-4	Primary brands, products, and/or services	About Heineken Vietnam Brewery Limited Company (Page 4)
G4-5	Location of organization's headquarters	About Heineken Vietnam Brewery Limited Company (Page 4)
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 Heineken Vietnam Brewery Limited Company (Page 4)
G4-7	Nature of ownership and legal form	About Heineken Vietnam Brewery Limited Company (Page 4)
G4-8	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	About Heineken Vietnam Brewery Limited Company (Page 4)
G4-9	Scale of the reporting organization	About Heineken Vietnam Brewery Limited Company (Page 4)
G4-10	Total workforce by employment type, gender, employment contract and region	Values and Behaviours (Page 20)
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	Brewing a Better World (Page 6), Sourcing Sustainably: Actions and Results (Page 49)
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 (Page 9)

Global Reporting Initiative (GRI) Table 4.0

General Standard Disclosures



Profile Disclosure	Description	Cross-Reference/Direct Answer
G4-15	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	<p>Advocating Responsible Consumption: Partnerships for Progress (Page 27)</p> <p>HEINEKEN is a signatory to the UN Global Compact (UNGC).</p> <p>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.</p>
G4-16	Memberships in associations (such as industry associations)	Advocating Responsible Consumption: Our commitments and link to BaBW targets (Page 24), Responsible Marketing (Page 26), Partnerships for Progress (Page 27)
Identified material aspects and boundaries		
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 Heineken Vietnam Brewery Limited Company (Page 4)
G4-18	Process for defining report content and the Aspect Boundaries and explain how the Reporting Principles has been implemented	About this report (Page 5), Materiality Assessment at a Local Level (Page 15)
G4-19	List all material Aspects identified	Materiality Assessment at a Local Level (Page 15)
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	About this report (Page 5)
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 material, relate to geographical location; Specific limitation regarding the Aspect Boundary outside the organization	About this report (Page 5)
G4-22	Explanation of the effect of any restatements	The reported socio-economic impact in 2014 includes the contribution by Heineken Vietnam Brewery, a distribution agency and a brewery in Northern Vietnam. (Page 4)
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	There were no significant changes during the year.

Global Reporting Initiative (GRI) Table 4.0

General Standard Disclosures



Profile Disclosure	Description	Cross-Reference/Direct Answer
Stakeholder engagement		
G4-24	List of stakeholder groups engaged by the organization	Stakeholder Engagement and Communications (Page 12)
G4-25	Basis for identification and selection of stakeholders with whom to engage	Stakeholder Engagement and Communications (Page 12)
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	What our stakeholders told us and how we responded (Page 12)
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 (Page 12)
Report Profile		
G4-28	Reporting period	Report Scope (Page 5)
G4-29	Date of most recent previous report	31 December 2014
G4-30	Reporting cycle	Report Scope (Page 5)
G4-31	Contact point for questions regarding the report or its contents	Reference Information (Page 58)
G4-32	a. Report the 'in accordance' option the organization has chosen b. Report the GRI Content Index for the chosen option	Reliability, Completeness and Methodology (Page 5)
G4-33	Policy and current practice with regard to seeking external assurance for the report	Reliability, Completeness and Methodology (Page 5)
Governance		
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 (Page 9)
Ethics and Integrity		
G4-56	Describe the organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Values and Behaviours (Page 20)

Global Reporting Initiative (GRI) Table 4.0

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 2015, Report of the Executive Board: Operational Review (Page 10-15), Regional Review (Page 20)
Indirect Economic Impacts	Not a HEINEKEN focus area	Growing with Communities (Page 44)
Energy	Reducing CO ₂ emissions	Reducing CO ₂ Emissions (Page 32)
Water	Protecting water resources	Protecting Water Resources (Page 28)
Emissions	Reducing CO ₂ emissions	Reducing CO ₂ Emissions (Page 32)
Effluent and Waste	Protecting water resources, Reducing CO ₂ emissions	Wastewater Management (Page 31), Waste management and environmental compliance (Page 37)
Environmental Compliance	Reducing CO ₂ emissions	Reducing CO ₂ Emissions (Page 32), Protecting Water Resources (Page 28)
Supplier Environmental Assessment	Sourcing sustainably	Sourcing Sustainably (Page 48)
Occupational Health and Safety	Promoting health and safety	Promoting Health and Safety (Page 38)
Supplier Assessment for Labor Practices	Sourcing sustainably	Sourcing Sustainably (Page 48)
Supplier Human Rights Assessment	Sourcing sustainably	Sourcing Sustainably (Page 48)
Local Communities	Growing with communities	Growing With Communities (Page 44)
Compliance	Values and Behaviours	Waste management and environmental compliance (Page 37), Product Safety, Quality and Hygiene (Page 25)
Supplier Assessment for Impacts on Society	Sourcing sustainably	Sourcing Sustainably (Page 48)
Customer Health and Safety	Advocating responsible consumption	Advocating Responsible Consumption (Page 23)
Product and Service Labelling	Advocating responsible consumption	Advocating Responsible Consumption (Page 23)
Marketing Communications	Advocating responsible consumption	Advocating Responsible Consumption (Page 23)
Compliance	Advocating responsible consumption	Advocating Responsible Consumption (Page 23)

Global Reporting Initiative (GRI) Table 4.0

Specific Standard Disclosures: Performance Indicators



Profile Disclosure	Description	Cross-Reference/Direct Answer
ECONOMIC Economic Performance		
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 Heineken Vietnam Brewery Limited Company (Page 4), Growing With Communities: Actions and Results (Page 45)
Indirect economic impacts		
G4-EC7	Development and impact of infrastructure investments and services supported	Growing with Communities: Actions and Results (Page 45), Case Study: "1 Minute Less for Million Smiles": Furthering our reach with a new three-year partnership (Page 45)
G4-EC8	Significant indirect economic impacts, including the extent of impacts	About Heineken Vietnam Brewery Limited Company (Page 4)
ENVIRONMENTAL Energy		
G4-EN3	Energy consumption within the organization	Reducing CO ₂ emissions in production (Page 34)
G4-EN5	Energy intensity	Reducing CO ₂ emissions in production (Page 34)
G4-EN6	Reduction of energy consumption	Reducing CO ₂ emissions in production (Page 34)
Water		
G4-EN8	Total withdrawal by source	Protecting Water Sources (Page 28)
G4-EN10	Percentage and total volume of water recycled and reused	Wastewater Management (Page 31)
Emissions		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Our carbon footprint (Page 33), Reducing CO ₂ emissions in production (Page 34)
G4-EN16	Indirect greenhouse gas (GHG) emissions (Scope 2)	Our carbon footprint (Page 33), Reducing CO ₂ emissions in production (Page 34)
G4-EN18	Greenhouse gas (GHG) emissions intensity	Reducing CO ₂ emissions in production (Page 34)
Effluents and waste		
G4-EN22	Total water discharge by quality and destination	Wastewater Management (Page 31), Waste management and environmental compliance (Page 37)

Global Reporting Initiative (GRI) Table 4.0

Specific Standard Disclosures: Performance Indicators



Profile Disclosure	Description	Cross-Reference/Direct Answer
Compliance		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Waste management (Page 37)
Supplier environmental assessment		
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Sourcing Sustainably: Actions and Results (Page 49)
SOCIAL LABOUR PRACTICES AND DECENT WORK Occupational health and safety		
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	Occupational Safety (Page 39)
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	Safety Performance (Page 41)
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	Promoting Health and Safety: Why is this important? (Page 39)
Supplier assessment and labour practices		
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	Sourcing Sustainably: Actions and Results (Page 49)
HUMAN RIGHTS Supplier human rights assessment		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Sourcing Sustainably: Actions and Results (Page 49)
Local communities		
G4-S01	Percentage of Operating Companies with implemented local community engagement, impact assessments, and development programmes	Responsible Marketing (Page 26), Partnerships for Progress (Page 27), Growing with Communities: Our commitments (Page 45)
G4-S02	Operating Companies with significant actual or potential negative impacts on local communities	Advocating Responsible Consumption: Why is this important? (Page 24), Protecting Water Resources: Why is this important? (Page 29)

Global Reporting Initiative (GRI) Table 4.0

Specific Standard Disclosures: Performance Indicators



Profile Disclosure	Description	Cross-Reference/Direct Answer
Compliance		
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Waste management and environmental compliance (Page 37), Product Safety, Quality and Hygiene (Page 25)
Supplier assessment for impacts on society		
G4-S09	Percentage impacts of new suppliers that were screened using criteria for impacts on society	Sourcing Sustainably: Actions and Results (Page 49)
PRODUCT RESPONSIBILITY		
Customer health and safety		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Product Safety, Quality and Hygiene (Page 25)
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 (Page 25), What Our Stakeholders Told Us and How We Responded (Page 12)
Product and service labelling		
G4-PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	Responsible Marketing (Page 26)
Marketing communications		
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 (Page 26)
Compliance		
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 (Page 25)

Appendix

Definition of Parameters and Indicators

Environmental parameters and indicators

Parameters	Definition
Thermal energy consumption	Consumption of thermal energy per unit produced in MJ (the corresponding CO ₂ emission is derived from this figure using the WBCSD Protocol)
Electricity consumption	Consumption of electrical energy in kWh
Water consumption	Water consumption in m ³
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	Thermal energy consumption per unit produced in MJ/hl beer, cider, soft drinks and water
Specific electricity consumption	Electricity consumption per unit produced in kWh/hl beer, cider, soft drinks and water
Specific total energy consumption	Equals thermal energy consumption plus 3.6 times the electricity consumption per unit produced
Specific CO ₂ emission	Fossil CO ₂ emission (direct and indirect) respectively derived from thermal energy and electricity consumption, plus refrigerant losses expressed in CO ₂ equivalents per unit produced in kg/hl beer, cider, soft drinks and water
Specific water consumption	Water consumption per unit produced in hl/hl beer, cider, soft drinks and water

Safety parameters and indicators

Parameters	Definition
Fatal accidents	Fatalities of own staff and contractor personnel
Accidents	Accidents of own 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	Own staff, number of accidents resulting in absence from work per 100 FTE
Accident severity	Own staff, lost days from work per 100 FTE

Appendix

Definition of Parameters and Indicators

Community investment indicators

Parameters	Definition
Direct contributions	Contributions made by the company; the combined cash value of these contributions = the total cost of our community investment project.
Cash	Total cash contributed. E.g. direct donations, social sponsorship, matching employee giving
Time	Value of time contributed by employees during company time. E.g. employee volunteering, fundraising activities
Management	Running costs and overheads. E.g. professional advice, research, communication to relevant audiences
Leveraged contributions	Contributions from outside the company as a result of company's initiative
Employees in their personal capacity	Value of direct donations or funds raised by employees, including time contribution that are outside working hours
External partners	Value of donations contributed by partners to the project

Reference Information

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<http://www.heineken-vietnam.com.vn/>

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:

Tran Minh Triet

Corporate Affairs Manager cum Deputy Managing Director

Le Thi Ngoc My

CSR Manager

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