

**BREW**

**A BETTER**

**VIETNAM**

**Sustainability Report 2019**

# Sustainability Report 2019



# WE ARE HEINEKEN

We build true human connections and break down barriers, because we believe great moments of shared experiences are the best in life.

We are inspired by consumers to brew the best beers and extend that same passion to all of our brands, products and activities.

We are proud of our entrepreneurial spirit, a Heineken heritage that takes us to every corner of Vietnam.

We are brand builders. The Heineken® brand defines and unites us while our many local, regional and global brands make our portfolio diverse and unique.

People are at the heart of our company. We see our strength in trust, diversity and progress.

We stand by our values: passion for quality, enjoyment of life, respect for people and for the planet.

We always advocate for responsible consumption. We are committed to our communities and strive to consistently improve the impact we make on the planet.

We work with our customers and partners to grow together and seek to win with integrity and fairness.

And we are convinced that by staying true to these commitments, we create value for our shareholders.

We Are HEINEKEN.



## Contents

<b>WE ARE HEINEKEN</b>	3
<b>Managing Director Foreword</b>	4
<b>Sustainability Highlights of 2019</b>	6
HEINEKEN Global Sustainability Agenda	
Focus on what matters: Listening to our stakeholders	
<b>Sustaining Prosperity for a Better Vietnam</b>	13
<b>Empowering People for a Better Vietnam</b>	20
<b>Protecting the Planet for a Better Vietnam</b>	30
<b>Performance in Figures</b>	36
People	
Planet	
<b>Reporting Aspects</b>	40
About HEINEKEN Vietnam	
Our Brands	
Company Structure	
Awards	
Scope of Report	
Reporting Standards & Methodology	
Sustainability Leadership	
Stakeholder Engagement	
<b>Our Alignment with the United Nations' Sustainable Development Goals and Vietnam's National Action Plan</b>	47
<b>GRI Content Index</b>	48



# Managing Director Foreword

I am delighted to present HEINEKEN Vietnam's sustainability report 2019 as the new Managing Director of HEINEKEN Vietnam.

With the world constantly changing around us, industries are now more than ever being called on to re-evaluate their overall impact and approach to doing business. Sustainability has always been at the forefront of our business and is even more important as the world continues to face challenges brought forth by the COVID-19 outbreak. In order to provide security for its employees, HEINEKEN N.V has made a commitment to not carry out any structural layoffs as a consequence of COVID-19 for the remainder of 2020. Globally, HEINEKEN operating companies and the HEINEKEN family have come together to donate 30 million Euros to support relief efforts for the most vulnerable affected by COVID-19, including 10 billion dong (c.a 400,000 Euros) by HEINEKEN Vietnam to support relief efforts in Vietnam.

In 2019, we reviewed our sustainability strategy and development and conducted a materiality assessment where we identify, refine, and assess numerous potential environmental, social and governance issues that could affect our business and/or stakeholders. This assessment was integrated with our annual risk assessment, to better define our business continuity and sustainability agenda. This allowed us to analyse both HEINEKEN's annual strategy and the enterprise risk process together to ensure key risks and opportunities are reflected and prioritised for the organisation as a whole. This process gives us greater clarity on our top strategic priorities as well as the material issues that we need to address for our business to operate sustainably. Whilst we continue to have challenges that we need to address, I am very pleased with the continued progress in 2019.

We continue to lead in the practical application of circular economy, a system based on the principles of designing out waste and pollution, focused on trying to keep products and materials in continual or regenerative use, throughout our business operations. We are proud to be recognised as one of the most sustainable companies in Vietnam for the fourth consecutive year by the Vietnam Chamber of Commerce and Industry. We created virtually zero waste to landfill in production with 99% of waste or by-products being recycled or reused. Our new Vung Tau brewery will be our first carbon neutral brewery and we have plans to expand renewable electrical energy at all of our breweries by 2021. We are moving towards achieving 100% renewable thermal and electrical energy at all of our breweries by 2025. All of our wastewater is treated and reused in operations or discharged safely and we are consistently ranked the most water-efficient within HEINEKEN Asia Pacific.

At HEINEKEN Vietnam, we also address social issues and have always been a strong advocate for Responsible Consumption as evidenced in our long term, strategic partnership with the National Traffic Safety Committee (NTSC). We stepped up our efforts in 2019 with our “When You Drive Never Drink” campaign and annually spend more than 10% of our committed media budget of Heineken® on this campaign, which reached 10 million consumers in 2019. We also recently launched Heineken® 0.0 to provide consumers with an alcohol free alternative which they can enjoy responsibly on any drinking occasion.

None of these achievements would be possible without our people upon which our company's success is built. We focus on developing an engaged and enthusiastic workforce and our

2019 Climate Survey showed that our employment engagement hit a record high of 95%, putting us in the top five operating companies globally within HEINEKEN. We were honoured to be recognised as one of the best places to work in Asia by Human Resource Asia magazine for the second consecutive year.

Despite the success and progress in 2019, these are extraordinary times, marked by unprecedented events that significantly affect the operating environment of HEINEKEN Vietnam. In addition to the COVID-19 situation, we face increasing challenges from regulatory developments in Vietnam related to the alcohol industry as well as ongoing environmental & social uncertainties. We must continue to listen to our stakeholders, gaining insight into the ever evolving society and critically analyse the impacts of our business. I am confident we will get through these times and come out stronger than before with the support of our people and the strong base of our sustainability work thus far. I look forward to continuing HEINEKEN Vietnam's strong commitment to sustainability and to work with our people and stakeholders to lead HEINEKEN Vietnam forward.



**Alexander Koch**

Managing Director  
HEINEKEN Vietnam Brewery  
June 2020

# Sustainability highlights of 2019

**99%** of  
waste and by-products  
recycled/re-used



**0.95%**  
GDP contributed



**212,000**  
jobs supported



Ranked **top 3** Most Sustainable Company  
in Vietnam for 4 consecutive years



**Best company** to work for in Asia  
for 2 consecutive years



Ho Chi Minh Brewery won  
**Heineken Brewery Award**  
for the 8th time



**VND 5.6 billion**  
contributed to support  
local communities  
through various  
programs



**273**  
tons  
of paper  
saved from  
carton  
weighting



**VND 14 billion**  
invested for Responsible  
Consumption campaigns



**VND 28 billion** invested for  
employee development & training





# HEINEKEN’s Global Sustainability Agenda

At HEINEKEN, our ambition is to strive to always have a positive impact in the markets in which we operate with sustainability embedded in every part of our business strategy.

Our sustainable development strategy, Brewing a Better World, includes 2020 targets across six key focus areas. Our focus areas are linked with specific UN Sustainable Development Goals (SDGs) and their targets, ensuring that we make a meaningful and transparent contribution to the global goals to protect the planet, ensure prosperity and end poverty.

## AT HEINEKEN VIETNAM, OUR PURPOSE IS TO BREW A BETTER VIETNAM



HEINEKEN Vietnam recognises its role to play in creating positive, long-lasting impacts for sustainable development in Vietnam, while inspiring our stakeholders to join us on this journey to pursue sustainability.

Aligned with HEINEKEN’s Global Sustainability agenda, sustainability has always been at the core of our business. Our sustainability strategy is inseparable from our business strategy, where every business decision is made with a mandateto consider sustainability on equal footing with market share and profit.

To ensure that our sustainability initiatives create tangible value for people, planet and prosperity in Vietnam, we proactively aim to

create a sustainability culture among all employees to think and act more sustainably. This includes:

- ▶ Building a simple decision-making framework, which includes sustainability as a core component, guiding all decision making at HEINEKEN Vietnam;
- ▶ Constantly communicating and interacting with employees to inspire and help them better understand the impact of their daily activities;
- ▶ Promoting and sharing sustainability practices with business partners and stakeholders to raise awareness and encourage action.

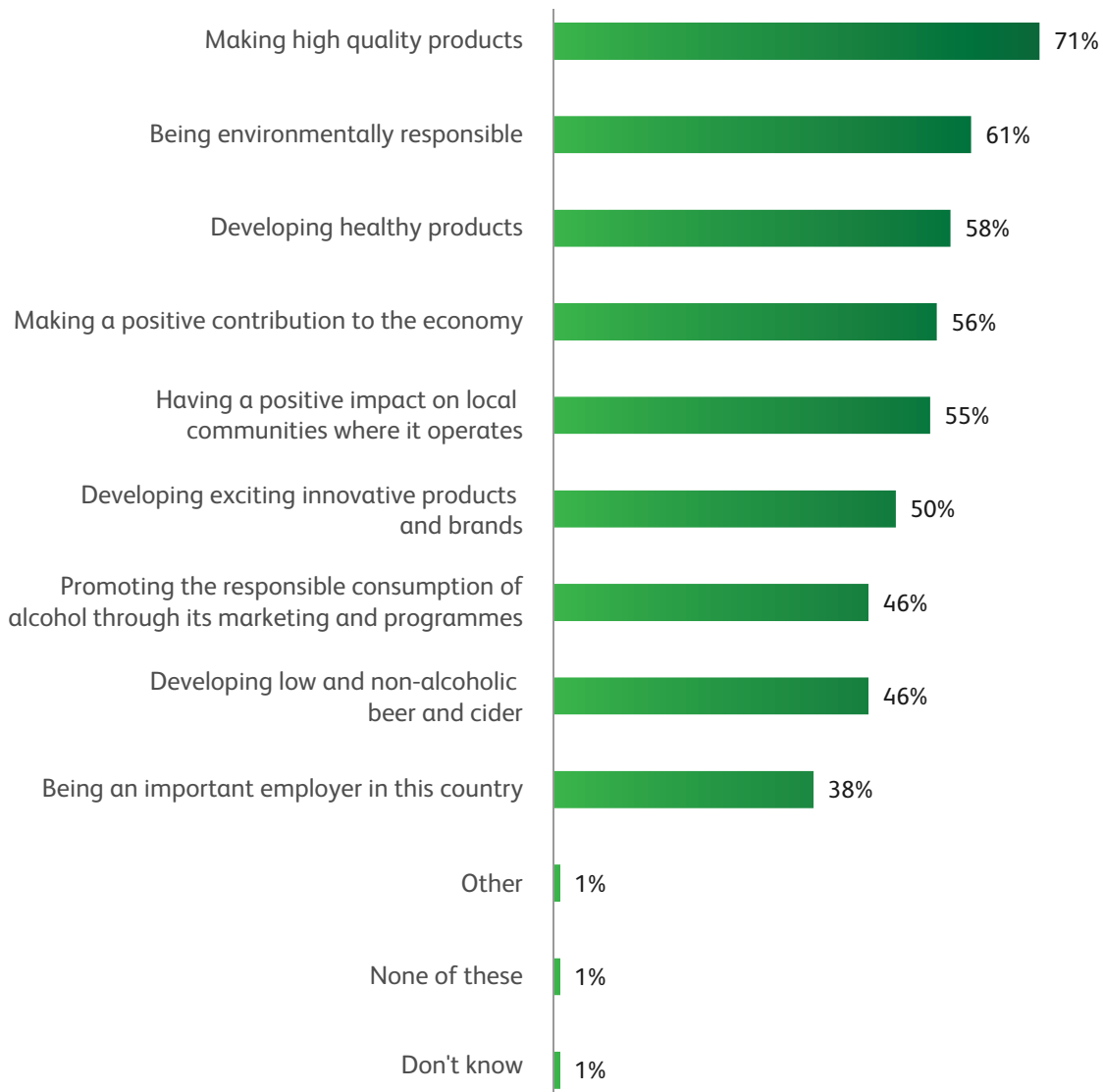


# Focus on what matters: Listening to our stakeholders

Our sustainability strategy is guided by both HEINEKEN's Global Sustainability agenda but determined by input of our various local stakeholders, as we work together to achieve sustainable growth for Vietnam. Since 2016, we have engaged our stakeholders through materiality assessments to prioritise and respond to issues that arise from the dynamicity of our business environment.

We undertake a comprehensive materiality study every three years and then build on and validate this more regularly such as bi-annual reputation survey and direct feedback as well as an annual validation process to ensure continuing relevance.

## REPUTATION RESEARCH



The bi-annual reputation survey, last conducted in 2019, provides us a platform for feedback from the general public as well as all our key stakeholder groups.

Through the survey, HEINEKEN Vietnam engages with stakeholders on their concerns and perceptions of HEINEKEN Vietnam's products as well as trust in our company. This survey provides us valuable input for our combined materiality assessment process.

## MATERIALITY ASSESSMENT

As part of our 2019 reporting exercise, we undertook a comprehensive materiality study through a face-to-face workshop with our internal leadership team that we aligned and mapped with feedback from external stakeholders via the 2019 reputation research. This process ensures our sustainability priorities are embedded into the business strategy as a whole and aligns our material issues with our enterprise risk assessment.

The process is guided by the following framework:



Following the last formal materiality assessment workshop in 2015, we updated our list of relevant sustainability matters by analysing the evolving economic, social, political and regulatory landscape in which we operate. The Heineken Risk Glossary, GRI Standards, Sustainability Accounting Standards Board (SASB) and Dow Jones Sustainability Indices (DJSI) served as inputs to the list.

Through a series of internal workshops with management and a reputation survey conducted in 2019, we prioritised the matters using 3 criteria:

- Significance on HEINEKEN Vietnam; considering both the magnitude of the impact and the likelihood of its occurrence
- HEINENKEN Vietnam's ability to manage the matters
- Level of stakeholders' concerns

Through this process, we determine our strategic priorities that are fundamental to creating long-term value.

## RESPONSE AND ACTION

The resulting list of updated material issues is broadly in-line with our 2016 materiality study and annual validation exercise. This shows that our major focus areas do not change too much over the years. However, we also see some new material matters coming through, which we add



## HEINEKEN VIETNAM'S MATERIAL MATTERS

Our materiality analysis includes considering HEINEKEN Global 's 6 focus areas and also takes into account the unique customs, culture and trends in Vietnam

-  Change in regulations
-  Marketing strategy and brand relevance
-  Digital media
-  Stakeholder engagement
-  Supply chain management
-  Counterfeiting
-  Cyber security and data privacy
-  Talent development
-  Health and safety
-  Responsible consumption
-  Climate change/ Climate strategy

to our reporting process and action agenda moving forward.

Combined, it provides a clear priority list to be translated into different actions to create sustainable value for a Better Vietnam.

# Sustainable Value Creation at HEINEKEN Vietnam



# Sustaining Prosperity for a Better Vietnam



**Change in regulations**



**Marketing strategy and brand relevance**

At HEINEKEN Vietnam, we choose to use our business as a positive force for change. Through contributions to the local economy, the jobs we create and businesses we support, we want to grow with our communities, create shared value for the economy and support creation of an overall transparent, competitive business environment that promotes investment in the country.



**212,000**  
jobs supported




**0.95%**  
of GDP contributed

## MANAGING REGULATORY COMPLIANCE



In 2019, Vietnam's National Assembly passed a new Alcohol Law, comprehensively regulating production, sales and marketing of alcohol beverages in Vietnam. HEINEKEN Vietnam contributed its views, as a relevant stakeholder, to the development of the law and is committed to upholding it.

Also in 2019, our parent company, Singapore-based HEINEKEN Asia Pacific transferred ownership of HEINEKEN Hanoi to HEINEKEN Vietnam in order to create one national group under HEINEKEN Vietnam. While HEINEKEN Asia Pacific is still in the process of seeking clarifications on treatment of tax under the Vietnam-Singapore Double Taxation Treaty, HEINEKEN Vietnam has advanced the tax payable on behalf of HEINEKEN Asia Pacific in good faith in strict adherence to the initial assessment of the Vietnam tax authority.

## DIVERSIFYING OUR BRAND PORTFOLIO

A diverse portfolio helps HEINEKEN Vietnam remain resilient in an increasingly competitive landscape, grow the business in the face of regulatory changes and adapt to changing consumer preference.

### Heineken Silver Launch

For the first time in the history of the Heineken® brand, HEINEKEN Vietnam proudly introduced Heineken® Silver - an innovative product that was brewed right here in Vietnam. With its key characteristics - “Nhẹ Êm Mà Đậm Chắt”, Heineken® Silver is a smooth and easy-to-drink beer, which retains the signature Heineken® full-bodied taste known around the world since 1873, perfect for a wide range of occasions.



### Strongbow Cider



Strongbow, a naturally fermented apple cider, continued offering consumers something unique and different to enjoy. In 2019, Strongbow’s Dark Fruit varietal was launched to offer more choice of flavour to consumers. It is now the 2<sup>nd</sup> most popular flavour among consumers after the original.

An innovative ritual serve, Upside Down, was also introduced, becoming a trendy drinking experiment that spread on social media during 2019.

### Mainstream Brand Extension

With the objective to meet varying consumer demands, HEINEKEN Vietnam significantly grew in the Mainstream category with Larue and Bivina by focusing on strong brand building, engaging consumption programs and distribution expansion. This resulted in an impressive +40% growth vs. 2018 and significantly improved the brand power score in both core and new markets. We also got ready in 2019 to launch our new mainstream brand, Bia Viet, in 2020. Given the COVID-19 crisis in 2020, it is even more relevant that we accelerated our mainstream portfolio in 2019.



## BUILDING PURPOSEFUL BRANDS

Tiger brand diversified its strategic approach in 2019 to be a leading brand with a purpose. Tiger turned waste into Value in order to sustain its brand performance while at the same time improve local infrastructure which indirectly supports local economic growth. The Tiger cap collection campaign involves the collection of tons of bottle caps which are then recycled and support to build bridges for communities. It demonstrates our belief that innovative brand building activities can create shared value for the economy and environment while making meaningful contributions to society. The project began in 2018, and doubled in scale this year, with twice the number of outlets participating and caps collected.

**2** tons of bottle caps recycled

**2** bridges built

Benefits

**2,300**

households

**>200**

participating outlets over 3 months



## EMBARKING ON DIGITAL TRANSFORMATION

Through digitalization of our operation, we aim to deliver more value to consumers and customers with various digital means such as applying new technologies, managing big data, data analytics and adapting to demands in e-commerce. By digitalizing our corporate purchase program for instance, we achieved +34% growth vs last year.

### Integrated Data Driven Marketing (iDDM) & Data Driven Sales (DDS) Launch

Consumer behaviour is changing fast as new technologies are constantly emerging. Our digital transformation journey at HEINEKEN Vietnam has reframed how we develop our brand strategy. To make better informed decisions, we use different sources of data and embrace new technologies such as machine

learning and AI. We saw that using integrated Data Driven Marketing (iDDM) in our Heineken® Silver campaign resulted in campaign effectiveness increasing by 2x versus the normal. We have been piloting sales strategies and using Data Driven Sales, which has changed our way of working and how we use data to make decisions.





## Build up off-premise channels - E-commerce



HEINEKEN Vietnam reaches consumers across various digital touch points with E-commerce such as:

- Enhancing brand presence online in e-retail websites such as Lazada, Tiki, Shopee and Bach Hoa Xanh Online.
- A B2C platform that brings Drinkies, our own e-commerce platform, to consumers in Ho Chi Minh City, Hanoi and Da Nang, where consumers can enjoy cold beer and cider in less than 60 minutes.
- Partnering with food delivery platforms such as Grab Food and Delivery Now.
- Collaborating closely with outlets to offer deals for tech-savvy consumers.

## Digital Communication Ethics & Managing Cyber Security Risks



Digital transformation and the boom of social media have opened tremendous opportunities for businesses to improve their operational efficiency and enhance customer experience; at the same time, they also present challenges such as breach of consumer data privacy and cyber-attacks.

HEINEKEN Vietnam focuses on practising and advocating for proper digital communication ethics. We also aim to build our internal capabilities to better identify and manage those emerging risks through established protocols and procedures to safeguard our brands, operations and our consumers as well as proper training programmes for our staff.

### Robust monitoring process for social media news

An established monitoring and incident response process for online social platforms is in place to detect, prevent and respond to the spread of misinformation. A digital dashboard is also regularly maintained by our crisis management team. The processes implemented aim to quickly identify and address fake news.

### Establish digital communication protocol

In addition to cyber security training, all employees also received proper guidelines on the use of social media as well as guidance on communication protocols such as appropriate content used on social media in order to prevent any unintended or misleading and negative messages.

### 100% participation for Cyber Security Training: Make Our Employees SAFE in booming digital age

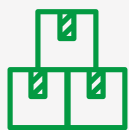
A new three-year roadmap for cyber security capability has been developed with the aim to build every single employee into a security protector. Employees are trained on the HEINEKEN Information Security Policy and on potential cyber security risks such as phishing emails, third party software and equipment. This ensures that employees are safe from cyber threats regardless of the location.

## SUPPORTING LOCAL SUPPLIERS AND BUSINESS PARTNERS

We recognise that a significant portion of our impact occurs in our supply chain; hence, we continue enhancing our supplier screening and due diligence process, holding our suppliers to the same high standard expected of ourselves.

We value our relationships with our supply chain partners and see great potential in developing our suppliers to grow with us. We are committed as far as possible, to procure raw materials and packaging from local vendors and manufacturers.

### Local Sourcing



**99%** packaging sourced locally, creating **5,694 billion** dong value for local suppliers annually.



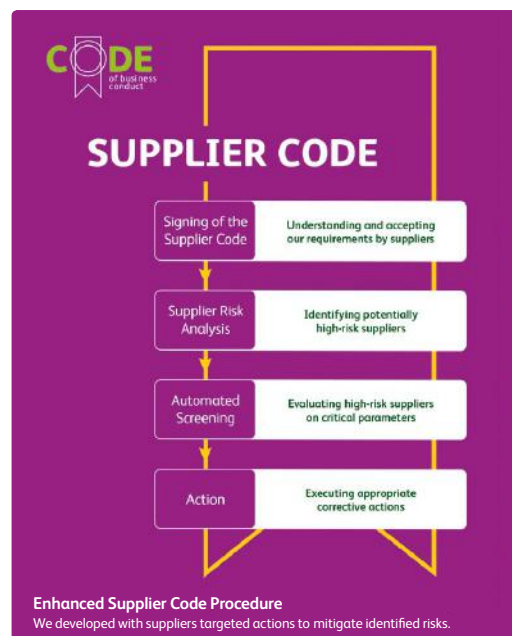
Our expanded brewery in Vung Tau attracted 2 new suppliers who will create an additional value of **750 billion** VND/year annually.

### 97% supplier compliance with our Supplier Code

We expect all our suppliers to adhere to the HEINEKEN Supplier Code which covers both environmental and social criteria, including:

- Integrity and Business Conduct
- Human Rights
- Environment Performance

The process is now more automated through a supplier risk management tool. This allows us to identify elevated risks in our supply chain and focus on actions to mitigate the risks.



### Digitalized services offered to Distributors

In 2019, HEINEKEN Vietnam introduced an online ordering platform that could be used across the value chain. Through a mobile application, distributors can access a one-stop-solution for taking order, making

payments, communication and delivery capabilities. It allows for seamless communication for HEINEKEN Vietnam to respond to distribution requirements in a timely manner.

### Improve local distributors' capabilities

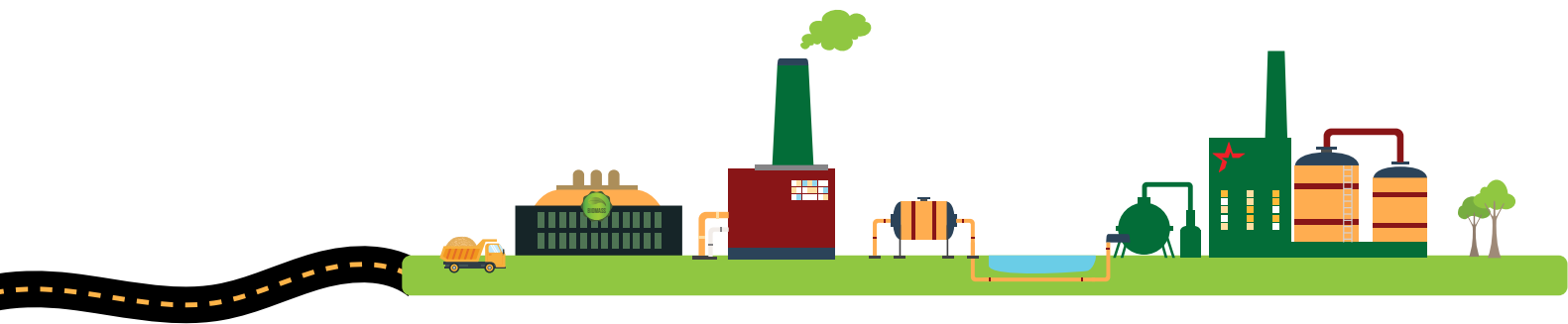
Our Distributor Development Programme develops distribution capabilities such as optimising logistics operations, increasing truck size, improving warehouse capability, among others.

After the programme, participants are assessed on their capabilities and collaboration. Through this multi-year programme, we have increased numbers of **High Performing Distributors from 65% in 2018 to 74% in 2019.**



### Next Generation of Distributors: 85 successors trained

As we expand our distribution network, it is important that we ensure the success and succession of our distributors and sub-distributors. Training topics in 2019 included time management, HEINEKEN customer service excellence and leadership, preparation for the digital age, logistics and safety.



# Empowering People for a Better Vietnam



**Stakeholder  
Engagement**



**Talent  
Development**



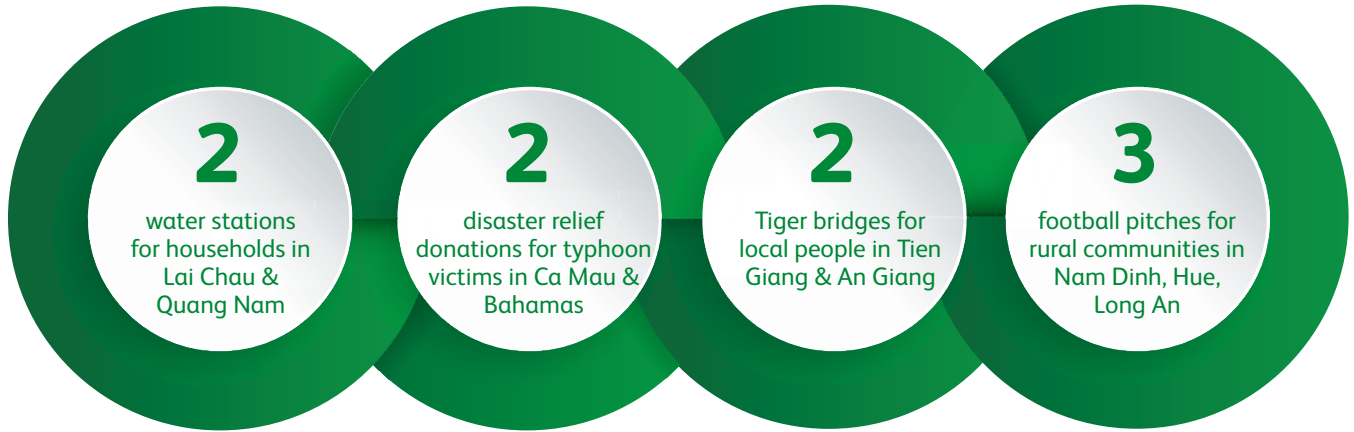
**Health &  
Safety**

Our robust stakeholder engagement efforts include key stakeholder identification, appropriate response plans with dedicated relationship managers as well as diverse engagement channels such as brewery tours and the interactive World of HEINEKEN Experience to connect first-hand with consumers. Engaging local communities and ensuring we grow with them is another key part of this effort. Our people remain the core of our business, so we focus on developing them and keeping them safe. Finally, addressing social issues, such as drink driving, remains a key priority for us.



## COMMUNITY DEVELOPMENT

Direct contribution of **5.6 billion** VND to support needy communities, including:



### 8<sup>th</sup> year anniversary of Warm Spring programme

All employees and partners of the Company bring joy to needy families to celebrate Tet. More than 16,000 needy households across Vietnam have benefited from this long-term support programme from 2012 to now.



### Community Water Programme “1 Minute Less for Million Smiles”

Part of our water stewardship initiative, we continue our efforts in improving access to safe water for communities that are vulnerable to climate change. In 2019 we supported the construction of 2 domestic water systems in Lai Chau and Quang Nam. This brings the total water stations supported by HEINEKEN Vietnam

to 25, benefiting about 16,000 needy households in rural areas of Vietnam.

More importantly, we continued our intensive upstream water stewardship project, aiming to raise local awareness on environmental and water source protection and promote community action to protect the water sources while providing them water protection solutions



We have also partnered with The Consultative Institute for Socio-Economic Development of Rural and Mountainous Areas in Vietnam (CISDOMA) for 3 years (2019-2021) to deliver training on domestic & husbandry waste management and circularity. In 2019, 4 training sessions were conducted for about 400 households in Lai Chau & Quang Nam. The programme also supports bio-filter composting systems to 16 households in Lai Chau who signed up to the program.

# ESTABLISHING RELATIONSHIPS BUILT ON TRUST WITH STAKEHOLDERS

## Upholding high standards of governance to maintain trust

The HEINEKEN Behaviours framework and Core Values guide all employees on how to act and foster a culture of achievement, collaboration and growth. Together with the HEINEKEN Code of Business Conduct

and HEINEKEN Rules, they translate our business objectives into clear instructions on how to conduct our business with fairness, integrity, respect for our values and strong business ethics.

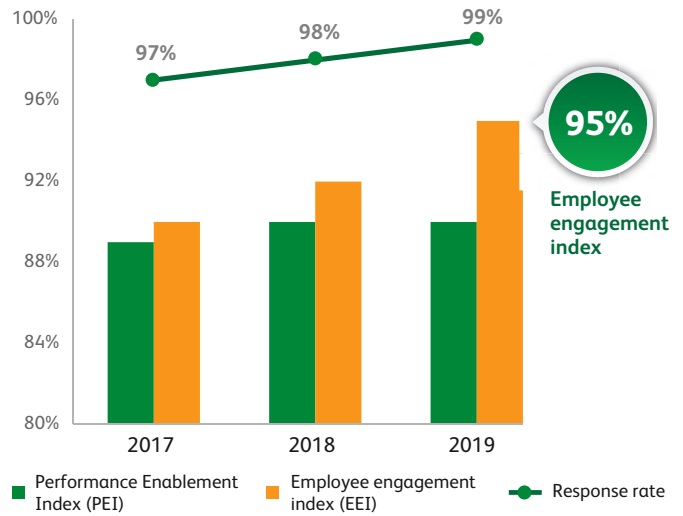


### Compulsory Code of Business Conduct and anti-bribery e-learning for 100% of employees

In 2019, HEINEKEN launched a new Code of Business Conduct training which builds employees' capability to recognise and deal with practical business conduct dilemmas. The Anti-bribery e-learning is mandatory for all employees.

## We achieved one of the highest employee engagement scores within HEINEKEN globally

We recognize that employee satisfaction and engagement is a key measure of company performance. Through platforms such as quarterly Town Hall company meetings and the annual employee climate survey, HEINEKEN Vietnam encourages employees to share feedback in order to hear directly from employees so that we can create a better working environment for employees. Results from the latest 2019 climate survey showed that HEINEKEN Vietnam has improved in all dimensions from 2018 (Direction & Alignment, Innovation & Inclusion).



## High Trust Score in Reputation Survey

This bi-annual survey provides a platform to get feedback from the general public as well as key stakeholder groups. Our Reputation Survey 2019 results show that HEINEKEN Vietnam is positively perceived and trusted by almost all respondents; especially on product quality, which is also a top priority for stakeholders. HEINEKEN Vietnam will continue to invest in and promote environmental responsibility and making positive economic contributions through community support and job creation, as other key areas of concern to stakeholders.



**94% Trust Score** (on approach to responsible drinking, marketing content and ethical conduct, as well as product quality)



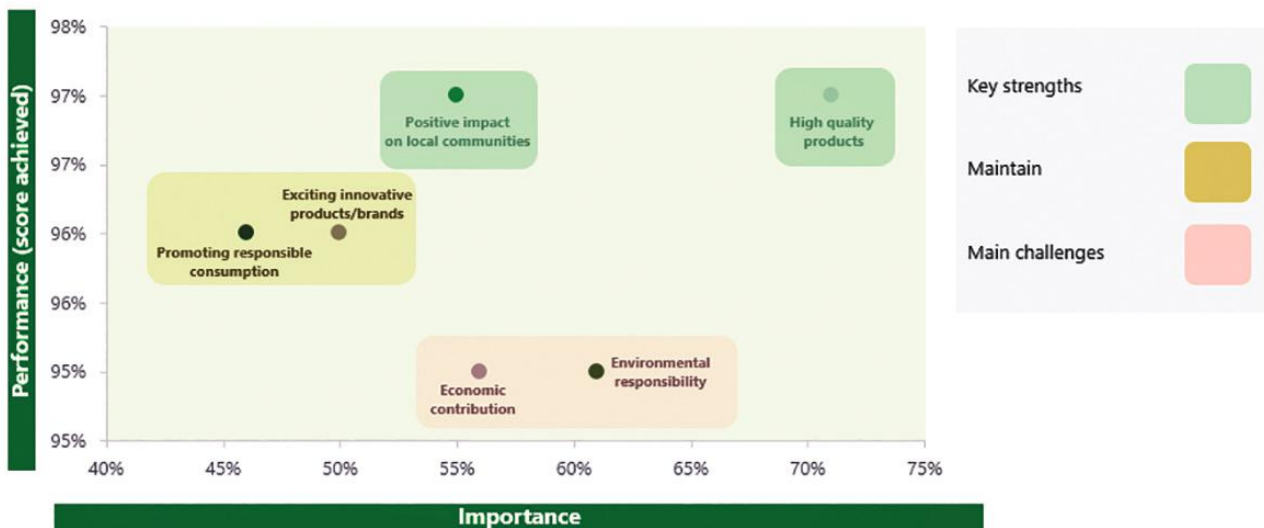
**96% Score on Sustainability and Responsibility** (including positive impact on local communities, environment responsibility, responsible consumption etc.)



Seen as leading the category in promoting **responsible consumption**



Rated as **most innovative brewer**



Base HEINEKEN Vietnam n=295  
All influencers

● = Business areas ● = S&R areas

## ENGAGE AND DEVELOP OUR PEOPLE



### Talent development

Our people define our organization and have been the key differentiators in driving our continued success. Our employee engagement and talent development strategy seeks to attract, develop and retain performing people.

**124,000**

training hours

**28 billion**

VND invested in training

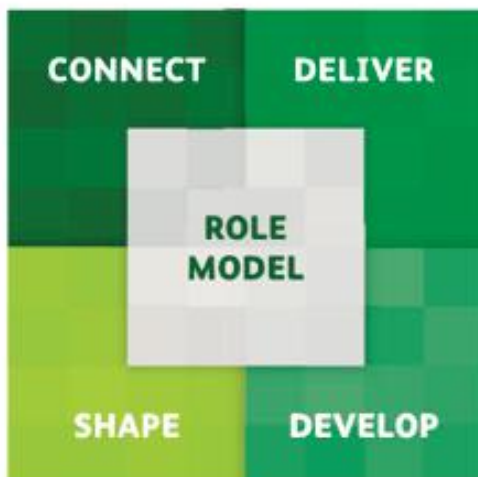


**89%**

Supervisors participated in leadership training programs



## HEINEKEN LEADERSHIP EXPECTATIONS



### Develop great business-driven leaders

HEINEKEN Vietnam's various programmes aim to build leadership skillsets at different points in their career:

- **HEINEKEN Asia-Pacific Leadership Development Program:** inspire juniors/emerging leaders to step up as true leaders by equipping them with core leadership tools.
- **HEI Impact Leadership (HILP) Program:** designed to develop leadership skills in middle management to help them practice leadership skills and create a tangible leadership plan.
- **Leadership Excellence in Action Program (LEAP):** helps managers understand how to effectively manage business and people complexities in a senior leadership role.
- **HEINEKEN International Management Course (HIMAC):** further develop leadership skills and understanding of dynamic business environment.





# GO PLACES



## Grow our talent pipeline at all levels

With the aim to develop our young leaders, including:

- Short-term Assignment (STA) to other countries
- Management Trainee Program
- HEINEKEN Vietnam Graduate Program and regional initiative, Asia Pacific Graduate Program (APGP)
- Accelerate Your Talents (AYT) Program
- Coaching, Mentoring and Buddy Program



Sent **8** AYT trainees on Short Term Assignments to Mexico, Singapore, Malaysia, Laos, Myanmar and Cambodia



**13** high-potential young talents nurtured as Asia Pacific Graduates

## Build critical capabilities and strengthen functional excellence

HEINEKEN Vietnam is constantly investing in its employees to build new capabilities. In order to equip employees with the right skills in this new digital age, a 4-day intensive data analytics and Artificial Intelligence workshop was held for 10 commercial managers. The key objective was to build a fundamental understanding of programming languages, AI, advanced analytics and machine learning as well as the potential impact of data analytics to our everyday business. Upon completion of the course, all participants received internationally-accredited certificates.

## Leverage diversity and our culture

With the belief that ‘diverse views make the best brews’, we continue to organise a series of training programmes such as Generation Gap for young employees and their line managers to discuss how they can work more collaboratively, and a Women Leadership Programme that takes the time to recognise equal opportunity for both genders and empower women.

## STRENGTHENING SAFETY FIRST CULTURE



At HEINEKEN Vietnam, the safety and wellbeing of our employees as well as our contractors is something that should never be compromised. This includes developing robust safety procedures and a strong safety culture. In addition to providing a safe workplace, we promote health and wellbeing initiatives and address potential alcohol abuse.



### Established Heineken Life Saving Rules (LSRs)

These rules are dedicated to improving safety across our entire supply chain. In 2019, we achieved **100% compliance inside production and 93.3% outside production.**

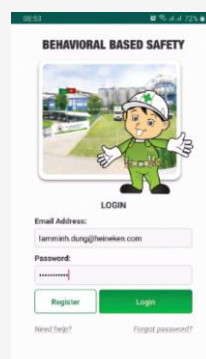
Foster the change of mindset from a REACTIVE safety culture to an INDEPENDENT safety culture

Instil culture of care “I CARE for myself, my colleagues, my machine and my process”



**20,568**

“Put Safety First” training hours for employees and contractors



Introduced an A-B-C based smartphone application (Antecedent - Behaviour - Consequence) to record safety observations that allows a more timely response and improvement



**104** Safety training courses  
**175** improvements made to eliminate workplace safety risks



### Road Safety Campaign for Brand Promoters (BPs)

Almost VND **500** million investment on road safety campaign to train 95% of our Brand Promoters in 2019

**100%**

of sales staff have received helmets from the Company

**4,000**

first-aid kits were distributed to all sales staff nationwide

**90%**

of all sales regions received safety audit and risk assessment

**45%**

reduction in Brand Promoter's traffic accidents in 2019

Road safety is a key issue to address in Vietnam. Training programmes on road safety are not only provided for our Sales Representatives but are also extended to our contracted Brand Promoters & distributors. Specifically for Brand Promoters, from August to December 2019, a Road Safety Campaign was executed with the aim to train and reinforce road safety activities for all our Brand Promoters nationwide.

Through a train-the-trainer concept, Brand Promoters and safety officers were shown preventative measures that can be taken to prevent road accidents, mental preparation tips for road participation and general principles for road safety.



We are also progressively using telematics in our vehicles to monitor and improve safe driving behaviours.

## SHAPING RESPONSIBLE BEHAVIORS AND ATTITUDES



We see ourselves as having a big role to play in advocating responsible consumption and addressing drink driving in Vietnam. We want our consumers to be able to enjoy beer, but at the same time, to do so responsibly.

**>10%**

of media budget spent for responsible consumption campaigns

**10 million**

reaches for "Peer-ventions" TVC/video

**6,600**

Grab codes redeemed by consumers to go home safely after drinking

**5,000**

consumers made "When You Drive Never Drink" pledge

**9 outlets**

in Hanoi and HCMC in 3 months



## 2019 When You Drive Never Drink (WYDND) campaign with the National Traffic Safety Committee (NTSC) – “Peer-vention”, a new nudging approach

Since 2017, HEINEKEN Vietnam has partnered with the National Traffic Safety Committee (NTSC) to deliver our When You Drive Never Drink (WYDND) campaign with the aim of changing drink driving behaviour.

In 2019, we launched a television commercial (TVC)/ video incorporating key insights of behavioural norms around the issue of drink driving in Vietnam. The key message of the video conveys that there is no perfect invention to get home safely after drinking and therefore the best thing to do is just not drink if you need to drive. The main action we should take is to always support our friends by

not pressure them to drink. We also created a Facebook campaign to get people to publicly commit not to drink and drive by changing their Facebook avatar and to spread the trend on social media and encourage their followers to take the pledge.

We brought the Peer support spirit to life by redesigning the environment at bars and restaurants with various touch points to ‘nudge’ consumers to change their behaviour as well as provide practical solutions to support them to get home safely such as: free overnight parking and round trip Grab vouchers.





## Leveraging events as a powerful platform for responsible messaging

A global partner and one of major sponsors of F1 Vietnam Grand Prix, we were delighted to welcome more than 70,000 consumers for the first Official F1 Vietnam Grand Prix kick-off event held in Hanoi in 2019. The F1 platform serves as a powerful opportunity for HEINEKEN Vietnam to raise greater awareness about our When You Drive Never Drink campaign and drive behavioural change around the issue of drinking and driving.



Both Tiger Street Football and Tiger Remix continue to draw very large crowds that serve as one of the most effective platforms for communicating about Responsible Drinking. Over 46 million people were reached via online & offline activations at Tiger mega events.



# Protecting the Planet for a Better Vietnam



Climate change/  
Climate strategy

## Taking action on climate change

Vietnam is among the most vulnerable nations to climate change impacts according to the 2018 International Panel on Climate Change report. To Brew a Better Vietnam, we are committed to reducing our carbon footprint across the entire value chain, from production to packaging, distribution and cooling, through our approach to apply the circular economy model.

Climate change also poses a threat to water resources, increasing the risks of water stress and scarcity. Hence, reducing water use, practising water circularity and promoting water stewardship plays a critical role in HEINEKEN’s climate change strategy.

Our key initiatives  
to protect the  
planet

Drop  
the C

Every  
Drop


## Drop the C

Our target is for all of our breweries to be carbon-neutral by 2025, with the use of 100% renewable electrical and thermal energy and applying **RESOLVE** (Regenerate - Share - Optimize - Loop - Virtualize - Exchange) circular economy model across our value chain.

### GREEN PRODUCTION: INCREASE RENEWABLE ENERGY AT BREWERIES

Thermal energy at our breweries is generated from burning agricultural waste, or biomass, such as woodchips and rice husks. In 2019, we sourced 40,000 MT agricultural waste, which generated 52.6 billion VND for local farmers. 5 out of 6 of our breweries are now brewing 100% by biomass with plans for the sixth brewery already underway. We expect to be able to use 100% renewable thermal energy at all six breweries in the near future.

To also achieve 100% renewable electricity by 2025, 3 rooftop solar projects have been contracted and we will use biomass to generate electricity at our Vung Tau brewery. Together with our commitment to join the piloted Direct Power Purchase Agreement, when approved by the Government, we are set to become the industry leading example of carbon neutral operations in Vietnam.



**100%**  
renewable thermal energy at 5 out of 6 breweries



**3** contracts for rooftop solar projects



Committed to Direct Power Purchase Agreement (DPPA)



Biomass electricity at Vung Tau Brewery in progress



## CHAMPIONING CARBON-NEUTRALITY THROUGH FLAGSHIP PROJECTS IN VIETNAM

### Vung Tau Brewery:

The First carbon neutral brewery in HEINEKEN Asia Pacific Region that will run on 100% renewable electrical and thermal energy.



**Da Nang Brewery:** Recycling sludge to fertiliser for the fruit and vegetable garden on-site, resulting in 20kgs of vegetables per day for employee meals



### Ho Chi Minh Brewery: Pilots liquid carbon dioxide (CO<sub>2</sub>) recovery from fermentation process to be used for other industrial processes



Usually, liquid CO<sub>2</sub> (CO<sub>2</sub> gas that is highly compressed and cooled into a liquid form) is obtained by burning fossil fuel. By optimizing the CO<sub>2</sub> recovery process during fermentation, CO<sub>2</sub> can be recovered and turned into liquid CO<sub>2</sub> which is then reused onsite or sold for other industrial use. The recovered CO<sub>2</sub> helps reduce HEINEKEN's emissions from the fermentation process, while also enabling other companies to avoid emissions caused from the liquid CO<sub>2</sub> production process. Liquid CO<sub>2</sub> is used widely in various industries. Examples of various uses are in the production of life jackets, in the entertainment industry to achieve special effects such as fogs and hazes or for refrigeration, preservation, storage and softening in the food industry. **Since October 2019, 866,000 kg of CO<sub>2</sub> has been recovered (equivalent to the emission from burning of approximately 323,000 liter of diesel) generating 110,000 EUR revenue within 5 months at one of our breweries.**

### Green Packaging: Switching from B-Flute to T-flute carton improves efficiency and benefits environment



T-flute carton is made of **100% recycled fibre**.

Thinner T-flute carton saves **273 tonnes** of paper packaging per year and improves transport efficiency by **17%**.





## Green Distribution: Driving operational transport efficiencies

We reduced carbon emissions in transportation by optimising routes and truck sizes, switching to electric transportation as far as possible and using telematics and fuel management system to further improve truck efficiency.

The fuel management project aims at changing drivers' behaviours, leading to safer and more economically, environmentally friendly driving skills. In the pilot phase of the project, we installed 16 telematics systems to help our transporters better manage their fuel consumption. The data returned implies the opportunity to save a further 10% of CO<sub>2</sub> emissions from transportation activities. For the next phase, we intend to roll out a series of trainings to the drivers, bringing added benefits not only to their fuel management but also to their safety.



**Reduced 2,000 tons of carbon emissions in transportation in 2019**



**Pilot the usage of telematics and fuel management system to reduce 10% emissions from transportation activities**



**Eco-driving training courses for drivers with added benefits of enhancing drivers' safety**

## Green Cooling: **100%** of our fridges are environmentally-friendly

In 2019, we added more than 10,000 new green fridges to the market, with 65% reduction in CO<sub>2</sub> emission compared to normal fridges.



## Managing Every Drop

Our business depends on freshwater and producing high-quality beer requires high-quality water. Climate change will present an every-growing threat to water scarcity. Our water strategy – Every Drop – seeks to reduce water use, promote water stewardship and practise water circularity.



## OUR TARGET, BY 2025

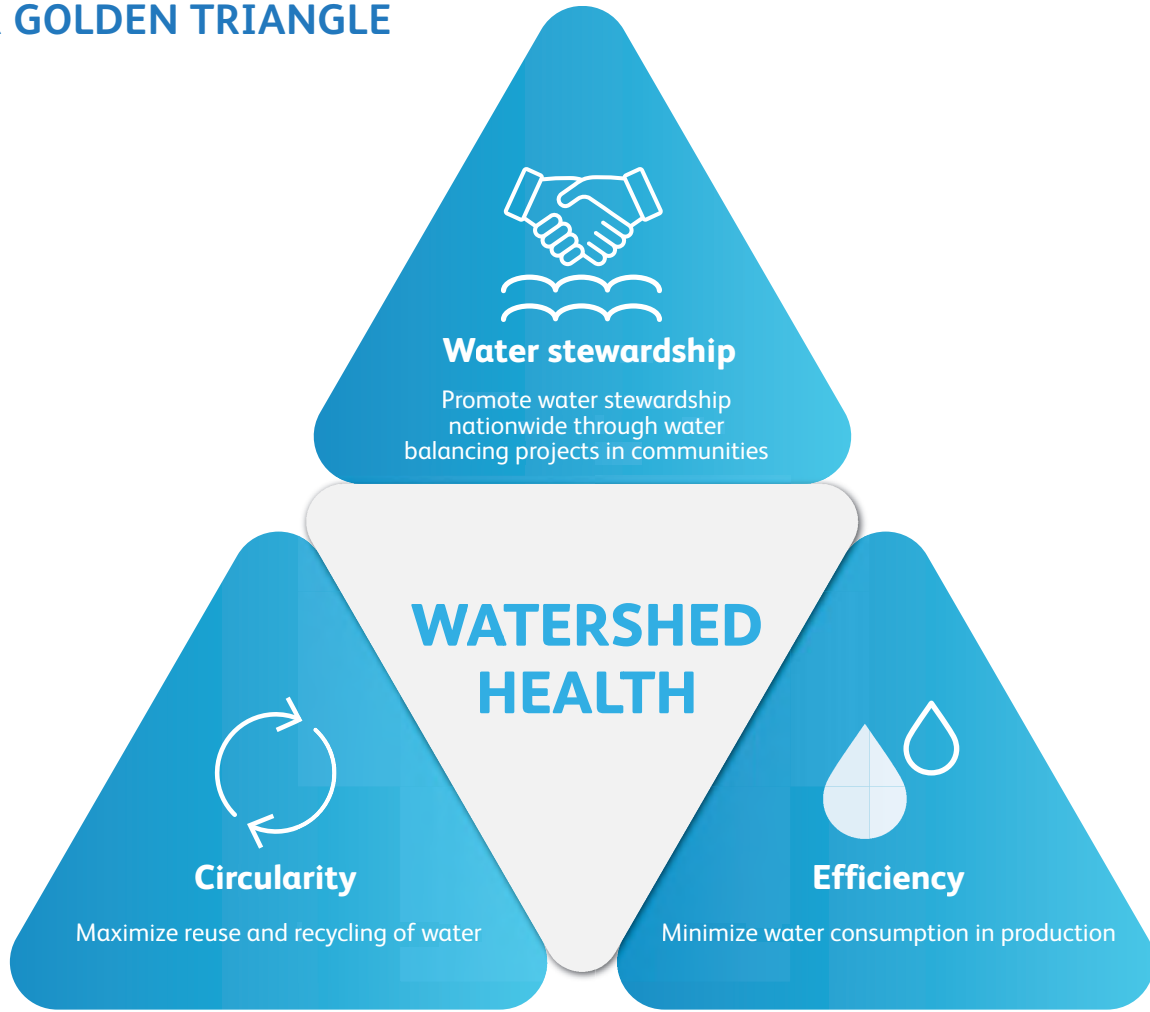
Our Vung Tau Brewery is

**100%** water balanced<sup>(\*)</sup>

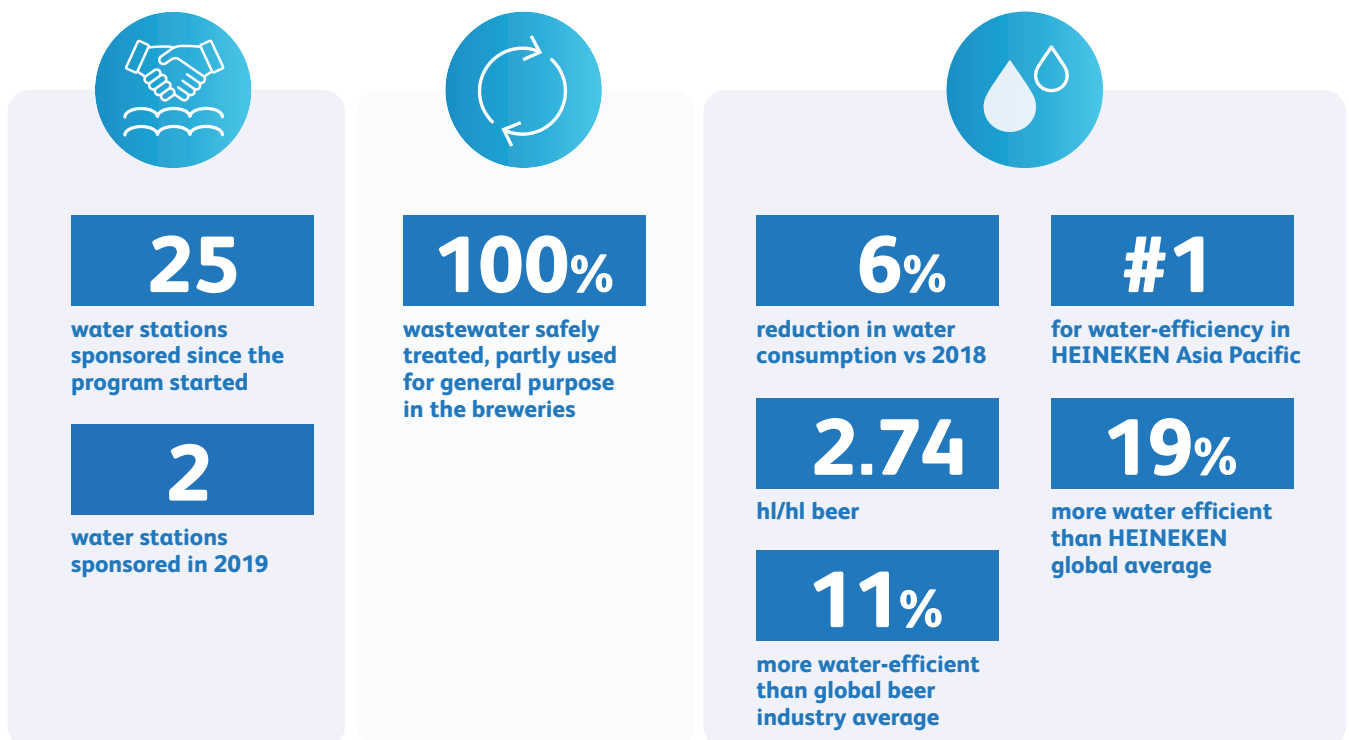
We have **Tripled**  
our water efficiency compared  
to first operation in 1993



## OUR GOLDEN TRIANGLE



## ACHIVEMENT



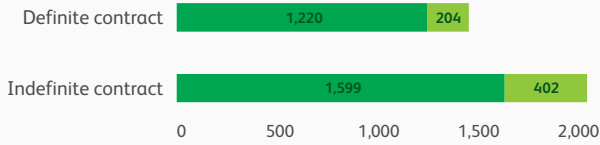
(\*) Water Balancing means we return the water that goes into our product or evaporates to the watershed

# Performance in Figures

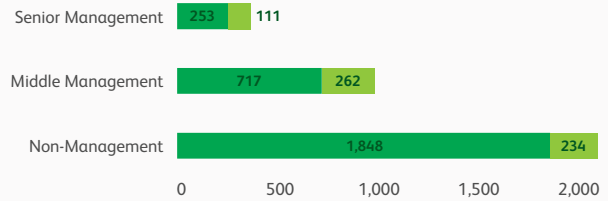


## PEOPLE WORKFORCE PROFILE AND HUMAN DEVELOPMENT

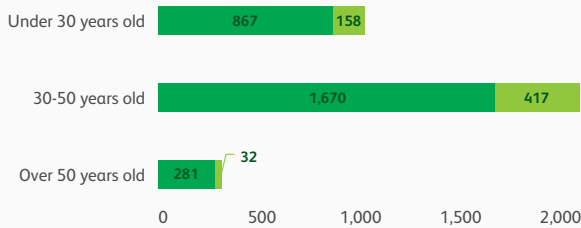
Number of employees by employment contract by gender in 2019



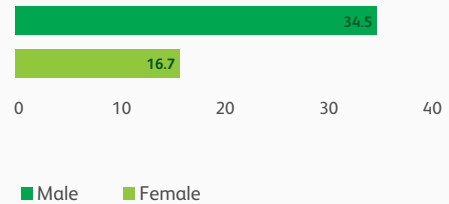
Number of employees by employment category in 2019



Number of employees by age group in 2019



Average training hours by gender 2019



## PEOPLE HEALTH AND SAFETY



1

Work-related fatality from contractor<sup>1</sup>



0

High-consequence injuries<sup>2</sup>



3.6

Injury rate<sup>3</sup>

<sup>1</sup> It is with regret that there was a fatal accident with one of our sub-contracted workers in 2019 while operating a boom lift at our Vung Tau Brewery. Although the exact impact of the accident is unknown, the probable root cause was lack of experience in operating machinery, operating the machinery alone without adequate supervision and not properly following site permit requirements.

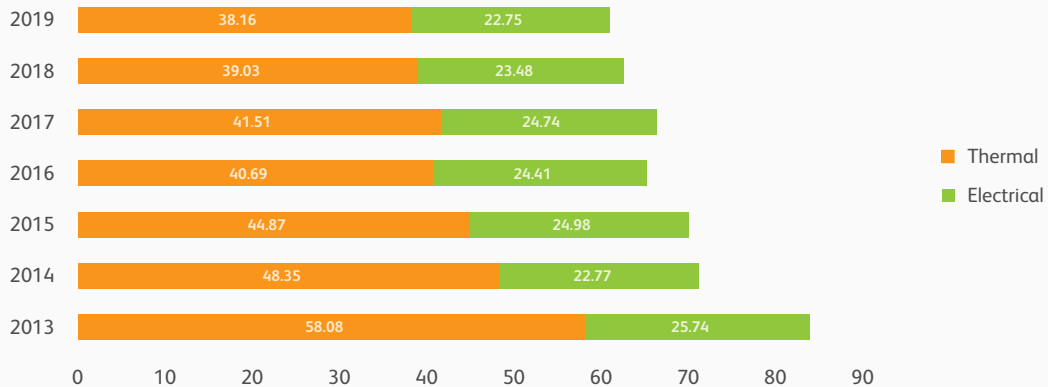
Key lessons learned and actions taken by HEINEKEN Vietnam are to ensure all operators meet a minimum required hours of operating machinery, ensure supervision is always in place, ensure work permits are signed and fully understood by all operators, ensure specific rescue plans are in place and ensure all site safety regulations are followed, to ensure this never happens again.

<sup>2</sup>Injury rate is calculated as: Number of work-related injury cases, per million hours worked.

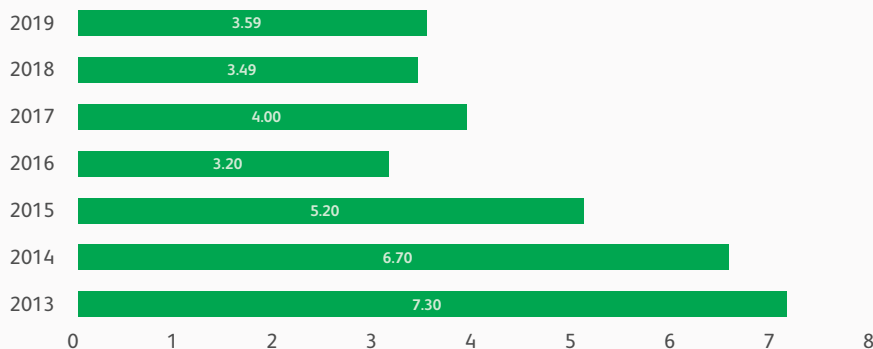
<sup>3</sup> High-consequence injury is defined by Global Reporting Initiative (GRI) Standards 403 as an injury from which a worker cannot, does not or is not expected to recover fully to pre-injury status within 6 months.

# PLANET ENERGY AND CLIMATE

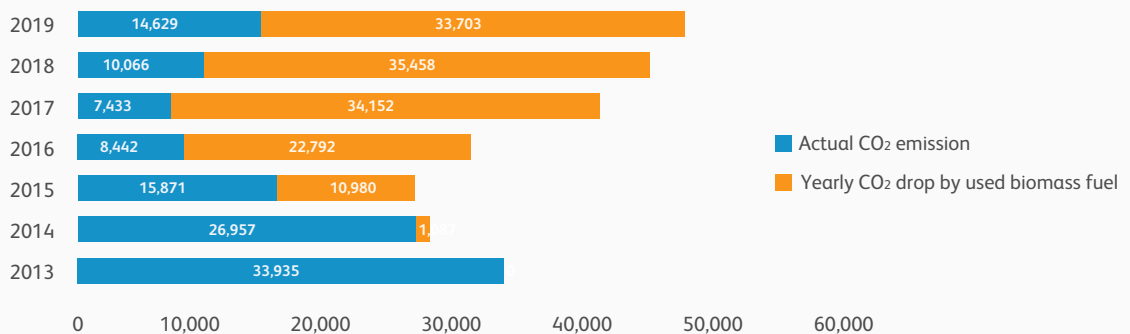
## TOTAL ENERGY CONSUMPTION (MJ/hl beer)



## TOTAL CARBON EMISSIONS (kg CO<sub>2</sub> eq/hl beer)



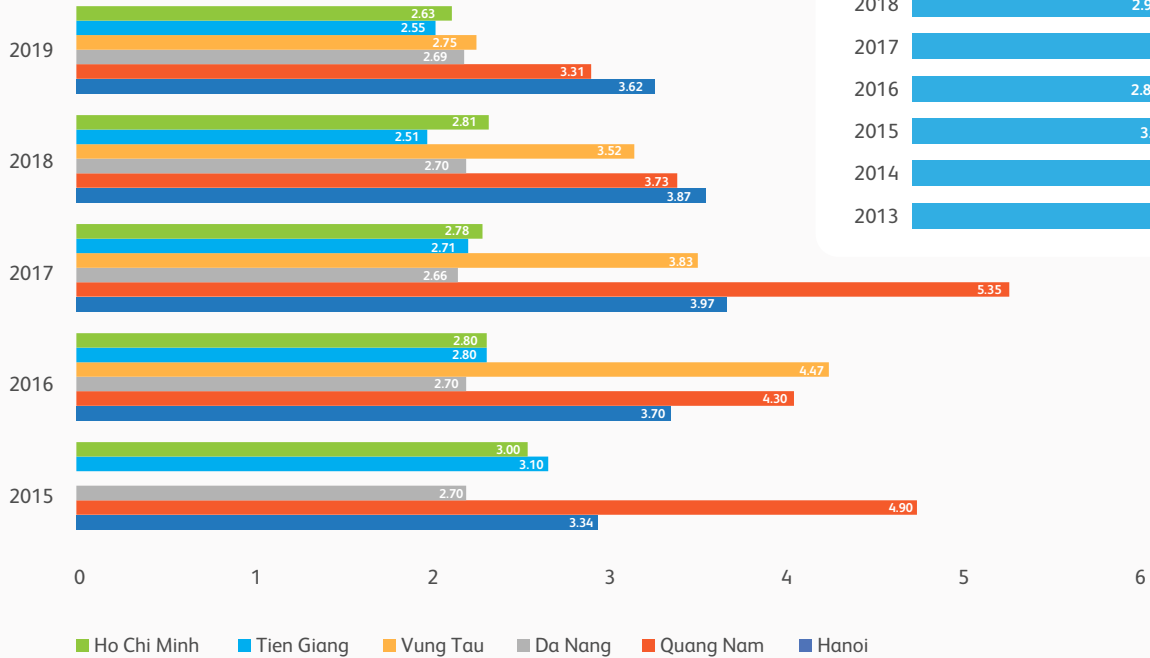
## YEARLY DROP OF CO<sub>2</sub> EMISSION FROM BIOMASS THERMAL (Ton.e/Yr)



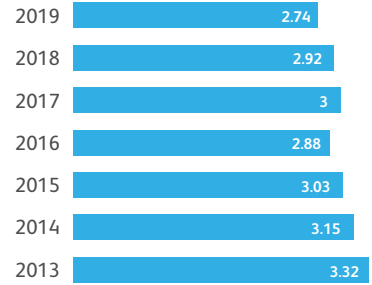
Total specific energy consumption and carbon emissions refers to energy and carbon emissions consolidated from all breweries normalised against beer production. Scope 1 emissions covers the use of diesel oil, fuel oil and liquefied petroleum gas. Default emission factors from 2006 IPCC Guidelines were used. Scope 2 covers emissions from purchased electricity. Market-based Scope 2 emissions are based mainly on energy supplier specific emission factors. Scope 2 emissions are based on Vietnam specific emission factors.

# PLANET WATER CONSUMPTION

**SPECIFIC WATER CONSUMPTION BY BREWERY**  
hl/hl beer

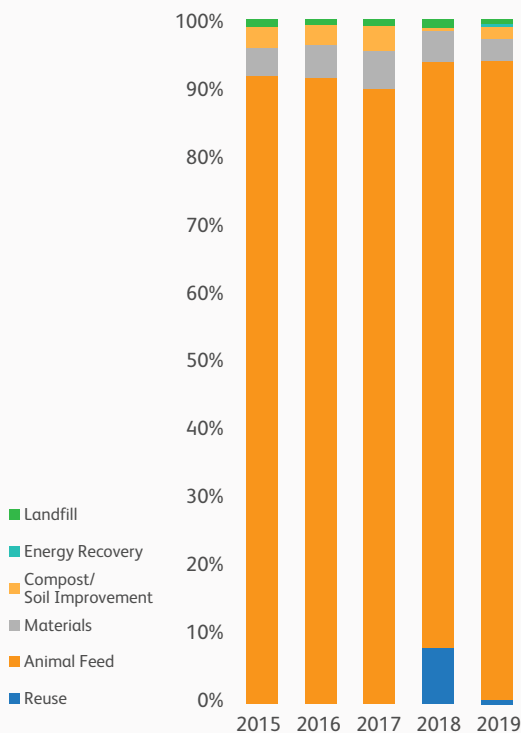


**SPECIFIC WATER CONSUMPTION**  
hl/hl beer

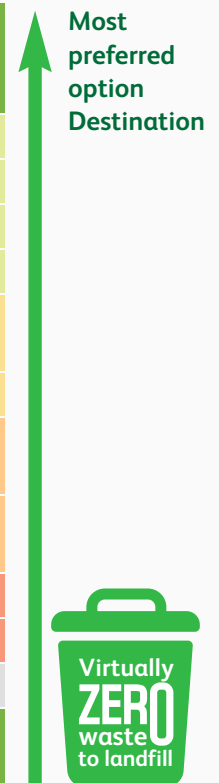


# PLANET WASTE

**WASTE BY METHOD OF DISPOSAL**



Destination	Quantity 2019 (ton)	% of total 2019
Re-use	1,681.9	0.6
Human consumption	-	-
Animal feed	276,503.8	92
Materials	9,441.6	3
Compost/soil improvement	4,941.3	1.7
Energy (biogas)	1,573.5	0.5
Combustion with energy recovery	5,028.5	1.6
Combustion without heat recovery	144.1	<0.1
Landfill	1,676.4	0.6
Dump	-	-
Unknown	-	-
<b>Total co-products and waste</b>	<b>299,309.1</b>	<b>100</b>



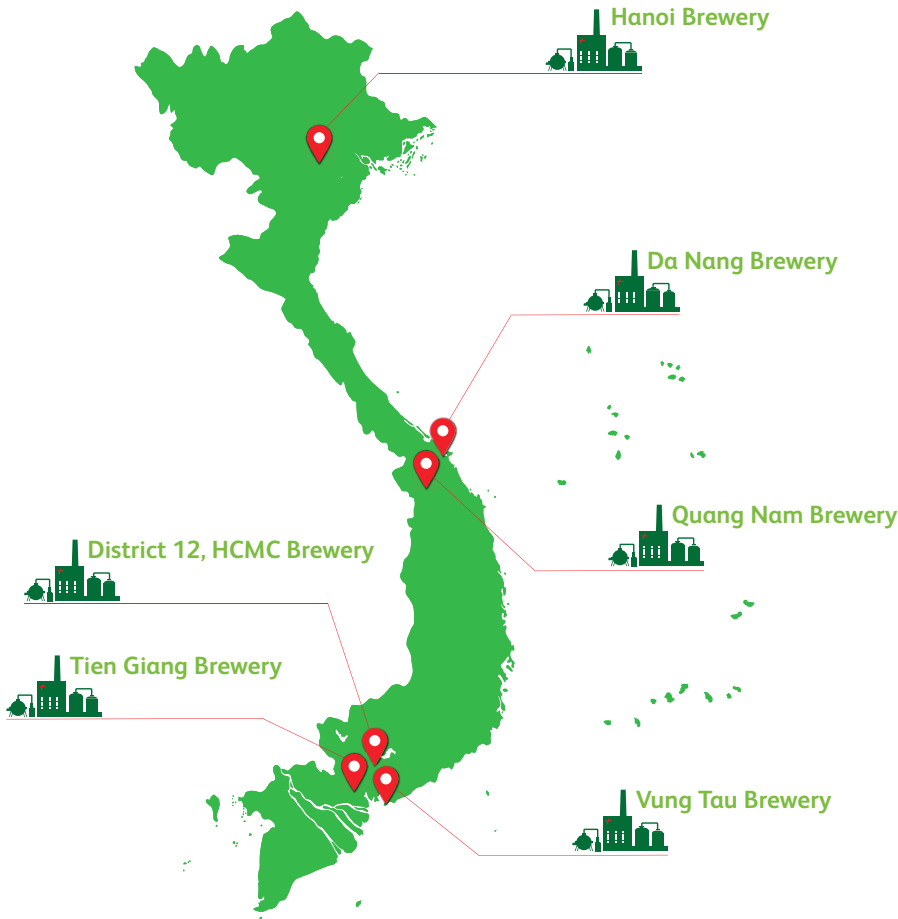
# Reporting Aspects





## ABOUT HEINEKEN VIETNAM

With the full integration of HEINEKEN Vietnam Brewery Limited Company and HEINEKEN Hanoi Brewery Limited Company, HEINEKEN Vietnam is a unified company in Vietnam operating 6 breweries and 10 sales offices across Vietnam.

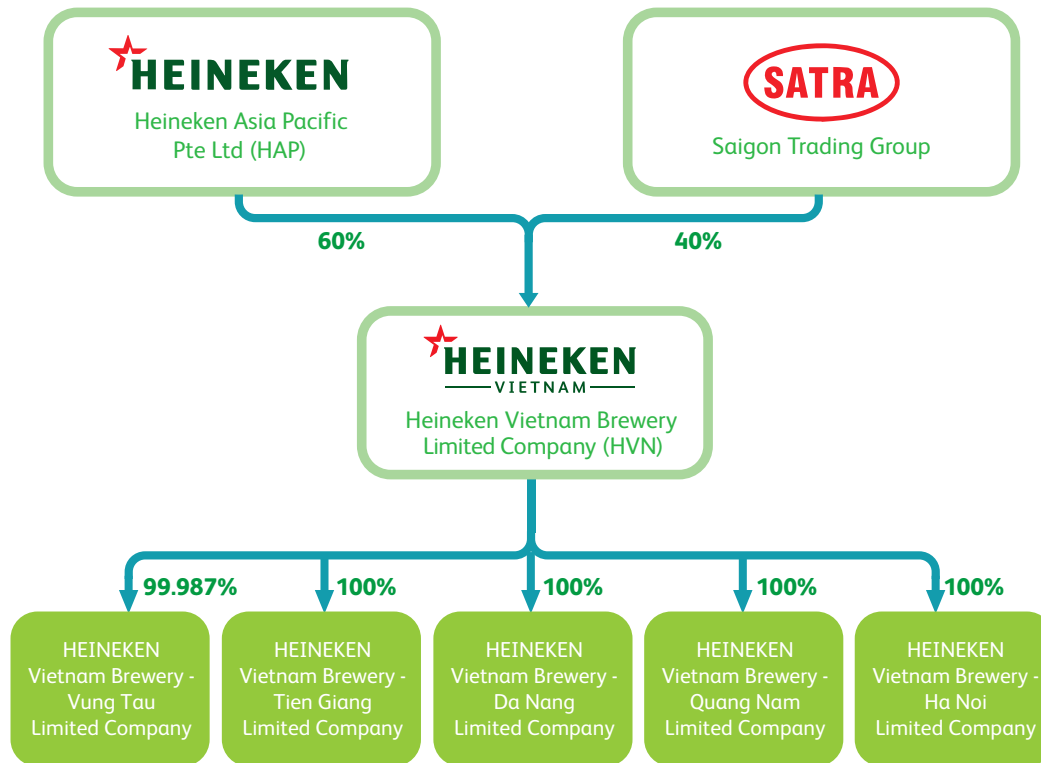


OUR OPERATING COMPANIES
HEINEKEN Vietnam Brewery Limited Company
HEINEKEN Vietnam Beer and Beverages Limited Company
HEINEKEN Vietnam Brewery - Hanoi Limited Company
HEINEKEN Vietnam Brewery - Da Nang Limited Company
HEINEKEN Vietnam Brewery - Quang Nam Limited Company
HEINEKEN Vietnam Brewery - Vung Tau Limited Company
HEINEKEN Vietnam Brewery - Tien Giang Limited Company

## OUR BRANDS



## COMPANY STRUCTURE



## SCOPE OF REPORT

This is HEINEKEN Vietnam’s sixth sustainability report. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. It encompasses the performance of our consolidated Operating Companies and six breweries in Vietnam from 1 January 2019 to 31 December 2019.

The environmental performance is evaluated on the performance of our breweries, from which the most significant impacts on People, Planet & Prosperity has been created.

## REPORTING STANDARDS & METHODOLOGY

The data presented in this report has been compiled with the aid of HEINEKEN data collection systems, which are listed below. All the data in this publication has been reported

in accordance with our global procedures, in good faith and to the best of our knowledge. Standard calculations in our systems have been built in, wherever possible, to minimise any inconsistencies.

HEINEKEN data collection systems consist of:

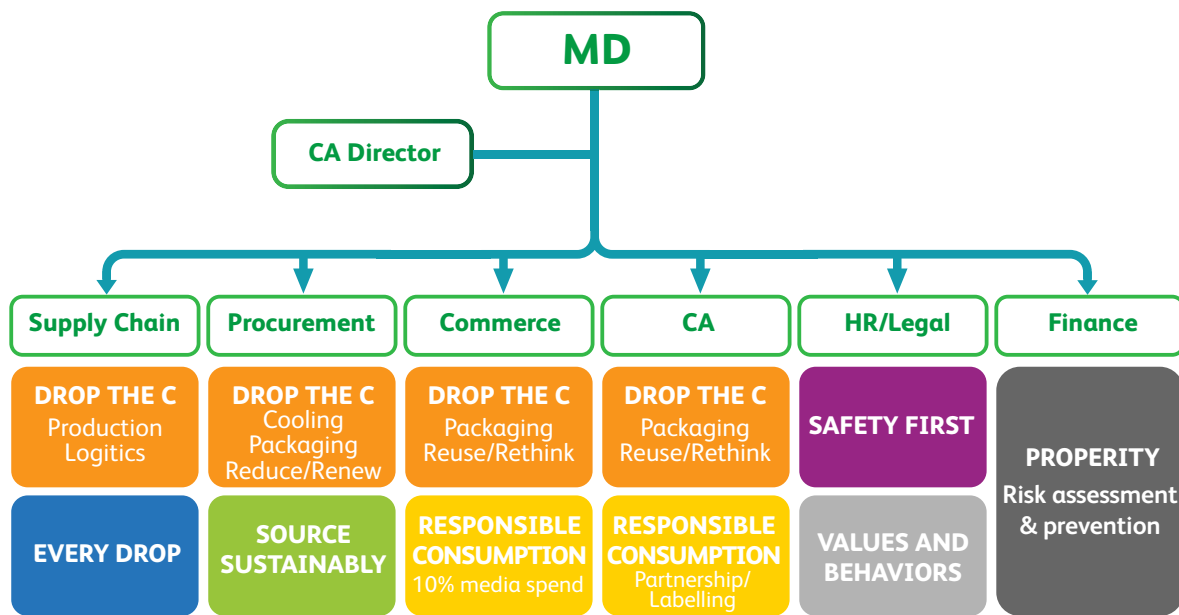
- The Accident Reporting & Investigation Software (ARISO) system, for safety reporting
- The Business Comparison System (BCS), for environmental reporting
- The Sharepoint reporting system, for community, local sourcing, partnership and progress reporting on global commitments
- The EcoVadis Platform,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

Our sustainability performance is also included in the “Sustainability Review” section of HEINEKEN N.V. Annual Report 2019 which has been reviewed and confirmed externally.

## SUSTAINABILITY LEADERSHIP



Our Managing Director sets the tone and together with the Management Team, our leadership drives the sustainability agenda through all levels of our organization and encourages a culture of collaboration and innovation for sustainability at HEINEKEN Vietnam. Our Corporate Affairs team coordinates HEINEKEN Vietnam's sustainability process and works closely with the heads of functions to measure, monitor and report their sustainability stories.

On a quarterly basis, we keep track of our performance against our sustainability commitments and report our progress to the HEINEKEN Global Sustainable Development team.



## STAKEHOLDER ENGAGEMENT

Our stakeholders are crucial to our journey of Brewing a Better Vietnam and we engage with them to grow together. Through such interactions, we gain valuable inputs that enable us to assess our material issues, identify gaps in our approach and shape our action plan.

Stakeholder	Goals	How we engage
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Enhance and increase employee loyalty</li> <li>Employee satisfaction</li> <li>Promote sustainability awareness</li> </ul>	<ul style="list-style-type: none"> <li>Annual Climate Survey</li> <li>95% Engagement Score</li> <li>▲ 7% from FY2018</li> </ul>
 <b>Customers (distributors, outlet owners) and Consumers</b>	<ul style="list-style-type: none"> <li>Strengthen and expand distribution network</li> <li>Ensure success and succession of distributors and sub-distributors</li> <li>Promote sustainability awareness</li> <li>Maintain and increase brand loyalty</li> <li>Increase customer satisfaction</li> <li>Promote responsible consumption</li> </ul>	<ul style="list-style-type: none"> <li>Distributor Conference, annual</li> <li>Market visits, regular</li> <li>Outlet activation, on campaign-basis</li> <li>Media, PR, digital platforms and events, on events basis</li> </ul>




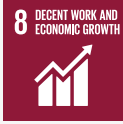




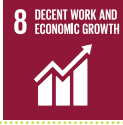

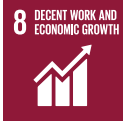










Stakeholder	Goals	How we engage
 <p><b>Media</b></p>	<ul style="list-style-type: none"> <li>Promote company brands</li> <li>Exchange views and information</li> </ul>	<ul style="list-style-type: none"> <li>Media meetings, twice a year</li> <li>Press conference, on events basis</li> <li>Reputation survey, bi-annual</li> </ul>
 <p><b>Industry Associations</b> (e.g. international centre for alcohol policies, Vietnam Beer Alcohol Beverage Association)</p>	<ul style="list-style-type: none"> <li>Support for laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Industry workshops and regular meetings</li> <li>Bi-annual reputation survey</li> </ul>
 <p><b>Government</b></p>	<ul style="list-style-type: none"> <li>Participate in discussions and support alcohol law</li> <li>Share practices in alcohol advertising</li> <li>Support in promoting sustainability awareness and practices among Vietnamese businesses</li> </ul>	<ul style="list-style-type: none"> <li>Conferences</li> <li>Meetings and workshops</li> <li>Bi-annual reputation survey</li> </ul>
 <p><b>Suppliers</b></p>	<ul style="list-style-type: none"> <li>Ensure business performance and compliance</li> </ul>	<ul style="list-style-type: none"> <li>Regular meetings</li> <li>Bi-annual reputation survey</li> </ul>
 <p><b>NGOs and international organisations</b></p>	<ul style="list-style-type: none"> <li>Partnership for impact</li> <li>Information update and exchange on best practices/expertise on sustainable development</li> </ul>	<ul style="list-style-type: none"> <li>Annual Tet charity/mid-autumn festival</li> <li>Regular water programmes</li> <li>Bi-annual reputation survey</li> <li>Expert meetings/forums as needed</li> </ul>
 <p><b>Investors</b></p>	<ul style="list-style-type: none"> <li>Maintain and increase relationship with shareholders</li> <li>Exchange views and perspectives</li> </ul>	<ul style="list-style-type: none"> <li>Monthly/quarterly reports</li> <li>Quarterly meeting</li> <li>Year-end review</li> </ul>
 <p><b>Employee representatives</b> (e.g. Trade Unions)</p>	<ul style="list-style-type: none"> <li>Ensure business operations comply with law &amp; regulation</li> <li>Updates on laws &amp; regulations</li> </ul>	<ul style="list-style-type: none"> <li>Regular meetings and workshops as needed</li> </ul>

# MATERIALITY FOR BUSINESS PRIORITIES

	Sustainability Pillar	Material Issues	Actions	Relevance to Stakeholders
<p><b>1</b> <b>HEINEKEN STRATEGIC PRIORITIES</b></p> <ul style="list-style-type: none"> <li>▪ Extremely significant impact on achievement of key financial and operational objectives</li> <li>▪ Extreme concerns expressed by key stakeholders</li> <li>▪ Severe and immediate impact on brand/reputation</li> </ul>	Sustaining PROSPERITY for a Better Vietnam	Change in regulations	Manage the uncertainty in business operations arising from regulatory changes, such as alcohol restrictions and tax regulations	Direct and indirect economic contribution through job creation and GDP contribution  Better service and engagement with consumers and customers by fast responding to market demand, diversifying consumer choices and ensuring credibility
		Marketing strategy and brand relevance	Ensure the effectiveness of brand portfolio strategy, amidst intensified competition to grow market share and prevent value destruction	
		Digital media	Manage the risks arising from digital media and ensure timely reaction to reputation threats	
		Supply Chain Management	Support for local suppliers, supplier environmental and social assessment as well as managing supply chain risk	Enhancement of competitive advantage for suppliers, especially Small and Medium Enterprise (SMEs) in the FMCG industry
	Empowering PEOPLE for a Better Vietnam	Stakeholder engagement	Develop and maintain relationships with stakeholders (e.g. employees, customers, media, government, community partners, distributors, shareholders)	Transparent and trustworthy engagement and conversation

## 2 FUNDAMENTAL FOR BUSINESS

- Moderate to major impact on achievement of key financial and operational objectives and well controlled by HEINEKEN Vietnam
- High level of concern expressed by key stakeholders
- Mid to long-term impact on brand/reputation

Sustainability Pillar	Material Issues	Actions	Relevance to Stakeholders
Sustaining PROSPERITY for a Better Vietnam  	Counterfeiting 	Guarantee high quality of product and manage the competition from counterfeited (cheaper, lower quality) products potentially damaging the brand's reputation and market share	Direct and indirect economic contribution through job creation and GDP contribution  High quality product 
	Cyber security and Data privacy 	Strengthen capabilities to protect and recover from cyber-attacks and protect consumers data privacy	High protection of personal data
Empowering PEOPLE for a Better Vietnam  	Talent development 	Develop our people through training and skills upgrading, performance and career development reviews	Efficient and inclusive working environment for the Vietnamese Skilled and talented labour force 
	Health and safety 	Protect and promote health, safety and wellbeing of employees and workers throughout supply chain  Strengthen Safety First culture amongst HEINEKEN's employees and business partners	Safe culture & behaviour  Health and wellbeing for internal & external stakeholders  
	Responsible consumption 	Promote responsible consumption for consumer and staff to enjoy beer in moderation and lead by example	Health and enjoyment of consumers  
Protecting the PLANET for a Better Vietnam  	Climate change/Climate strategy 	Reduce carbon emissions, protect water resource and minimize waste through operational efficiency, circularity and prepare for climate-related impacts	Impacts of environmental issues and climate change related consequences: air pollution, water pollution & scarcity, extreme weather, etc...   

# Our Alignment with the United Nations' Sustainable Development Goals and Vietnam's National Action Plan

HEINEKEN Vietnam supporting the UN SDGs	HEINEKEN Vietnam supporting Vietnam's National Action Plan Targets	HEINEKEN Vietnam's Focus Areas	
<b>2</b> ZERO HUNGER 	2.4	By 2030, ensure sustainable food/foodstuff production and apply resilient agricultural production modalities, increasing productivity and output that help maintain eco-systems, and strengthen the capacity for adaptation to climate change and other disasters and progressively improve land and soil quality.	
	3.4	Increase efforts in preventing and treating the abuse of addictive substances, including narcotic drug abuse and harmful use of alcohol.	
<b>3</b> GOOD HEALTH AND WELL-BEING 	3.5	By 2030, continue to control and annually reduce traffic accidents based on three criteria: the number of accidents, the number of deaths and the number of injuries.	 
	3.8	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, soil pollution and contamination.	 
	<b>6</b> CLEAN WATER AND SANITATION 	6.3	By 2030, improve water quality and successfully control sources of pollution; end the use of hazardous chemicals in agricultural, industrial and aquatic production that pollutes water sources and degrades biodiversity; treat 100% of hazardous waste water; halve untreated urban waste water; increase the safe reuse of water.
6.4		By 2030, substantially increase water use efficiency across all fields/sectors and ensure a sustainable supply of clean water in order to address water scarcity, and substantially reduce the number of people suffering from water scarcity. Ensure that water exploitation does not exceed the exploitation thresholds for rivers and exploitable reserves of water layers.	
<b>7</b> AFFORDABLE AND CLEAN ENERGY 	7.3	By 2030, double the national rate of improvement in energy use efficiency. Reduce the rate of power utilization by 10% compared to the baseline scenario.	
<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	8.1	Sustain per capita GDP growth rate of 4-4.5%/year and annual GDP growth rate of 5-6% on average	
	8.4	By 2030, increase the efficiency of resource use in production and consumption, minimize the impacts of economic growth on environmental degradation, in accordance with the 10-year framework of programmes on sustainable production and consumption of Vietnam	 
	8.5	By 2030, achieve full and productive employment and decent work for all men and women, including for young people and persons with disabilities, and ensure equal pay for work of equal value	
	8.6	By 2030, substantially reduce the proportion of young people not in employment, education or training; make proactive efforts in effectively implementing ILO's Global Jobs Pact	
	8.8	Protect labour rights and promote safe and secure working environments for all workers, particularly female migrant workers and workers in the informal sector	
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	12.1	Implement a 10-year framework of programmes on sustainable production and consumption in accordance with international commitments	
	12.2	By 2030, achieve the sustainable management and efficient use of natural resources; reasonably exploit and economically, sustainably utilize mineral resources.	  
	12.4	By 2020, adopt and implement a lifecycle management approach to chemicals and wastes in accordance with international commitments that Vietnam has signed, in order to reduce soil, water, air pollution and their adverse impacts on human health and the environment.	 
	12.5	By 2030, substantially reduce waste generation and increase the economic value of waste resources through prevention, reduction, recycling, reuse and recovery of energies from waste treatment.	
	12.6	Encourage the business community to adopt sustainable practices, including the use of cleaner production technologies, effective use of natural resources and environmental protection; implement social accountabilities with regards to the poor and the vulnerable; and integrate sustainability information into periodical reports.	   

# GRI Standards Content Index



Disclosure	Reference(s) or Reasons for Omission	
<b>General Disclosures</b>		
<b>Organizational Profile</b>		
102-1	Name of the organization	About HEINEKEN Vietnam (page 41)
102-2	Activities, brands, products, and services	About HEINEKEN Vietnam (page 41)
102-3	Location of headquarters	About HEINEKEN Vietnam (page 41)
102-4	Location of operations	About HEINEKEN Vietnam (page 41)
102-5	Ownership and legal form	About HEINEKEN Vietnam (page 42)
102-6	Markets served	About HEINEKEN Vietnam (page 41)
102-7	Scale of the organization	About HEINEKEN Vietnam (page 41)
102-8	Information on employee and other workers	Performance in Figures (page 36)
102-9	Supply chain	N/A
102-10	Significant changes to the organization and its supply chain	N/A
102-11	Precautionary principle and approach	HEINEKEN Vietnam does not specifically refer to the precautionary approach when managing risks, however, we adopt a risk-based approach in our operations.
102-12	External initiatives	Stakeholder Engagement (page 43)
102-13	Membership of associations	Stakeholder Engagement (page 43)
<b>Strategy</b>		
102-14	Statement from senior decision-maker	Managing Director Foreword (page 4)
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	Our Values and Behaviours (page 22)
102-17	Mechanisms for advice and concerns about ethics	Our Values and Behaviours (page 22)
<b>Governance</b>		
102-18	Governance structure	Sustainability leadership (page 43)
102-22	Composition of the highest governance body and its committees	Sustainability leadership (page 43)
102-23	Chair of the highest governance body	Sustainability leadership (page 43)
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	Stakeholder Engagement (page 43)
102-41	Collective bargaining agreements	All OpCos have at least 1 collective agreement. All employees are covered by collective bargaining agreements.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement (page 43)
102-43	Approach to stakeholder engagement	Stakeholder Engagement (page 43)
102-44	Key topics and concerns raised	Stakeholder Engagement (page 43)
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	Omitted since this report only covers the sustainability performance of HEINEKEN Vietnam
102-46	Defining report content and topic boundaries	Reporting Aspects (page 40)
102-47	List of material topics	Materiality assessment (page 10)
102-48	Restatements of information	N/A
102-49	Changes in reporting	N/A
102-50	Reporting period	1 January 2019 to 31 December 2019
102-51	Date of most recent report (if any)	HEINEKEN Vietnam Sustainability Report 2018
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Reference Information
102-54	Claims of reporting in accordance with the GRI Standards	Reporting Aspects (page 40)
102-55	GRI content index	GRI Content Index (page 48)
102-56	External assurance	Reporting Aspects (page 40)



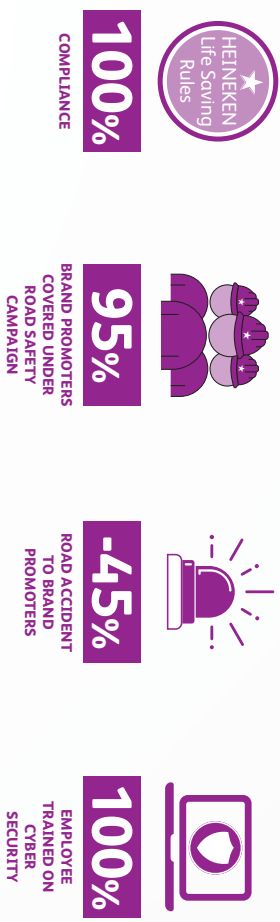
Topic-specific Disclosure		
<b>Management Approach</b>		
103-1	Explanation of the material topic and its Boundary	Included under each section
103-2	Activities, brands, products, and services	Included under each section
104-3	Evaluation of the management approach	Included under each section
<b>GRI 201: Economic Performance</b>		
201-1	Direct economic value generated and distributed	Sustaining Prosperity for a Better Vietnam (page 13)
<b>GRI 203: Indirect Economic Impacts</b>		
203-2	Significant indirect economic impacts	Sustaining Prosperity for a Better Vietnam (page 13)
<b>GRI 204: Procurement Practices</b>		
204-1	Proportion of spending on local suppliers	Supporting local Suppliers and Business Partners (page 18)
<b>GRI 302: Energy</b>		
302-3	Energy intensity	Performance in Figures (page 36)
<b>GRI 305: Emissions</b>		
305-4	GHG Emissions Intensity	Performance in Figures (page 36)
<b>GRI 303: Water and Effluents (2018)</b>		
<b>Management Approach</b>		
303-1	Interactions with water as a shared resource	Managing Every Drop (page 36)
303-2	Management of water discharge-related impacts	Managing Every Drop (page 36)
<b>GRI 306: Effluents and Waste</b>		
306-1	Water discharge by quality and destination	Performance in Figures (page 36)
306-2	Mechanisms for advice and concerns about ethics	Performance in Figures (page 36)
<b>GRI 307: Environmental Compliance</b>		
307-1	Non-compliance with environmental laws and regulation	Zero incidences of non-compliance
<b>GRI 308: Supplier Environmental Assessment</b>		
308-1	New suppliers that were screened using environmental criteria	Supporting local Suppliers and Business Partners (page 18)
<b>GRI 403: Occupational Health and Safety</b>		
<b>Management Approach</b>		
403-1	Occupational health and safety management system	Strengthening Safety First Culture (page 26)
403-2	Hazard identification, risk assessment and incident investigation	Strengthening Safety First Culture (page 26)
403-3	Occupational health services	Strengthening Safety First Culture (page 26)
403-4	Worker participation, consultation and communication on health and safety	Strengthening Safety First Culture (page 26)
403-5	Worker training on occupational health and safety	Strengthening Safety First Culture (page 26)
403-6	Promotion of worker health	Strengthening Safety First Culture (page 26)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Strengthening Safety First Culture (page 26)
<b>Topic-Specific Disclosures</b>		
403-9	Work-related injuries	Performance in figures (page 37)
<b>GRI 404: Training and Education</b>		
	Average hours of training per year per employee	Performance in figures (page 37)
<b>GRI 413: Local Communities</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	Community development (page 21)
<b>GRI 414: Supplier Social Assessment</b>		
414-1	New suppliers that were screened using social criteria	Supporting local Suppliers and Business Partners (page 18)
<b>GRI 416: Customer Health and Safety</b>		
416-1	Assessment of the health and safety impacts of product and service categories	Shaping responsible behaviours and attitudes (page 27)
<b>GRI 417: Marketing and Labeling</b>		
417-1	Requirements for product and service information and labeling	Shaping responsible behaviours and attitudes (page 27)

# Sustainability Highlights of 2019

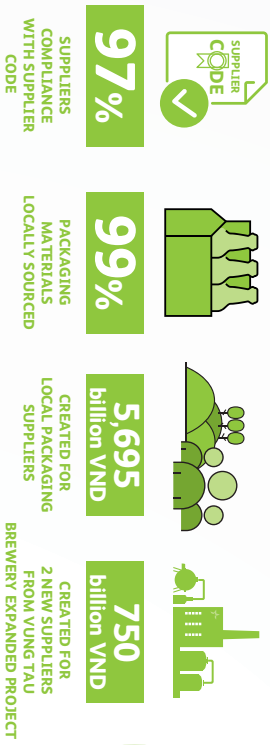
## ADVOCATING RESPONSIBLE CONSUMPTION



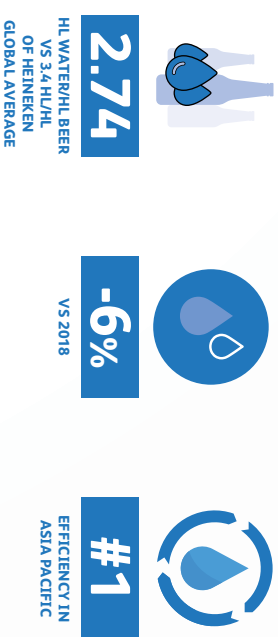
## PROMOTING HEALTH AND SAFETY



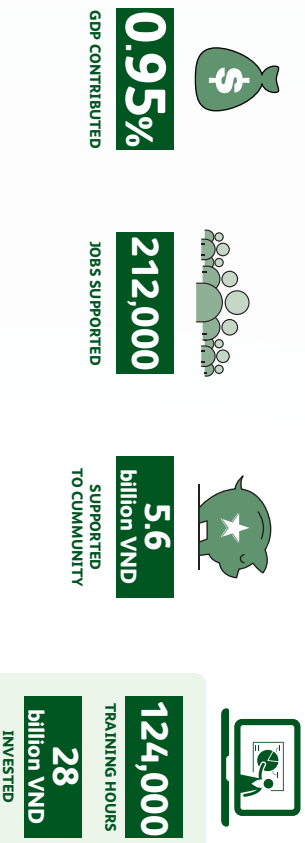
## SOURCING SUSTAINABLY



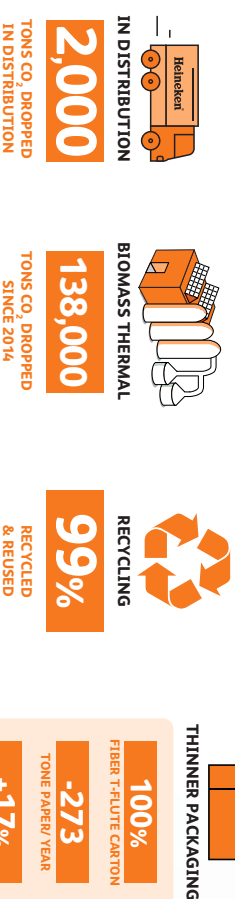
## EVERY DROP: PROTECTING WATER RESOURCES



## GROWING WITH COMMUNITIES



## DROP THE C: REDUCING CO<sub>2</sub> EMISSIONS



# HEINEKEN VIETNAM





# Reference Information

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## Let us know your thoughts

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

Please address your views and suggestions to:

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# OUR 2025 COMMITMENTS



# 100%

Water Balance<sup>(\*)</sup>



# 100%

Renewable Energy



# ZERO

Wasted to landfill

<sup>(\*)</sup> Water Balancing means we return the water that goes into our product or evaporates to the watershed

