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HEINEKEN MALAYSIA BALANCED MORE THAN 100% OF WATER USED

WATER STEWARDSHIP TARGET ACHIEVED 10 YEARS AHEAD OF THE GOAL

Heineken Malaysia Berhad (HEINEKEN Malaysia) announced a significant sustainability milestone today, with an achievement of balancing more than 100% of water used in its products in 2020.

This marks significant progress made by the brewer in line with its *Every Drop* water strategy, achieving its 2030 target on Water Stewardship 10 years ahead of the goal. Every Drop is HEINEKEN's strategy aimed at protecting the health of watersheds holistically, using a triangular approach that integrates Water Stewardship to fully balance the water used in its products, Water Efficiency to reduce water usage in production, and Water Circularity to ensure 100% of wastewater is treated whilst maximising opportunities to reuse and recycle water.

Speaking at the launch of the Company's Water Balancing Report 2020, Roland Bala, Managing Director of HEINEKEN Malaysia, said, "Water is central to HEINEKEN and indeed a precious resource that is essential to all life. Our efforts in protecting our water resources over the years have enabled us to fully balance water used to brew our beers and ciders. We have an ambitious target to balance 1.5 litres for every 1 litre of water used in making our products. In 2020, through initiatives like river and peatland conservation, rainwater harvesting, reforestation, and other community initiatives, we achieved 267% versus our water balancing target. We are proud to reach this milestone 10 years ahead of our global 2030 commitment, and we will continue investing in science-based Water Stewardship initiatives for the long term to ensure the sustainability of our watershed."

HEINEKEN Malaysia's water balancing achievements are quantified in line with international industry-standard methodologies consistent with the Volumetric Water Benefit Accounting framework published by the World Resources Institute. The results are independently validated and verified by LimnoTech, a leading international environmental science and engineering firm based in the USA.

Renuka Indrarajah, Corporate Affairs and Legal Director of HEINEKEN Malaysia, said, "Water is not an infinite resource. Water scarcity, wastage and pollution are real issues that confront the world and as a responsible brewer, we want to do our part to protect our watersheds. Through our CSR arm SPARK Foundation, we partner with the Global Environment Centre (GEC) to execute Water Stewardship projects that enable us to protect our water source, whilst reducing demand on treated water through water conservation and alternative water systems for our communities. We are proud to give back more than what we take. We call upon other industries to start looking into sustainable water management practices. With collective action, we can be part of the solution to safeguard the sustainability of water supply for all."

W.A.T.E.R Project, a partnership between SPARK Foundation and GEC, which started in 2007, has resulted in the roll-out of key Water Stewardship initiatives include:

- **Rehabilitation of Sungai Way river**, an urban river in an urban industrial zone, resulting in the improvement of the river's water quality from Class IV - V (extremely polluted, not suitable for living organisms) to Class III (suitable for living organisms)
- **Construction of a 305-metre clay dyke** at the Raja Musa Forest Reserve that stores up to 136.1 million litres of water annually, contributing to the long term sustainability of Sungai Selangor

- **Installation of over 1,000 water thimbles for more than 500 households** in the Klang Valley, which resulted in water savings of 19 litres per capita per day on average
- **Installation of 16 rainwater harvesting systems for communities** in Selangor, thus providing them with an alternative water source and reduce reliance on treated water for non-potable usage as well as relieving pressure on our water resources
- **Reforestation of one hectare of degraded peatland** at the Raja Musa Forest Reserve, which reduces the risk of peat fires and increases the peatland's water table, contributing to the health of Sungai Air Hitam within the Sungai Selangor watershed

Dr. Kalithasan Kailasam, Manager for the RIVER Care Programme of GEC, lauded HEINEKEN Malaysia on the significant milestone: "This is truly a commendable and encouraging development on the path of water stewardship. GEC together SPARK Foundation have embarked on three phases of W.A.T.E.R project since 2007. We started with education of communities and rehabilitation of rivers. Now we are looking into holistic water management which is water stewardship through smart partnerships. Water stewardship emphasises on the need focus on social equity, environmental sustainability, and economic growth."

HEINEKEN Malaysia's Water Balancing Report 2020 is available to the public at: <https://www.heinekenmalaysia.com/sustainability/> Companies or organisations interested in collaborating on water stewardship initiatives are encouraged to reach out via email to hello@sparkfoundation.com.my

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