



HEINEKEN MALAYSIA BERHAD

Company no. 196401000020 (5350-X)

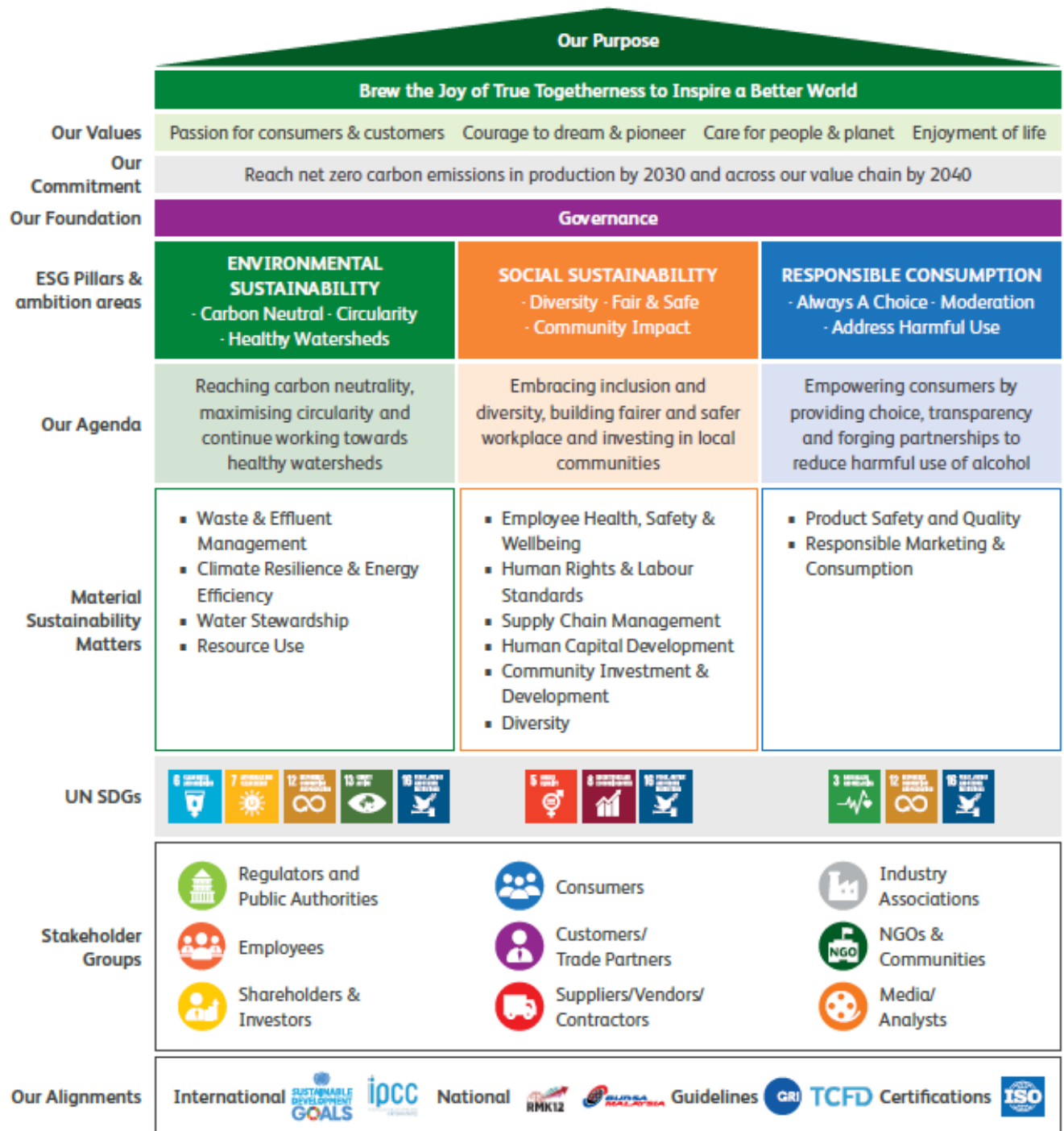
SUSTAINABILITY POLICY

Approved by the Board on 20 March 2023

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OUR ESG FRAMEWORK



HEINEKEN GLOBAL EVERGREEN STRATEGY



We continue to embed the HEINEKEN Global EverGreen strategy which was further rolled out with the goal to future-proof the business, adapting to new external dynamics and emerging stronger from the crisis on sustainability, circular economy and innovations.

EverGreen is our bold strategy to drive superior and balanced growth in the next evolution of our business. EverGreen leverages our existing strengths and new opportunities to chart the next chapter of our growth. Putting customers and consumers firmly at the core, we aim to continually enhance and expand our portfolio and footprint. We are making great strides in our end-to-end digital transformation to benefit our route-to-consumer and drive cost efficiencies as we aim to become the best-connected brewer. We are stepping up our focus to deliver continuous productivity improvements and raising the bar for our environmental and social sustainability ambitions.

EverGreen is a journey of both continuity and change, building on what has made us great and what is needed next. True to our ambitions, it meets short-term challenges and will ensure the long-term sustainability of our business to create lasting value for stakeholders.

1. OVERVIEW

This policy sets out the sustainability core principles and commitments of Heineken Malaysia Berhad (“HEINEKEN Malaysia”) and its operating subsidiaries (collectively referred to as “the Group”) as a guide in embedding sustainable practices throughout the operations and value chain specifically in the areas of Environment, Social, and Governance (“ESG”) and aligning them to the sustainability ambitions of HEINEKEN NV, the ultimate holding company of HEINEKEN Malaysia (hereinafter referred to as “HEINEKEN Global”).

2. OBJECTIVE

The aim of this Sustainability Policy (“the Policy”) is to:

- Set the general principles in governing our sustainability strategies and initiatives and communicate the Group’s commitments in addressing ESG risks and opportunities across our business operations.
- Promote and cultivate integrity, transparency and credibility within our sustainability efforts in improving our business decisions and operations.
- Integrate the Group’s strategies and principles with the relevant sustainability frameworks which include, among others, the International sustainable Development Agenda: United Nations sustainable Development Goals (“UNSDGs”).

3. APPLICABILITY

The Policy is applicable to all employees within the Group. It also extends across our entire value chain, and we strongly encourage all parties to be aligned with the Policy and adhere to the principles set out herein.

4. PRINCIPLES

The policy is underpinned by our Purpose¹ and Values² and it reinforces the Group’s commitments towards achieving a balanced growth in terms of business and sustainability by taking accountability for the impacts the Group has on the people and the environment.

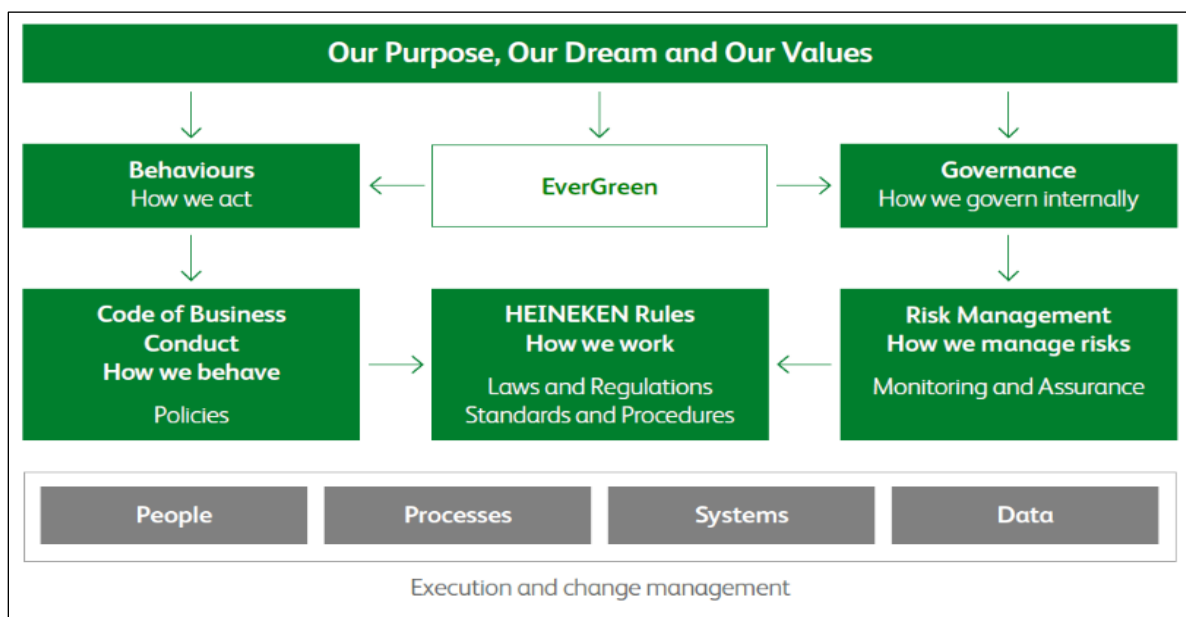
The Group strives to improve the management of its risks and opportunities by being progressive in its sustainability initiatives, guided by the HEINEKEN Global Sustainability Strategy “Brew a Better World”.

¹ Purpose : We brew the Joy of True Togetherness to Inspire a Better World

² Values : Passion for consumers and customers, Courage to dream and pioneer, Care for People & Planet and Enjoyment of life

5. GOVERNANCE

We are committed to conduct business with integrity and fairness and with respect to people, the law and our values. Our HEINEKEN business framework, which articulates the key elements that the Group relies on to operate effectively, ensures that we conduct business in a responsible manner and adhere to all applicable laws and regulations with the aim of creating a long-term value for our stakeholders. Our approach to good governance and ethical business conduct is guided by the policies and procedures related to anti-bribery, anti-corruption, protection of human rights, safeguarding of personal data and privacy and the mitigation of business risks through our HEINEKEN Business Framework which is depicted below:



HEINEKEN Malaysia's commitments to sustainability and good governance are outlined in the following policies/statements:

HEINEKEN Code of Business Conduct (HeiCode) and Policies embedded therein	
<ul style="list-style-type: none"> • Supplier Code • Responsible Marketing Code which includes Brand Promoters Policy • Policy on Bribery • Human Rights Policy • Policy on Health and Safety • Policy on Money Laundering and Sanctions • Policy on the Use of Social Media • Policy on Confidential Information • IP Policy • Speak Up Policy 	<ul style="list-style-type: none"> • Policy on the Use of Company Resources • Policy on Fraud • Policy on Conflicts of Interest • Policy on Competition • Media Policy • Policy on Dealing in Securities • Policy on Gifts, Entertainment and Hospitality • Policy on Responsible Alcohol Consumption • Policy on Political Contributions, Charitable Donations and Lobbying

6. SUSTAINABILITY STRATEGY – BREW A BETTER WORLD

The Group pursues an increasingly holistic approach to sustainability, focusing on the entire value chain From Barley to Bar. The Group is guided by HEINEKEN Global Sustainability Strategy - Brew a Better World 2030's ambitions which is woven into the fabric of its balanced growth strategy, putting environmental, social sustainability and responsibility as its key focus areas.

Environmental Sustainability	Social Sustainability	Responsible Consumption
Path towards net zero impact	Path towards inclusive, fair and equitable company and world	Path towards moderation and no harmful use
Our environmental sustainability ambition focuses on raising our bars in reaching carbon neutrality, maximise circularity and continue working towards healthy watersheds.	Our social sustainability ambition focuses embracing inclusion and diversity, building fairer and safer workplace and investing in local communities.	Our responsible consumption ambition focuses on empowering consumers by providing choice, transparency and zero tolerance for the harmful use of alcohol.



7. BREW A BETTER WORLD 2030 AMBITIONS

The Brew a Better World 2030 ambitions is a set of ambitious commitments that aims at driving a positive impact on the environment, social sustainability and the responsible consumption of alcohol. The ambitions and targets are in line with the benchmarks set by the United Nations (“UN”) Global Compact and we are determined to contribute to the UNSDGs to protect the planet, ensure prosperity and end poverty for all.

Environmental Sustainability		
Reach Net Zero Carbon	Maximise Circularity	Towards Healthy Watersheds
The Group is set on the path to climate resilience by aspiring to achieve net zero carbon emissions in production by 2030, across value chain by 2040 and 30% absolute reduction by 2030.	Maximising circularity within our production highlights the Group’s commitment towards responsible resource consumption. We are striving to achieve zero waste to landfill for all production sites by 2025 and to turn waste into value as well as to close material loops throughout the value chain.	Water is the key ingredient in our products and the Group recognises the importance of conserving its sources. We are continuously striving to reduce our average water usage and conserve water sources through water stewardship projects. The release of wastewater to water sources are monitored and we aim to treat 100% of wastewater before releasing
Social Sustainability		
Embrace Diversity, Equity, and Inclusion	A Fair & Safe Workplace	Positive Impact on our Communities
The Group aims to foster an inclusive and diverse workforce by having gender balance across our management and by providing inclusive leadership training to all managers.	We respect the rights of our employees to a fair and safe workplace through continuous assessments on wage rate provided to be equal pay for equal work and through leadership capacity building which will help us achieve zero fatal accidents and serious injuries in the workplace.	The Group strives to contribute at least one positive social impact initiatives annually.
Responsible Consumption		
Always a Choice	Address Harmful Use	Make Moderation Cool
We strive to cater the different needs of our consumers by offering zero-alcohol options and providing clear and transparent consumer information on our products.	The Group is committed to engage consumers on addressing harmful use of alcohol with an aim to build culture of moderation and responsible consumption.	We are committed that 10% of Heineken® media spend are invested in responsible consumption campaigns focusing on Enjoy Responsibly and When Your Drive, Never Drink.

8. REVIEW

The Policy is a matter reserved for the Board of Directors with the Managing Director (“MD”) being responsible for overall compliance. The Sustainability Committee chaired by the MD of HEINEKEN Malaysia will oversee the implementation, compliance with and review of this Policy.

The Group will monitor the progress its sustainability initiatives and provide disclosures through its Sustainability Report annually.

The Policy has been approved by the Board of Directors on 20 March 2023. It is subject to periodic reviews and revisions where necessary, to reflect the Group’s commitment to continuous improvement.

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