



HEINEKEN MALAYSIA BERHAD

ANNUAL REPORT 2024





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Please scan the QR code for further information about the Company.  
For more information, visit:  
<https://www.heinekenmalaysia.com/>

This Annual Report has been developed in line with the relevant rules, regulations, guidelines and best practices, which include:

- Companies Act 2016
- Bursa Malaysia's Corporate Governance Guide 4<sup>th</sup> Edition
- Bursa Malaysia's Main Market Listing Requirements
- Malaysian Code on Corporate Governance 2021
- Malaysian Financial Reporting Standards
- International Financial Reporting Standards and other regulatory requirements, as applicable

As for sustainability, the scope and reporting framework of our ESG Review are detailed on page 46 of this Annual Report.





# We Are HEINEKEN

## Our Purpose

We Brew the Joy of True Togetherness to Inspire a Better World

- The smooth and creamy Guinness Draught in a Can
- The premium wheat beer born in the Alps Edelweiss
- Edelweiss, infused with juicy peach flavour - Edelweiss Peach
- The New Zealand inspired cider Apple Fox Cider
- The all-time local favourite Anchor Smooth
- The premium Irish ale Kilkenney
- The real shandy Anglia
- The wholesome, premium quality non-alcoholic Malta

HEINEKEN Malaysia's history in the country dates back to 1964, and the Company's shares have been listed on the Main Market of Bursa Malaysia since 1965.

HEINEKEN Malaysia is 51% owned by GAPL Pte Ltd (GAPL) and 49% by the public. The Company's name was changed to Heineken Malaysia Berhad on 21 April 2016 following Heineken N.V.'s acquisition of Diageo Plc's stakes in GAPL in October 2015. GAPL is a subsidiary 100% owned by Heineken N.V., the world's most international brewer.

Our 23.72-acre Sungei Way Brewery is the first in Malaysia to receive the MS 1480:2007 Hazard Analysis Critical Control Point (HACCP) Certification from the Ministry of Health in August 2002. The brewery also received the ISO 9002 Certification since 1995 and has upgraded to MS ISO 9001:2008 in 2010 and, subsequently, to ISO 9001:2015 in 2018.

HEINEKEN Malaysia employs more than 500 people at our headquarters and brewery in Petaling Jaya, Selangor, as well as our 13 sales offices throughout Peninsular and East Malaysia.

Our people are the heart of the Company, driving us forward with their energy and dedication. Through their every action and day-to-day interactions, they reflect HEINEKEN Malaysia's values of Passion for customers & consumers, Courage to dream & pioneer, Care for people & planet and Enjoyment of life.

These values strengthen our stakeholder relationships from Barley to Bar, and underline our sustainability strategy to Brew a Better World. We believe it is critical to be responsible in order to be sustainable, and take our responsibility to our people, planet and performance seriously.

## Our Values



**PASSION**  
for consumers & customers



**CARE**  
for people & planet



**COURAGE**  
to dream & pioneer



**ENJOYMENT**  
of life

## About Us

**Heineken Malaysia Berhad (HEINEKEN Malaysia) is one of the leading brewers in the country with its portfolio of iconic international brands. The Company brews, markets and distributes:**

- The World's No. 1 international premium beer Heineken®
- The same great taste of Heineken®, now dealcoholised with Heineken® 0.0
- The World-acclaimed iconic Asian beer Tiger Beer
- The crystal-cold filtered beer Tiger Crystal
- The bold twist on Tiger's iconic lager Tiger Soju Flavoured Lager
- The World's No. 1 stout Guinness

While promoting the enjoyment of our beers and ciders, we take the lead in advocating responsible consumption. Through HEINEKEN Malaysia's corporate responsibility arm SPARK Foundation, we aim to grow with local communities for a better tomorrow.





## Our Chairman's Message

The global economy in 2024 continued to face uncertainties due to the ongoing geopolitical conflicts in Russia-Ukraine and the Middle East, alongside escalating trade tensions between the United States (US) and China. These geopolitical risks disrupted supply chains, affected energy and food security, leading to higher prices and increasing inflation rates. Malaysia, like many other countries, experienced economic challenges, including a weakening ringgit against the US dollar due to higher demand for the greenback. This currency fluctuation, combined with rising living costs, further affected consumer sentiment and spending.

Despite these challenges, Malaysia underwent political and economic changes that further shaped our nation's landscape in 2024. The Government implemented diesel subsidy reforms, targeting subsidies more effectively at specific groups and industries. Malaysia also became a partner of the BRICS economic bloc, aiming to strengthen our economic ties and enhance our global standing. Malaysia remained resilient, navigating challenges and recording a 5.1% increase in gross domestic product (GDP) in 2024, up from 3.6% in 2023. This reflects the MADANI Government's confidence and determination to turn around the economy, driven by clear and progressive policies introduced under the Ekonomi MADANI framework.

### STRATEGIC GROWTH AND PERFORMANCE

To stay ahead in our rapidly changing business environment, we strategically aligned our initiatives with the overarching purpose: "Brewing the Joy of True Togetherness to Inspire a Better World". As an operating company of Heineken NV., we embraced EverGreen, a multi-year strategy designed to tap into our strengths and capitalise opportunities for our next phase of growth. We are making significant progress towards becoming the best-connected brewer through end-to-end digital transformation, benefitting both our customers and consumers. At the same time, we are strengthening our sustainability and responsibility pillars by integrating environmental, social and governance (ESG) principles into our business to create long-term value. Through EverGreen, we aim to drive sustainable and superior growth by focusing on evolving consumer needs, investing in our brands and capabilities and maintaining a cost and value-driven approach to support our growth strategy.

Against this backdrop, I am pleased to report that HEINEKEN Malaysia Group delivered a solid financial performance for the financial year ended 31 December 2024 (FY2024):

- Revenue increased by 6% to RM2.80 billion (2023: RM2.64 billion)
- Profit before tax rose by 14% to RM584 million (2023: RM511 million)
- Net profit soared by 21% to RM467 million (2023: RM387 million)

**This marks the highest net profit recorded by the Group, driven by strategic commercial initiatives, effective cost management, a recovery in consumer confidence and the recognition of deferred tax income related to reinvestment allowance.**

### DIVIDEND DECLARATION

The Board of Directors (Board) has proposed a single tier final dividend of 115 sen per stock unit for FY2024, subject to the approval of shareholders at the upcoming 61<sup>st</sup> Annual General Meeting. The total dividend for the year amounts to 155 sen per stock unit, comprising:

- A single tier interim dividend of 40 sen per unit, paid on 30 October 2024; and
- A proposed single tier final dividend of 115 sen per stock unit, payable on 23 July 2025.

### HIGHLIGHTS

A single tier interim dividend of  
**40 sen per unit**  
paid on 30 October 2024

A proposed single tier final dividend of  
**115 sen per stock unit**  
payable on 23 July 2025



I would like to extend my deepest gratitude to our esteemed Management Team and all employees at HEINEKEN Malaysia for their unwavering dedication and exceptional hard work. Despite facing numerous challenges and uncertainties, the team has been instrumental in ensuring collaboration with business partners and valued customers to achieve our outstanding financial results.



Group Revenue

**RM2.80 billion**

**Dato' Sri Idris Jala**  
Chairman

Group Profit Before Tax

**RM584 million**

Group Net Profit

**RM467 million**

## Our Chairman's Message

Dear Shareholders,

As we reflect on 2024, the year was marked by uncertainties stemming from ongoing geopolitical conflicts and escalating trade tensions, which affected prices and inflation rates. Currency fluctuations and rising living costs strained consumer sentiment and spending, adding to an already challenging economic landscape. Despite these headwinds, Malaysia demonstrated resilience by implementing key economic reforms to foster stability and growth. Against this backdrop, HEINEKEN Malaysia delivered a strong financial performance, achieving a record year and earning multiple accolades for its leadership in sustainability, digital transformation and responsible business practices."



## Our Chairman's Message

### LEADING THE WAY: OUR DEDICATION TO SUSTAINABILITY

Under our Brew a Better World 2030 sustainability strategy, we made progress across our core pillars of environmental sustainability, social sustainability and responsible consumption. As part of our climate action efforts, we updated our carbon baseline year from 2018 to 2022 to ensure an accurate measurement of our carbon footprint, integrating updated science-based targets into our approach. This change ensures that our progress towards net zero goal is measured against a more current and comprehensive baseline, providing a clearer picture of our environmental impact and the effectiveness of our sustainability initiatives. Therefore, we began reporting our carbon emissions reduction based on the 2022 baseline, effective from FY2024 reporting.

I am pleased to share that as part of our Net Zero Roadmap, we have reduced Scope 1 and Scope 2 emissions in production by 36% vs 2022 baseline in 2024. We have subscribed to Tenaga Nasional Berhad (TNB)'s Green Electricity Tariff (GET) programme since March 2022. To further drive emissions reduction, we installed 3,500 mono-perc solar panels in collaboration with a partner at our Sungei Way Brewery in 2024. As part of our Scope 3 journey to achieve net zero in our value chain by 2040, we collaborated with the United Nations Global Compact Network Malaysia and Brunei (UNGCMYB) on a supplier engagement programme to enhance our suppliers' awareness and capabilities in ESG. Additionally, in line with consumer preferences and sustainability goals, we have transitioned our secondary packaging for locally manufactured products from plastic shrink wrap to paper-based packaging.

Furthermore, our ambition for healthy watersheds remained a key focus, achieving a 29% improvement in water consumption versus our 2014 baseline while ensuring that we fully treat wastewater above the Department of Environment Malaysia standards. Beyond our brewery walls, our water balancing efforts included maintaining river water quality, expanding rainwater harvesting systems to support community farming and preserving key ecosystems such as the reforestation efforts at the Raja Musa Forest Reserve. Through continued investment in watershed protection in partnership with the Global Environment Centre, we further demonstrated our ambition to promote water security by working towards healthy watersheds through collective action with multiple stakeholders. Our ambition to improve social sustainability goes beyond environmental management and includes meaningful community impact. Through our HEINEKEN Cares programme, we partnered with four non-governmental organisations to strengthen community resilience in the areas of food security and water access, empowering communities with both the knowledge and tools needed to thrive. Additionally, our enduring collaboration with Sin Chew Daily over the past 30 years has been instrumental in the success of the Tiger Sin Chew Chinese Education Charity Concert (Tiger Sin Chew CECC) programme, which raised RM19 million for nine educational institutions in 2024. Our role in facilitating this platform is to bring communities together by showcasing the talents of local performing artists. These concerts are specially organised to honour and appreciate our generous donors. We are proud to share that, since 1994, over RM427 million was raised for this cause.



#### HIGHLIGHTS

Since 1994, over

**RM427 million**

was raised for educational institutions via Tiger Sin Chew CECC programme

#### HIGHLIGHTS

**Our responsible consumption campaign milestones:**

Launched

**a series of awareness videos**  
for employees on responsible consumption

Invested

**>10%**

of Heineken® media spend to raise awareness on responsible consumption

Distributed

**RM140,000++**

worth of Grab e-hailing promo codes to consumers throughout the year during brand events, festive campaigns and corporate events

## Our Chairman's Message

As we strive to create a positive impact on the environment, we have consistently advocated responsible consumption through a multi-faceted approach. Heineken®'s bold partnership with Formula One has continued since 2016, advocating the "When You Drive, Never Drink" message, while dedicating more than 10% of Heineken® media spend to increase awareness of the importance of responsible consumption. Additionally, we promote Heineken® 0.0 as an alternative to encourage responsible consumption and empower consumers with clear and transparent information across our entire product portfolio. This approach enables consumers to confidently choose the right beer or cider for any occasion, whether with or without alcohol, reflecting our goal of offering options that cater to every preference and lifestyle.

To expand the reach of our responsible consumption message, we have also tapped into the growing influence of e-sports and competitive gaming. By launching Player 0.0 – a mobile simulator racing experience that connects the gaming world with Heineken® 0.0 – we aim to foster a culture of responsible drinking and safe driving in a way that resonates with the next generation of consumers.

These efforts, alongside our broader initiatives in net zero ambitions; waste management; and water stewardship, were acknowledged at the Sustainability & CSR Malaysia Awards 2024, where we were named Company of the Year for ESG Leadership in the manufacturing sector. We were also honoured in the Water Resilience and Sustainable Development Goals (SDG) Reporting Disclosure Recognition categories at the UNGCMYB Forward Faster Sustainability Awards 2024, highlighting our milestones on water stewardship for the third year in a row and transparent reporting. In addition, our sustainability initiatives were recognised at The Star's ESG Positive Impact Awards 2024, with three gold awards received for excellence in Water Management and Efficiency, Innovative Partnerships and Waste Management. The Company was also honoured with the Malaysian Dutch Business Council Innovation and Sustainability Award 2024, underscoring the impact of the Brew a Better World strategy.

At the core of our operations is a strong emphasis on diversity, equity and inclusion (DEI). With women making up 43% of our Board, we have surpassed the Government's target of 30% representation on boards of publicly listed companies. Equally important, 38% of our Management Team is comprised of women. These accomplishments are a testament to our ambition to foster a diverse and inclusive environment.

**We are also proud to have received several recognitions related to people management, including the Great Place to Work Certification, which acknowledges our efforts in creating an engaged workforce.**

Furthermore, for the third consecutive year, we were honoured with Gold for Excellence in Retention Strategy and Gold for Excellence in Total Rewards Strategy at the HR Excellence Awards 2024. These accolades reflect our unwavering focus on empowering our people and ensuring that we continue to build a culture of excellence.

As a responsible and progressive corporate citizen, HEINEKEN Malaysia Group contributed RM1.45 billion in taxes, accounting for 52% of its total revenue, to the Malaysian Government in 2024. The Government's decision to maintain excise duties on beer in Budget 2024 was appreciated by local breweries, including HEINEKEN Malaysia, given that Malaysia has one of the highest excise rates on beer globally. In addition, the ongoing efforts of the Royal Malaysian Customs Department, the Royal Malaysia Police, the Malaysian Maritime Enforcement Agency and other enforcement agencies in addressing the illicit beer trade have played a key role in stamping out the presence of illegal alcohol in the market, safeguarding public health and ensuring fair competition within the industry. We promote holistic enforcement and awareness efforts and strive to continue to monitor and support the authorities in combating the illicit alcohol trade.

### LEADERSHIP TRANSITION

On behalf of the Board, I warmly welcome Martijn Rene van Kuelen as the Managing Director of HEINEKEN Malaysia, succeeding Roland Bala following his appointment as Managing Director of Multi Bintang Indonesia on 1 July 2024. We are confident that under Martijn's leadership, the Group will continue to build on its strong foundation, driving sustainable and superior growth and delivering on our strategic priorities under the EverGreen strategy.

We extend our deepest gratitude to Roland Bala for his exemplary leadership and invaluable contributions. His dedication to sustainability, innovation and people development has left a lasting impact.

### LOOKING AHEAD

As we look ahead, we remain dedicated to creating long-term value for all and continue to be driven by our purpose – to Brew the Joy of True Togetherness to Inspire a Better World.

**Dato' Sri Idris Jala**

Chairman

11 March 2025



Directors’ Profile



Dato’ Sri Idris Jala

Chairman, Independent Non-Executive Director

Appointed on 1 January 2017

Malaysian | Male | 66

QUALIFICATIONS:

- Bachelor’s Degree in Development Studies and Management, Universiti Sains Malaysia
- Master’s Degree in Industrial Relations, University of Warwick

BOARD COMMITTEES MEMBERSHIP:

- Nomination & Remuneration Committee (Chairman)

WORKING EXPERIENCE:

- Presently, President and Chairman of PEMANDU Associates.
- Former Managing Director of BFR Institute and Chief Executive Officer (CEO) of PEMANDU, a unit in the Prime Minister’s Department, Malaysia, the organisation tasked with spearheading Malaysia’s transition towards high income status by 2020.
- Served as Minister in the Prime Minister’s Department for six years, and later as the Advisor to the Prime Minister on the National Transformation Programme.
- A renowned transformation guru in turning around companies’ performance through his big fast results methodology and transformational strategies that are innovative, rigorous and relevant to today’s demands.
- Has continuously delivered sustainable social economic reforms which, in 2014, saw Bloomberg place him among the top 10 most influential policy makers in the world.

- Founder and Executive Chairman of the Global Transformation Forum, the world’s singular platform for influential, global leaders to engage and share experiences and best practices on how to drive transformation.
- An Expert Resource Speaker at the Harvard Health Leaders’ Ministerial Forum and a Visiting Fellow of Practice at the Oxford Blavatnik School of Government.
- Served on the Advisory panel for the World Economic Forum on New Economic Growth and also on the Advisory Panel of World Bank.
- Former Managing Director/CEO at Malaysia Airlines (MAS) for three years. He was brought on board to turn around the airline which was in crisis brought about by a prolonged bout of losses from operational inefficiencies.
- Prior to MAS, he spent 23 years at Shell, rising up the ranks to hold senior positions including Vice President, Shell Retail International and Vice President Business Development Consultancy, based in the United Kingdom (UK). This included successful business turnarounds in Malaysia and Sri Lanka.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES/ORGANISATIONS IN MALAYSIA:

- Sunway Berhad
- Jeffrey Cheah Foundation
- MyKasih Foundation

Directors’ Profile



Martijn Rene van Keulen

Managing Director, Non-Independent Executive Director

Appointed on 1 July 2024

Dutch | Male | 49

QUALIFICATIONS:

- Bachelor in Business Administration, Hanze University Groningen
- HEINEKEN Leadership course (Forum Community)/Top 150 Global, Institute for Management Development Business School
- HEINEKEN International Management Course (HIMAC), INSEAD Business School
- HEINEKEN International Management Development Excellence Course (HIMDEC)

BOARD COMMITTEES MEMBERSHIP:

Nil

WORKING EXPERIENCE:

- Appointed as the Managing Director of HEINEKEN Malaysia on 1 July 2024.
- From July 2020 to June 2024, Managing Director of HEINEKEN Myanmar, where he led his team to drive an ambitious transformation agenda and successfully delivered strong performance despite extremely challenging times facing the Company.
- From September 2018 to June 2020, Managing Director of Grande Brasserie de Nouvelle-Caledonie, a producer and distributor of beers and non-alcoholic drinks in New Caledonia.
- From September 2015 to August 2018, General Manager of HEINEKEN Kirin Japan where the Company has achieved major improvements in performance. He was able to build a strong team and developed a full Trade Marketing team for both the on and off trade whilst enhancing sales and marketing capabilities. He led the local Rugby World Cup 2019 negotiations and developed a strategy to drive awareness of Heineken®’s partnership with rugby in Japan and drive sales through and after the tournament.
- From November 2010 to August 2015, Account Director for Modern Trade and Convenience at HEINEKEN Netherlands for five years.
- Joined HEINEKEN International in 2000 and held various Commercial positions before taking on the role as Global Account Manager for the HEINEKEN Global Duty Free and Travel Retail business where he spent four years.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES/ORGANISATIONS IN MALAYSIA:

- Confederation of Malaysian Brewers Berhad



Lau Nai Pek

Senior Independent Non-Executive Director

Appointed on 22 May 2021

Malaysian | Male | 72

QUALIFICATIONS:

- Member of the Malaysia Institute of Accountants
- Bachelor of Commerce Degree, Canterbury University, New Zealand

BOARD COMMITTEES MEMBERSHIP:

- Audit & Risk Management Committee (Chairman)
- Nomination & Remuneration Committee

WORKING EXPERIENCE:

- A finance professional with more than 35 years of working experience in various locations including New Zealand, Brunei, UK, Malaysia, China and the Netherlands.
- Retired from Shell Malaysia in August 2011 after serving the Royal Dutch Shell Group for over 30 years. His major assignments include Finance Director of Shell Malaysia, Finance Director of Shell China, Global Controller of the Exploration and Production Division of Royal Dutch Shell Group and Vice-President Finance of Shell International Exploration and Production B.V., in the Netherlands.
- Upon his retirement from Shell, David served 12 years with Axiata Group Berhad and Celcom Axiata Berhad as an Independent Non-Executive Director and Chairman of their Board Audit Committees, 11 years with Employees Provident Fund, Malaysia as an Independent Investment Panel member and 12 years with MAS Group as an Independent Non-Executive Director and Chairman of their Board Audit Committee.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES/ORGANISATIONS IN MALAYSIA:

- KKB Engineering Bhd
- Boost Bank Berhad



Directors’ Profile



**Choo Tay Sian, Kenneth**  
Non-Independent Non-Executive Director

Appointed on 26 October 2020	Singaporean   Male   57
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QUALIFICATIONS:

- Advanced Management Program, Harvard Business School, Cambridge USA
- Professional Certified Coach (PCC), International Coaching Federation USA
- Chartered Accountant, Institute of Singapore Chartered Accountants
- Bachelor of Accountancy Degree (Hons), Nanyang Technological University, Singapore

BOARD COMMITTEES MEMBERSHIP:

- Audit & Risk Management Committee
- Nomination & Remuneration Committee

WORKING EXPERIENCE:

- Currently serves as Managing Director of Heineken Asia Pacific Pte Ltd (APAC) responsible for overseeing HEINEKEN operating companies in the Asia Pacific region (2014 to present).
- Since joining APAC in 2003, he has held a number of strategic positions including Chief Financial Officer of APAC.
- Before joining HEINEKEN, he was the Regional Business Development Director of Royal Ahold N.V., a global retailer.
- He was a Non-Independent Non-Executive Director of HEINEKEN Malaysia from 15 August 2013 until 30 September 2019 prior to his re-appointment on 26 October 2020.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES/ORGANISATIONS IN MALAYSIA:

Nil



**Seng Yi-Ying**  
Non-Independent Non-Executive Director

Appointed on 1 September 2020	Singaporean   Female   52
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QUALIFICATIONS:

- Bachelor of Laws, 2<sup>nd</sup> Class Upper (Honours), University of Nottingham, United Kingdom
- Diploma in Singapore Law, National University of Singapore

BOARD COMMITTEES MEMBERSHIP:

Nil

WORKING EXPERIENCE:

- Presently, Regional Legal Director of APAC, responsible for the functional oversight of legal in Asia Pacific. She is also a member of the APAC Management Team.
- Has over 20 years of in-house legal experience, including more than 15 years in the alcohol and beverage industry. Her experience includes general corporate and commercial matters (both regional and operational), mergers and acquisitions, joint ventures, set up of greenfield breweries, compliance and managing disputes in the Asia Pacific region.
- Joined the APAC team as Senior Legal Manager in 2006. During this time, she successfully advised on and negotiated various mergers and acquisition projects in various markets within APAC.
- In 2015, she moved to Asia Pacific Breweries (Singapore) Pte Ltd (APB Singapore) as Legal Director and a member of the Management Team, where she was a valued business partner and was instrumental in successfully achieving a commitment with the Competition and Consumer Commission of Singapore in respect of APB Singapore’s draught exclusive arrangements with outlets as well as facilitating a transformational change to the APB Singapore route to market.
- In 2018, she undertook a short-term assignment to HEINEKEN Cambodia for three months to establish a robust legal framework and processes.
- In 2019, she moved back to the APAC Legal Affairs team to take on the position as Legal Manager for APAC where she was responsible to oversee a broad range of legal issues for various HEINEKEN operating companies across the region as well as manage a range of mergers and acquisitions and joint venture matters.
- Prior to joining HEINEKEN, she was the Legal Counsel for Sembcorp Utilities Pte Ltd for five years.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES/ORGANISATIONS IN MALAYSIA:

Nil

Directors’ Profile



**Chua Carmen**  
Independent Non-Executive Director

Appointed on 13 May 2023	Malaysian   Female   41
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QUALIFICATIONS:

- Bachelor of Science in Economics with First Class Honours, London School of Economics and Political Science, United Kingdom

BOARD COMMITTEES MEMBERSHIP:

- Audit & Risk Management Committee
- Nomination & Remuneration Committee

WORKING EXPERIENCE:

- Carmen Chua is the CEO of ONE IFC Sdn Bhd, the developer of the St. Regis Hotel and Residences Kuala Lumpur; and the Managing Director of ONE KLCC Sdn Bhd, the developer of ONE KL condominium.
- She also sits on the Board of various companies within the CMY Capital Group and she is a Trustee of Amanah Warisan Negara, a National Public Trust founded by Khazanah Nasional Berhad with the objectives of undertaking projects involving the rejuvenation, rehabilitation and/or operations of selected public spaces together with heritage assets of national significance.
- Carmen was a member of the Blue Ocean Corporate Council (May 2017 to May 2018) whose initiatives include the MyApprenticeship programme, offering students the opportunity for hands-on training and employment post-graduation. She also served as a Trustee of Yayasan Hijau (November 2014 to August 2018) focusing on promoting, developing and improving education on energy efficiency, green technology applications and green lifestyle practices and a Director of the Kuala Lumpur Business Club from 2009 to 2012.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES/ORGANISATIONS IN MALAYSIA:

Nil



**Erin Sakinah Atan**  
Non-Independent Non-Executive Director

Appointed on 14 July 2023	Singaporean   Female   51
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QUALIFICATIONS:

- Bachelor of Arts, University of South Australia
- High Impact Leadership, Institute of Sustainability, Cambridge University
- MBA Essentials, London School of Economics
- Women’s Leadership, INSEAD
- SMU-SID Executive Certificate in Directorship
- Accredited Board Director, Singapore Institute of Directors

BOARD COMMITTEES MEMBERSHIP:

- Nomination & Remuneration Committee

WORKING EXPERIENCE:

- Erin Sakinah Atan is the Regional Corporate Affairs Director of APAC. She is also a member of the APAC Regional Leadership Team and the HEINEKEN Global Corporate Affairs Management Team.
- Erin is an experienced Corporate Affairs professional with an extensive background in brand strategy, reputation and crisis management, public affairs, integrated communications and sustainability across different sectors, including aviation, automotive, conglomerates and financial services. She has led businesses and teams across multiple Asian and global markets.
- For the first part of her career, she worked for consultancies in the region, culminating with a leadership role as Vice President at LEWIS (previously Blackie McDonald) where she led a team of 85 across seven offices in Asia Pacific.
- She transitioned into in-house roles as Corporate Affairs Director for Asia at BMW Group. Then, in 2011, she joined Rolls-Royce plc as Corporate Affairs Director for Asia Pacific, Middle East and Turkey.
- After Rolls-Royce plc, she became Group Corporate Affairs Director for Jardine Matheson Limited, joining the Group Executive Management Team based in Hong Kong. In 2020, she took up the responsibility as Senior Director of Corporate Affairs of Prudential plc, responsible for the Asia and African regions, before joining HEINEKEN in 2021.

DIRECTORSHIP IN OTHER PUBLIC COMPANIES/ORGANISATIONS IN MALAYSIA:

Nil



Management Team’s Profile



**Martijn Rene van Keulen**  
Managing Director

Appointed on 1 July 2024	<b>Dutch   Male   49</b>
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QUALIFICATIONS:

- Bachelor in Business Administration, Hanze University Groningen
- HEINEKEN Leadership course (Forum Community)/Top 150 Global, Institute for Management Development Business School
- HEINEKEN International Management Course (HIMAC), INSEAD Business School
- HEINEKEN International Management Development Excellence Course (HIMDEC)

WORKING EXPERIENCE:

On 1 July 2024, he was appointed as the Managing Director of HEINEKEN Malaysia.

From July 2020 to June 2024, he served as the Managing Director of HEINEKEN Myanmar, where he led his team to drive an ambitious transformation agenda and successfully delivered strong performance despite extremely challenging times facing the Company.

From September 2018 to June 2020, he was the Managing Director of Grande Brasserie de Nouvelle-Caledonie, a producer and distributor of beers and non-alcoholic drinks in New Caledonia.

From September 2015 to August 2018, he served as the General Manager of HEINEKEN Kirin Japan, where the Company achieved major improvements in performance. He was able to build a strong team and developed a full Trade Marketing team for both the on and off trade whilst enhancing sales and marketing capabilities. He also led the local Rugby World Cup 2019 negotiations and developed a strategy to drive awareness of Heineken®’s partnership with rugby in Japan, driving sales during and after the tournament.

From November 2010 to August 2015, he was the Account Director for Modern Trade and Convenience at HEINEKEN Netherlands for five years.

He joined HEINEKEN International in 2000 and held various commercial positions before taking on the role as Global Account Manager for the HEINEKEN Global Duty Free and Travel Retail business where he spent four years.



**Christiaan Johannes Folkerts**  
Finance Director

Appointed on 15 June 2021	<b>Dutch   Male   43</b>
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QUALIFICATIONS:

- Bachelor and Master of Science in International Business (Financial Management), Tilburg University, Netherlands
- HEINEKEN International Management Course (HIMAC), INSEAD Business School

WORKING EXPERIENCE:

Prior to his appointment at HEINEKEN Malaysia, he was the Chief Financial Officer/Head of Finance, Procurement and Digital and Technology for AB HEINEKEN Philippines (ABHP) since January 2020, where he navigated ABHP through continuous COVID-19 lockdowns. Under these difficult circumstances, he successfully shaped a new future for HEINEKEN in the Philippines and managed the transition of the Philippines business from a joint venture structure with Asia Brewery to a new partnership.

From 2017 to 2020, he served as Finance Manager for Europe Export & Global Duty-Free (EE&GDF) for three years. Under his leadership, the Finance team significantly improved business partnering capabilities, professionalised the revenue management approach in EE&GDF and strengthened the control environment, leading to a considerable business impact.

Since joining HEINEKEN in 2007 as the Finance Management Trainee, he held several roles in Business Control and Project Management positions in VRUMONA, HEINEKEN Netherlands and HEINEKEN Brazil.

Management Team’s Profile



**Jimmy Ding Su Hong**  
Sales Director

Appointed on 1 July 2023	<b>Malaysian   Male   50</b>
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QUALIFICATIONS:

- Bachelor’s Degree in Business Administration (Major in Marketing), Universiti Utara Malaysia

WORKING EXPERIENCE:

In March 2020, he joined HEINEKEN Malaysia as National Sales Manager, where he was responsible for Field Force Management, Route to Consumer and Distributor Management across both Malaysian Duty Paid and Duty Not Paid markets. He was later promoted to Sales Director in July 2023.

His notable achievements include reframing of Sponsorship Contracts, transforming Route-to-Consumer to improve market fundamentals and effective resource allocation. He also led the Sales Team in delivering the Company’s premiumisation agenda to provide the business a better mix for long-term growth.

With 27 years of experience in Sales and Marketing across multinational corporations in Insurance (AIA), Tobacco (BAT) and Beverages (Red Bull), he held several senior positions for the past 18 years. He is experienced in both Brand and Trade Marketing particularly in delivering Field Force transformation, Winning Route to Consumer solutions, Distributor Reorganisation, Shopper Marketing, Trade Terms and Pricing.

From 2009 to 2013, he managed the Sales Charter for the merger between BAT Indonesia with Bentoel International Investama PT Tbk before returning to BAT Malaysia.

Since 2019, he has been a member of the Board of Governors for British American Tobacco Malaysia Foundation.



**Willemijn Sneep**  
Marketing Director

Appointed on 1 November 2022	<b>Dutch   Female   44</b>
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QUALIFICATIONS:

- Master’s degree in Communication Sciences, University of Amsterdam
- Minor Degree in Business Economics, University of Amsterdam

WORKING EXPERIENCE:

Prior to joining HEINEKEN Malaysia, she was the Country Manager at Heineken® Australia since August 2020. Before that, she served as the Head of Marketing for the Gulf Region at Sirocco FZCO, HEINEKEN’s joint venture with Emirates Group in Dubai, leading the Brand and Trade Marketing team.

She has a strong track record of working across the Heineken® brand and other portfolio brands, driving brand and commercial performance and working through-the-line.

Earlier in her career, she was responsible for Marketing and Brand Activation at Danone Switzerland before developing her Marketing career at C1000 Retail in the Netherlands. She also has five years of agency experience in Amsterdam.



## Management Team's Profile



**Lukasz Kakol**

Digital & Technology Director

Appointed on 1 January 2024

Polish | Male | 44

### QUALIFICATIONS:

- Master's in Business Administration, University of Amsterdam, Netherlands
- Master's in Management and Economic Consulting, Jagiellonian University, Poland
- Master's in Political Science, University of Gdansk, Poland

### WORKING EXPERIENCE:

Before joining HEINEKEN Malaysia, he was the Digital & Technology Director and Digital, Technology and Shared Services Integration Lead at HEINEKEN South Africa from March 2022 to December 2023, where he was responsible for the successful integration between HEINEKEN South Africa, Distell and Namibia Breweries.

From 2021 to 2022, he served as Markets and Technology Manager for Africa and the Middle East, overseeing Technology in the region and full Digital and Technology agenda in six markets (Egypt, Algeria, Tunisia, Sierra Leone, Mozambique and UAE).

Between 2012 and 2021, he was the IT Manager for HEINEKEN Global Shared Services, Global Cloud and Hosting Manager and Global Product Owner for Software Development Lifecycle Management.

Prior to joining HEINEKEN, he was the IT Service Delivery Manager at UBS Investment Bank, building and running organisation of ~170 software developers and support engineers. He was also a Software Developer at Motorola, where he built software for public safety systems.



**Renuka Indrarajah**

Corporate Affairs & Legal Director

Appointed on 1 February 2002

Malaysian | Female | 57

### QUALIFICATIONS:

- Formerly an Advocate and Solicitor of the High Court of Malaya
- Solicitor of the High Court of Australia
- Solicitor of the Supreme Court of Queensland
- Post Graduate Diploma in Legal Practice (QUT)
- Bachelor of Laws, University of Queensland

### WORKING EXPERIENCE:

With over 20 years at HEINEKEN Malaysia, she established the Corporate Affairs and Legal department as Head of Legal Affairs. Since 2007, she has led strategic government engagement, enhanced the Company's reputation and shaped a robust ESG framework. Under her leadership, HEINEKEN Malaysia became the first company to balance its water usage impact, earning multiple ESG awards and recognised as one of the Top 20 companies in Malaysia at the 2023 PWC Trust Awards. She organised Food & Beverage and Taxation Forums, and during the pandemic, proposed an industry-funded vaccination programme which was adopted by the Government. As a Trustee of SPARK Foundation since 2013, she led initiatives to strengthen community resilience and create a positive environmental impact, including the National River Forum.

Since June 2007, she has been a Governing Council Member of the Confederation of Malaysian Brewers Berhad (CMBB), leading high-level government engagements. At the Malaysian International Chamber of Commerce & Industry (MICCI), she has been a General Committee Member since 2019 and became Vice President in 2021. She contributed to the nation's i-ESG framework and served on the Prime Minister's Hibiscus Award Committee. She is also an EXCO member of the National Chamber of Commerce & Industry of Malaysia (NCCIM), leading the ESG committee on food security and served on the 2022 National Economic Forum committee.

She started her career as a solicitor in Australia, then worked as an Advocate and Solicitor at Skrine, before moving on as Regional Legal Counsel at Sema Group and later as Vice President, Legal at Schlumberger Sema.

## Management Team's Profile



**Niko Van Cauwenberge**

Supply Chain Director

Appointed on 1 August 2023

Belgian | Male | 49

### QUALIFICATIONS:

- Master's Degree in Biochemistry (Specialising in Brewing), University of Ghent

### WORKING EXPERIENCE:

Prior to his appointment at HEINEKEN Malaysia, he was the Supply Chain Director at HEINEKEN Mozambique since February 2019, where he built the new supply chain organisation within the newly founded OpCo and greenfield production facility. He successfully guided HEINEKEN Mozambique through its first years of local operation, navigating the COVID-19 restrictions and building a strong local team.

Before moving to Mozambique, he was Supply Chain Director of HEINEKEN Jamaica – Red Stripe, laying the foundation for the HEINEKEN way of working in the newly acquired business and incorporating the formerly outsourced production of Red Stripe from the USA back to the Jamaican brewery.

Prior to Jamaica, he was Supply Chain Manager of HEINEKEN St Lucia – Windward & Leeward Brewery where he set the local operation up for growth and successfully integrated the acquired local soft drink plant.

In 2008, he joined HEINEKEN as a Brewing Specialist working on investment projects (green and brownfield) in various parts of the world before taking on the role of Team Leader for the Brewing Specialists department.



**Victoria Ang Su Lim**

People Director

Appointed on 26 April 2021

Malaysian | Female | 48

### QUALIFICATIONS:

- Executive Education in Strategic Human Resources, National University Singapore
- Talent Management Professional, ILM
- Certified Global Wellbeing @ Work Profiling and Assessor

### WORKING EXPERIENCE:

Since joining HEINEKEN Malaysia in April 2021, she has partnered with the Management Team to establish leadership capabilities, fostering our winning culture. She has led culture change initiatives to drive trust and confidence of employees within the organisation, resulting in an improved climate engagement survey score above Global High Performance Norms. She also led Malaysia to become a front runner in Asia Pacific digitalisation efforts for the People Function, transforming its manual and fragmented ways of working into a reliable interconnected workplace.

With over 24 years of HR experience, she previously spent 12 years with BASF (Malaysia) Sdn. Bhd., where she last served as Vice Director, Human Resources, Malaysia – Singapore, and 12 years with Levi Strauss (Malaysia) Sdn. Bhd., holding roles as HR Manager and Acting Retail Manager. Her expertise spans mergers and acquisition, culture transformation, leadership development, systems implementation and deployment, change management, talent management for workforce planning and development of capabilities for future workforce requirements. She has also worked with local stakeholders as well as in collaborative projects either regionally or globally.



# Our Impact from Barley to Bar

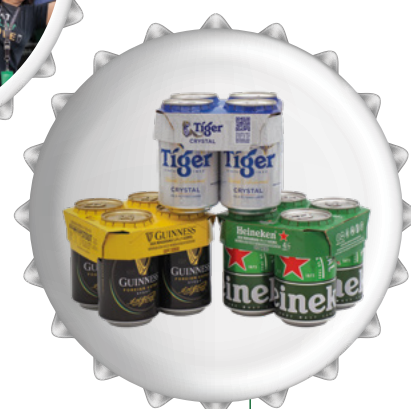
## AGRICULTURE

We brew beer and make cider from natural ingredients. By supporting sustainable farming, 100% of our main ingredients (barley and hops) will come from sustainable sources by 2030. Our suppliers comply with the HEINEKEN Supplier Code, which details our responsibility and enforcement of ethical business conduct, human rights and care for the environment.



## EMPLOYEES

We employ over 500 full-time employees and we are committed to developing our people. At HEINEKEN Malaysia, we always aim to dream big and uncage our courage. Our team is guided by HEINEKEN's purpose to Brew the Joy of True Togetherness to Inspire a Better World, as well our values of Passion for customers & consumers, Courage to dream & pioneer, Care for people & planet and Enjoyment of life.



## BREWING

At our Sungei Way Brewery in Petaling Jaya, Selangor, we are on the path to net zero carbon emissions in production by 2030. Our water strategy focuses on working towards healthy watersheds by combining internal and external efforts to support water security. Our brewery has achieved zero waste to landfill since 2017.



## PACKAGING

Our beers and ciders are packed in bottles, cans and kegs. We aim for our packaging design to stand out from the crowd while we also strive to reduce its environmental footprint by innovating the materials we use as well as improve recycling and reusing. We work closely with our suppliers to create and scale efficient and sustainable packaging, reduce packaging waste and increase the returnability of our glass bottles. On secondary packaging, we have transitioned from single use plastic to paper-based packaging for our locally manufactured products.

## Our Business Model

**We are focused on embedding sustainability at the core of our business. Our Brew a Better World 2030 strategy directly contributes to the United Nations Sustainable Development Goals (UN SDGs) and is woven into the fabric of our balanced growth strategy.**

Brew a Better World 2030 supports the following UN SDGs:

Path towards  
Net Zero Impact



Path towards an Inclusive, Fair  
and Equitable Company and World



Path towards Moderation and  
No Harmful Use



## DISTRIBUTION

We work to optimise efficiencies throughout our distribution networks across Malaysia. Safety is a key priority and we continually engage our employees, distributors and logistics partners to stay safe on the road.



## CONSUMERS

Millions of consumers enjoy the great tasting beers and ciders brewed by HEINEKEN Malaysia. We strictly market our products to those who are non-Muslims and aged 21 and above only. We advocate responsible consumption and dedicate 10% of the Heineken® media spend annually to promote responsible consumption.



## CUSTOMERS

Thousands of businesses rely on selling our products as a source of revenue. We promote awareness of responsible serving with the aim of ensuring our products are enjoyed responsibly. Through HEINEKEN Malaysia's Star Academy quality programmes, we also improve product knowledge and empower our customers to promote appreciation of brand heritage, product taste and service etiquette.



## COMMUNITIES

We believe in growing with our surrounding communities. Through our corporate responsibility arm, SPARK Foundation, we are focused on creating positive social impact and growing with our communities through our projects that focus on environmental conservation as well as providing aid to communities in need.





## Five-Year Financial Indicators



Financial year ended 31 December 2024	2020	2021	2022	2023	2024
<b>KEY OPERATING RESULTS (RM'000)</b>					
Revenue	1,762,396	1,979,348	2,855,065	2,637,741	<b>2,796,791</b>
PBIT	203,652	323,925	596,224	518,311	<b>595,731</b>
Income Tax Expense	44,519	75,749	181,676	124,080	<b>117,554</b>
Profit After Tax	154,197	245,678	412,824	386,800	<b>466,749</b>
Net Cash from Operating Activities	226,300	339,871	469,066	584,101	<b>512,615</b>

<b>OTHER KEY DATA (RM'000)</b>					
Total Assets	1,046,708	1,088,173	1,408,221	1,247,429	<b>1,280,188</b>
Total Liabilities	697,325	692,497	919,768	788,757	<b>740,850</b>
Reserves	198,334	244,627	337,404	307,623	<b>388,289</b>
Total Equity	349,383	395,676	488,453	458,672	<b>539,338</b>
Capital Expenditures	63,422	112,865	199,479	142,837	<b>90,255</b>

<b>FINANCIAL RATIOS (%)</b>					
Operating Working Capital % of Revenue	7.3	4.5	3.5	-2.1	<b>-1.0</b>
EBITDA Margin	15.5	19.9	23.6	22.5	<b>24.6</b>
Return on Equity (Pre-Tax)	58.3	81.9	122.1	113.0	<b>110.5</b>
Return on Equity (Post-Tax)	44.1	62.1	111.2	84.3	<b>86.5</b>

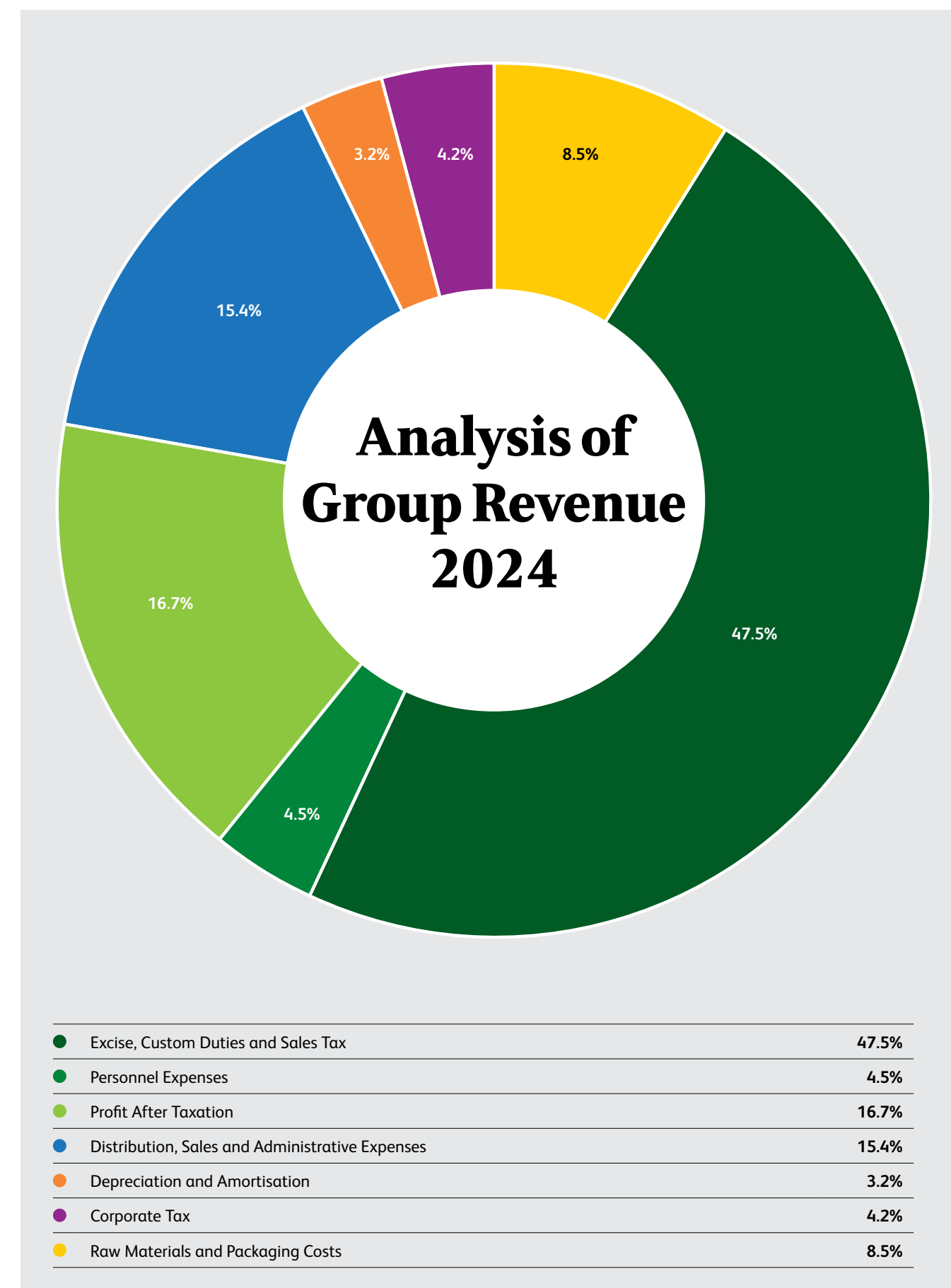
<b>SHARE INFORMATION</b>					
Earnings per stock unit (sen)	51.0	81.3	136.7	128.0	<b>154.5</b>
Net Dividend per stock unit (sen)	51.0	81.0	138.0	128.0	<b>155.0</b>
Dividend Yield (%)	2.2	3.9	5.5	5.3	<b>6.4</b>
Net Assets per stock unit (sen)	116.0	131.0	162.0	152.0	<b>179.0</b>
Market Capitalisation (RM' billion)	7.0	6.3	7.6	7.3	<b>7.3</b>

EBITDA : Earnings before interest, tax, depreciation and amortisation

PBIT : Profit before interest and tax

## Analysis of Group Revenue

for the Financial Year Ended 31 December 2024





## Performance Highlights for the Financial Year Ended 31 December 2024

# People



**43%**

women in Board of Directors

**38%**

women in Management Team



**86**

Employee Engagement Index Score

**84**

Performance Enablement Index Score



**RM220,000**

Channelled to support four NGOs to enhance community resilience

**RM427 million**

raised since 1994



Total Employees

**526**



**RM19 million**

raised for nine institutions via Tiger Sin Chew Chinese Education Charity Concert (Tiger Sin Chew CECC)

# Planet

**▼36%**

reduction in Scope 1 and Scope 2 emissions in production vs FY2022 baseline

**29%**

improvement in water consumption since 2014



**100%**

Renewable Electricity via Tenaga Nasional Berhad (TNB)'s Green Electricity Tariff (GET) programme since March 2022

Installed

**3,500**

mono-perc solar panels on the Sungei Way Brewery roof with a total capacity of 2,600 MWh

Balanced

**209%**

of water used in our products in 2024

**Fully recycled and upcycled**

our production waste since 2017



# Performance

Group Revenue

**RM2.80 billion**

FY2024 2.80

FY2023 2.64

Group Profit Before Tax (PBT)

**RM584 million**

(FY2023: RM511 million)

Single Tier Interim Dividend

**40 sen**

per stock unit paid on 30 October 2024

Proposed Single Tier Final Dividend

**115 sen**

per stock unit payable on 23 July 2025

Group Net Profit  
**RM467 million**  
(FY2023: RM387 million)

**RM1.45 billion**

in taxes contributed to the Government



## Management Discussion & Analysis

**HEINEKEN Malaysia delivered strong financial results in 2024, showing significant progress from the previous year, fueled by strategic marketing efforts and the successful launch of innovation products that resonated well with consumers.**

### BUSINESS AND OPERATIONS

At HEINEKEN Malaysia, we are guided by our purpose, 'Brew the Joy of True Togetherness to Inspire a Better World', creating memorable experiences that bring people together and foster a sense of community. We have remained resilient amidst challenges by aligning our initiatives with our growth strategy, EverGreen, to future-proof our business. A key aspect of this strategy is to drive superior growth by investing in our brands and diversifying our offerings to cater to evolving consumer preferences, ensuring we meet market demands. This approach, coupled with a cost and value optimisation mindset to fund our growth, has enabled us to achieve financial growth despite external pressures. We continue to invest in becoming the best-connected brewer, raising the bar on sustainability and responsibility and unlocking the potential of our people to be in a strong position to seize future opportunities.

Looking ahead, we aim to continue advancing our journey of learning and growth through our EverGreen strategy and continue to deliver balanced growth. The following is a review of our financial performance, operational progress, sustainability and responsibility efforts and our outlook for 2025.

### OUR PERFORMANCE

In 2024, our Company demonstrated strong financial performance, marking a significant improvement over the previous year. HEINEKEN Malaysia Group achieved a total revenue of RM2.80 billion, marking a 6% increase from the previous year's RM2.64 billion. The Group also recorded a 21% rise in net profit, growing from RM387 million in FY2023 to RM467 million in FY2024. This growth was driven by strategic commercial initiatives, including targeted marketing campaigns and the successful launch of innovation products that resonated well with consumers. At the same time, effective cost management allowed HEINEKEN Malaysia to enhance operational efficiency and reduce expenses. A strong rebound in consumer confidence also played a key role, as spending patterns returned to pre-pandemic levels with increased demand for premium and good quality beverages. In addition, the Group benefited from the recognition of deferred tax income relating to reinvestment allowance, resulting in a lower effective tax rate, which further supported net profit growth.

**Earnings per share (EPS)** rose from RM1.28 to RM1.55, reflecting the Group's strong financial performance. This increase in EPS is a positive indicator for shareholders, demonstrating the Group's ability to generate higher profits per share. However, **Net Cash from Operating Activities** declined by 12% to RM513 million, primarily due to working capital movements, reflecting the normalisation of FY2023's one-off positive impact from the factoring arrangement, which had significantly improved capital efficiency. This created a high base for comparison in FY2024.

**Net Assets** for FY2024 were recorded at RM539 million, an increase of 18% compared to FY2023. This growth is mainly due to improved business performance during the year. The increase in Net Assets signifies a stronger balance sheet and enhanced financial stability, which is beneficial for long-term growth.

**Capital Expenditure** for FY2024 was approximately RM90 million, a decrease of 37% compared to the previous year. This reduction is primarily due to lower spending following the completion of the brewery upgrade in 2023. The decrease in capital expenditure suggests that the Group was focused on optimising its existing assets and improving operational efficiency rather than pursuing new investment in FY2024.

The Group paid a total of RM1.45 billion in **Excise, Customs Duties and Sales Tax** for the year, representing 52% of the Group's revenue. This significant contribution to Government revenues underscores the Group's role as a major taxpayer. Additionally, the Group incurred RM118 million in income taxes, translating into an effective tax rate of 20%. This lower effective tax rate is due to the recognition of deferred tax income relating to reinvestment allowance, which highlights the Company's strategic tax planning and utilisation of available tax incentives.

Overall, HEINEKEN Malaysia's financial performance in FY2024 reflects a balance between growth and efficiency. The increase in EPS and Net Assets indicates strong profitability and financial health, while the decrease in capital expenditure and strategic tax planning demonstrates prudent management of resources. The Group's substantial contribution to taxes and duties further emphasises its responsibility to regulatory compliance and social responsibility.

The Board has proposed a single tier final dividend of 115 sen per stock unit for FY2024, subject to approval at the 61<sup>st</sup> Annual General Meeting. The single tier final dividend will be paid on 23 July 2025 to shareholders registered at the close of business on 25 June 2025. Upon approval, the total dividend for the year amounts to 155 sen per stock unit, comprising:

- A single tier interim dividend of 40 sen per unit, paid on 30 October 2024; and
- A proposed single tier final dividend of 115 sen per stock unit, payable on 23 July 2025.

The dividend payout ratio for the year is approximately 100%.



Group Revenue

**RM2.80  
billion**

**Martijn Rene  
van Keulen**  
Managing Director

Group Profit Before Tax

**RM584  
million**

Group Net Profit

**RM467  
million**

# Management Discussion & Analysis

As we reflect on the past year, I am proud of HEINEKEN Malaysia's achievements. In 2024, we navigated a dynamic environment marked by political and economic shifts, including geopolitical tensions, currency fluctuations and illicit alcohol issues. Despite these challenges, we made significant strides in the areas of people, planet and performance. This success is made possible by the dedication of our employees, business partners, customers and consumers. Their unwavering support and trust have been integral to our journey, and we extend our deepest gratitude."



## Management Discussion & Analysis

### HIGHLIGHTS

#### Group Financial Performance for FY2024

Revenue

**RM2.80 billion**

Profit Before Tax

**RM584 million**

Net Profit

**RM467 million**

### DRIVE SUPERIOR GROWTH

Consumers and customers are at the core of our business. In this ever-evolving landscape, agility is essential. We have strategically invested in our core brands, Heineken®, Tiger and Guinness to maintain our competitive edge. Additionally, we have expanded our innovation portfolio with Tiger Soju Flavoured Lager, Edelweiss Peach and Guinness Draught in a Can to cater to evolving tastes and preferences.

## Heineken®

In 2024, Heineken® celebrated Chinese New Year (CNY) with a tech-savvy twist by launching the GONG HEI filter on Instagram, turning the "HEI" on Heineken® cans into festive greetings. This playful filter resonated with the tech-savvy generation, adding joy to the celebration. To add to the fun, Heineken® collaborated with Leo Burnett Malaysia to integrate the "Hei" logo into CNY greetings on delivery trucks, travelling over 36,000 km nationwide. This creative approach kept Heineken® part of the festivities while in compliance with local law. The creative activation earned multiple accolades, including Bronze for the Cannes Lion International Festival of Creativity and Kancil Awards.

We continued to innovate with Heineken® Refresh – a unique music discovery platform enhancing social experiences. The "Refresh Your Music, Refresh Your Nights," initiative encourages fans to explore new sounds and discover fresh tracks. The Heineken® Fresh List on Spotify offers an exhilarating digital experience, powered by the Heineken® Refreshing Algorithm, which introduced tracks outside common preferences. We successfully brought together 18,000 fans at the finale of Heineken® Refresh event to discover new music together for an unforgettable experience.

Recognising the surge in online gaming, especially simulator racing, we introduced Heineken® Player 0.0, an innovative mobile

simulator racing competition promoting responsible consumption through engaging digital experiences. This connected with digitally savvy audiences by blending the excitement of gaming with our no alcohol offering – Heineken® 0.0. The campaign also featured a partnership with F1 Champion Max Verstappen, underlining our efforts to promote responsible drinking.



Tiger Beer, synonymous with courage and ambition, launched the "Cheers to a Bolder Tomorrow" CNY in celebration of the Year of the Dragon. This celebration aimed to inspire Malaysians to reflect on their achievements and set bolder ambitions for the year ahead. With nationwide activations and immersive experiences in Kuala Lumpur, George Town and Ipoh, the campaign became a key driver of the Group's performance.

Building on this momentum, Tiger Beer extended its bold spirit to the world of football. Much like the brand, football ignites passion and brings people together across cultures and communities. Driven by this shared dynamic energy, Tiger Beer partnered with Manchester United, becoming the Official Beer Partner for one of the most iconic football clubs in the world.

As part of our Tiger Crystal campaign, we introduced the Tiger Crystal Food Festival – a vibrant celebration of Malaysia's rich culinary culture, perfectly paired with Tiger Crystal Beer, a brew that is Refreshingly Light, Perfect with Every Bite. This festival brought together some of the nation's favourite food vendors, creating an unforgettable dining experience where guests could savour their meals alongside the crisp and refreshing taste of Tiger Crystal. Beyond the food zones, guests were also treated to exciting food-themed games with exclusive Tiger Crystal merchandise up for grabs, making every moment a true celebration of food and friendship – with Tiger Crystal at the heart of it all.

Riding on the wave of innovation, we launched Tiger Soju Flavoured Lager, embracing modern consumers' preference for premium and unique offerings. Inspired by the global phenomenon of Korean pop (K-Pop) – with its record-breaking artists and rapidly expanding international fanbase – this bold innovation fuses the iconic Tiger lager with the smooth sweetness of soju, creating a refreshingly unique taste. This product offers a distinct drinking experience that aligns with evolving global trends.



Continuing our innovation streak and expanding new experiences for our consumers, we introduced Edelweiss Peach, a vibrant new take on the classic wheat beer, to cater to the growing demand for flavoured brews. This premium variant blends the smooth, refreshing qualities of wheat beer with the delicate sweetness of peach, delivering a crisp, fruity refreshment with every sip. With its subtly sweet notes and bright, refreshing finish, Edelweiss Peach brings a touch of fun to everyday moments, offering a flavour experience that enhances life's lighter, more enjoyable side.

## Management Discussion & Analysis



We continue to offer distinctive experiences through our existing brands. Since October 2024, we started brewing Guinness Draught in a Can locally, allowing consumers to enjoy the smooth and creamy texture of a pub-poured pint from the comfort of their own homes. This enhances accessibility while maintaining the same quality that consumers enjoy.

Our connection with football fans was further strengthened through a four-year global partnership between Guinness and the Premier League, making Guinness the Official Beer of the league. Embracing the passion for the game, Guinness set out to boost the football-viewing experience with immersive activations and fan-centric experiences as part of the "Lovely Game for a Guinness" campaign. This campaign came to life with local viewing parties, exclusive giveaways and engaging activities at top pubs and bars nationwide, embodying the camaraderie of football while rewarding fans with unforgettable moments and dream rewards, including all-expenses-paid trips to live matches.



In 2024, Anchor continued to strengthen its market presence in Malaysia, building on its deep roots as a widely enjoyed beer. The brand focused on targeted consumer promotions and activations to drive engagement. Notable initiatives included efforts to raise visibility and a strategic approach to create more value for our consumers. These efforts helped reinforce Anchor's position in Malaysia.



In addition to investing in our brands, we collaborate with our customers to support the service industry, especially with bartenders as they are crucial touchpoints with consumers. A key milestone in this effort was Jason Dennis D'Cruz, a graduate of HEINEKEN Malaysia's Star Academy, who made history as the second Malaysian to win the Heineken® Global Draught Championship in Amsterdam after claiming the title of National Champion in Malaysia. Our Star Academy programme goes beyond training; it's an empowering journey for our partners and bartenders. By enriching their knowledge and refining their skills, we enhance the experience for our consumers. The comprehensive training programme equips bartenders with the essentials of mastering the perfect pour – focusing on technical precision, responsible serving and exceptional customer engagement.

### BRAND ACCOLADES

Our brands continued their winning momentum at the Putra Brand Awards 2024 and Putra Aria Awards 2024, reinforcing our dedication to excellence and brand leadership in Malaysia,



### HIGHLIGHTS

**HEINEKEN Malaysia celebrated remarkable achievements at the Putra Brand Awards 2024 and Putra Aria Brand Awards 2024, securing four prestigious accolades**

## Heineken®, Tiger Beer and Guinness each clinched Gold, while Edelweiss earned Bronze for the second consecutive year since its launch in Malaysia.

bringing the Group's total award tally to an impressive 47. In addition to the above, we were honoured at the Effie Awards, MAD Stars Awards 2024 and the Media Specialists Association Awards, highlighting our brands' excellence in creating campaigns that deeply resonate with our audiences. This success is driven by our strategic use of digital platforms, cultural insights, innovative technology and data applications.

### BECOME THE BEST-CONNECTED BREWER

We continue to strengthen our position as the best-connected brewer, one of the key pillars of our EverGreen strategy. We launched **eazle**, an innovative eCommerce platform to improve order management for independent shops, restaurants and bars. The user-friendly interface and robust features have driven customer satisfaction and loyalty, laying a strong foundation for future growth. We are confident that **eazle** will play a crucial role in our long-term strategy, delivering sustained value to our customers. Our Drinkies Direct-to-Consumer (D2C) platform also triumphed at the Asian Experience Awards 2024 for its user-friendly features and personalised recommendations, setting a new benchmark for digital interaction in the beverage industry. Drinkies has enhanced customer satisfaction, fostered brand loyalty and expanded our consumer base.



Management Discussion & Analysis



**Our people are at the heart of everything we do. We foster a diverse, inclusive and empowering workplace where every individual can thrive.**

UNLOCK THE FULL POTENTIAL OF OUR PEOPLE

Our priority is the wellbeing of our employees while focusing on enhancing gender balance, promoting inclusive leadership and supporting professional growth. With women making up 43% of our Board and 38% of our Management Team, we exceeded the Government’s target for gender representation at Senior Management. These accomplishments reflect our goals to creating opportunities for everyone to thrive. To cultivate a robust talent pipeline, we offer diverse training and development programmes, short-term international assignments and our HEINEKEN Global Graduate Programme, which provides comprehensive exposure across the business over 18 months.

BREW A BETTER WORLD


Sustainability and responsibility are embedded in our operations. Our Brew a Better World 2030 sustainability strategy guides our

efforts to reduce our environmental footprint, uplift communities and advocate responsible consumption.

With the 2024 updates to the European Commission’s Corporate Sustainability Reporting Directive (CSRD) and the transition to Malaysia’s National Sustainability Reporting Framework (NSRF), HEINEKEN Malaysia will aim to align with these comprehensive reporting requirements. We support these enhanced sustainability frameworks and uphold transparency in our disclosures.


The ESG Review section on pages 46 to 98 of this Annual Report offers a comprehensive overview of our sustainability efforts, progress, governance and disclosures, including a discussion on business and climate risks. An important update on our net zero journey, we have revised our carbon baseline from 2018 to 2022 to ensure a more accurate and comprehensive measurement of our progress towards net zero. This adjustment aims to provide a more relevant benchmark for tracking our journey towards achieving net zero emissions. The disclosures in the section align with Bursa Malaysia’s enhanced reporting standards, Global Reporting Initiative (GRI) Standards and other relevant frameworks. We are guided by our Sustainability Policy, which is operationalised through our ESG Governance framework. Progress is reported quarterly to both the Board of Directors and the Management Team.

Management Discussion & Analysis




**ENVIRONMENTAL SUSTAINABILITY**

<b>36%</b> reduction in Scope 1 and Scope 2 emissions in production vs FY2022 baseline	Installed <b>3,500</b> mono-perc solar panels, operational since July 2024	<b>100%</b> renewable electricity since March 2022 through Green Electricity Tariff (GET) programme
<b>Fully recycled and upcycled</b> our production waste since 2017	Reduced <b>108 tonnes</b> of plastic by switching secondary packaging from plastic to paper-based materials	<b>29%</b> improvement in water consumption vs 2014 baseline, at 3.06hl/hl in 2024
Balanced <b>209%</b> water used in our products through initiatives to promote healthy watersheds	Advocacy efforts focused on ESG and corporate water stewardship were conducted across <b>10</b> strategic platforms, including climate summits and workshops	Engaged <b>36</b> suppliers to kickstart ESG journey



**SOCIAL SUSTAINABILITY**

<b>43%</b> women in Board of Directors	<b>38%</b> women in Management Team	<b>20,993 hours</b> of training provided to employees, averaging 40 hours per employee
<b>ZERO</b> fatal accidents and serious injuries	<b>RM19 million</b> raised for nine institutions through the Tiger Sin Chew Chinese Education Charity Concert (Tiger Sin Chew CECC) in 2024, RM427 million raised since 1994	
Allocated <b>RM220,000</b> to support four NGOs through HEINEKEN Cares programme	<b>100%</b> of our suppliers adhered to the HEINEKEN Supplier Code	<b>ZERO</b> substantiated labour or human rights violations reported
		<b>TWO</b> DEI-themed films were curated, “Breaking Labels” and “The Inner Voice”, to challenge stereotypes and foster a sense of belonging



**RESPONSIBLE CONSUMPTION**

<b>Launched</b> series of awareness videos for employees on responsible consumption	<b>&gt;10%</b> of Heineken® media spend to promote responsible consumption and “When You Drive, Never Drink”	<b>&gt;RM140,000</b> worth of Grab e-hailing promo codes distributed to consumers
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## Management Discussion & Analysis

### GOVERNANCE AND RISK MANAGEMENT

Our approach to risk management is outlined in our Statement on Risk Management and Internal Control on pages 115 to 121 with key risks related to climate and water discussed in the ESG Review section. The Group has established a robust risk management and internal control system based on the Enterprise Risk Management and Internal Control Reference model. As an integral part of HEINEKEN Business Framework, this system integrates the HEINEKEN Risk Management Framework, enabling us to identify and address risks during strategy development to ensure the achievement of our business objectives.

### RECOGNITIONS IN ESG

In 2024, HEINEKEN Malaysia celebrated several accolades for our sustainability and people agenda. Our achievements were recognised across prestigious platforms, reflecting our ambition for positive impact and responsible business.

At the ESG Positive Impact Awards 2023, we won three Gold awards for Water Management and Efficiency, Innovative Partnership and Waste Management. We were also honoured at the UN Global Compact Network Malaysia and Brunei (UNGCMYB) Forward Faster Sustainability Awards 2024 for Water Resilience for the third consecutive year and SDG Reporting Disclosure. In addition, The Malaysian Dutch Business Council Innovation and Sustainability Awards 2024 awarded us Best Sustainable Built Environment, recognising our progress in embedding sustainability into our daily operations. Our leadership in sustainability earned us Company of the Year for ESG Leadership at the Sustainability & CSR Malaysia Awards 2024, celebrating our progress in environmental management and community initiatives like HEINEKEN Cares.

Beyond environmental management, we take pride in fostering a workplace for our people to thrive. At the HR Excellence Awards 2024, we secured Gold for Excellence in Retention Strategy and Excellence in Total Rewards Strategy, marking our dedication to creating a supportive and rewarding work environment for our employees. Similarly, our focus on employee wellbeing earned us Bronze for Best Employee Wellness Strategy at the Employee Experience Awards 2024 and we were officially certified as a Great Place to Work – a testament to our strong culture of engagement, inclusion and employee satisfaction.

These recognitions serve as a reflection of the collective efforts of our people, partners and stakeholders. As we move forward, we remain steadfast in our mission to deliver superior and sustainable growth while unlocking the full potential of our people, enhancing employee experiences and creating a positive impact in the communities we serve.



#### HIGHLIGHTS

**We won three Gold awards at the ESG Positive Impact Awards 2023 for our efforts in Water Management and Efficiency, Innovative Partnership and Waste Management. Additionally, our work was recognised at the UNGCMYB Forward Faster Sustainability Awards 2024 for Water Resilience for the third consecutive year and for SDG Reporting Disclosure**

### OUR OUTLOOK

As we look ahead to 2025, we anticipate lingering uncertainty in our operating environment due to ongoing geopolitical tensions, currency fluctuations, persistent inflationary pressures and the challenge of illicit alcohol. Despite these obstacles, we see opportunities emerging from recent macroeconomic stability, including improving consumer confidence and increased tourist arrivals. We remain cautiously optimistic about our ability to adapt and navigate this evolving market landscape, particularly in the face of economic volatility and a challenging consumer environment. By aligning our efforts with our EverGreen strategy, we aim to drive sustainable growth and strengthen our long-term resilience through cost optimisation and operational efficiency. Additionally, we welcome the Government's decision not to increase excise duties in Budget 2025, as any hike in excise rates would drive greater demand for illicit alcohol. The Group will continue to work closely with relevant authorities to address illicit alcohol concerns, ensuring a fair operating environment for key players through awareness campaigns. All in all, we will persist in staying One Step Ahead by continuously innovating and adapting to the ever-changing market landscape, ensuring we deliver exceptional value and experiences to our customers and consumers.

## Management Discussion & Analysis

### OUR PURPOSE AND STRATEGY



Our purpose is to  
**Brew the Joy of True Togetherness  
to Inspire a Better World**



**DRIVE  
SUPERIOR  
GROWTH**

With consumer centricity, shape & lead premium category. Continue investing behind our brands.



**FUND THE  
GROWTH**

Cost & value to drive efficiency, enabling reinvestments into our brands and business.



**RAISE THE BAR ON  
SUSTAINABILITY  
& RESPONSIBILITY**

Deliver on our ambition to become net zero carbon in production by 2030 and the full value chain by 2040.



**BECOME THE  
BEST CONNECTED  
BREWER**

Accelerate digital & technology to create a Unified Customer Ecosystem with a customer & consumer-first approach.



**UNLOCK THE FULL  
POTENTIAL OF  
OUR PEOPLE**

Promote a high-performance culture that boosts our strategic capabilities.

### ACKNOWLEDGEMENTS

My deepest gratitude to our shareholders for their trust and continued confidence in HEINEKEN Malaysia. Your unwavering support enables us to invest in long-term growth and sustainability, and your belief in our strategy drives us to continuously strive towards delivering strong financial performance and creating long-lasting value.

We owe much of our success to our trade partners and distributors, whose expertise and reliability have been instrumental in expanding our reach and delivering exceptional experiences to our consumers. A special mention must go to our employees, whose hard work, dedication and valuable contributions fuel our success. Our remarkable achievements would not have been

possible without this incredible team. Let's continue to Brew the Joy of True Togetherness to Inspire a Better World.

As we reflect on our journey ahead, I would like to express my sincere appreciation for Roland Bala's exceptional leadership over the past six years. Under his guidance, HEINEKEN Malaysia successfully navigated challenges and delivered a strong performance during his tenure. His strategic direction has laid a solid foundation for the future, and we are committed to building on his legacy.

**Martijn Rene van Keulen**  
Managing Director  
11 March 2025



## Brand Highlights

# Heineken®

World's No.1 International premium beer



For more information, scan the QR code or visit:  
<https://www.heinekenmalaysia.com/heineken/>



### REFRESH YOUR MUSIC, REFRESH YOUR NIGHTS

Heineken® redefined music discovery with its cross-genre global platform, "Refresh Your Music, Refresh Your Nights." The campaign included the Heineken® Fresh List, an innovative digital playlist generator powered by a refreshing algorithm that blended user preferences with unexpected tracks. The initiative culminated in the Heineken® Refresh event at Sunway Lagoon, where 18,000 attendees enjoyed performances by world-renowned artists like DJ Alok and regional talents like WUKONG and Blink. Interactive features such as live voting via LED wristbands added a dynamic twist, making the event a standout celebration of music and connection.



## Brand Highlights

### CHINESE NEW YEAR (CNY) – GONG HEI AR FILTER

Heineken® brought joy to Malaysians this Lunar New Year with its Gong Hei campaign, a celebration of togetherness and happiness. Central to the campaign was the innovative Gong Hei AR filter, which transformed the "HEI" on Heineken® cans into vibrant CNY greetings, allowing consumers to share festive cheer in a modern, interactive way.

Beyond digital engagement, the campaign extended its festive touch with on-ground activations such as the Gong Hei trucks. These activations not only offered exclusive discounts on Heineken® products but also encouraged consumers to creatively participate by tagging @HeinekenMY on social media.

By blending technology, on-ground activations and a spirit of celebration, Heineken® successfully spread the "HEI" to Malaysians, creating moments of joy and connection throughout the festive season.





## Brand Highlights



### WHEN YOU DRIVE, NEVER DRINK (WYDND): PLAYER 0.0

As part of its ongoing WYDND platform, Heineken® launched Player 0.0, a unique mobile and sim racing competition designed to emphasise responsible drinking. Featuring four-time Formula 1 World Champion Max Verstappen, the campaign highlighted the message, “The best driver is the one who is not drinking.” Over 5,000 participants competed in online and on-ground challenges, culminating in Malaysia’s first-ever Player 0.0 champion, who then represented the country at the global finals in Spain. The initiative also included live viewing parties of F1 races, creating a celebratory atmosphere for fans to enjoy Heineken® 0.0 responsibly.



## Brand Highlights



### HEINEKEN® BORING PARTY LAUNCH: CELEBRATIONS ARE BEST WHEN YOUR PHONES TAKE A REST

Heineken® redefined social interactions with the launch of its **Boring Party** campaign, encouraging consumers to disconnect from their screens and embrace real life connections.

Rooted in the insight that meaningful experiences happen when people are fully present, the brand introduced the Heineken® Boring Phone, a minimalist device that strips away social media distractions, keeping only calls and texts.

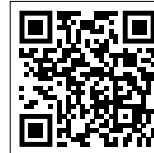
To amplify the message, the campaign featured digital activations, including Heineken® **404 Boring Meme Challenge**, which rewarded participants with exclusive access to phone-free Heineken® **Boring Social Parties**. Collaborating with Saturday Selects and Motherchuckers, these exclusive parties immersed guests in engaging, distraction-free experiences.

The campaign extended to pubs and bars nationwide, where patrons could participate in 'Phones Off, Nights On' activations by exchanging their phones for a refreshing Heineken® using Heineken® Phone Lockers.





## Brand Highlights



For more information, scan the QR code or visit:  
<https://www.heinekenmalaysia.com/tiger/>



### CHEERS TO A BOLDER TOMORROW: CNY CAMPAIGN

Tiger Beer encouraged Malaysians to celebrate their courageous achievements and set bold ambitions for the Year of the Dragon with its “Cheers to a Bolder Tomorrow” campaign. A viral social media stunt featuring a larger-than-life tiger and dragon in Kuala Lumpur (KL) city captivated audiences, sparking curiosity and inspiring Malaysians to uncage their inner courage.

The campaign was brought to life through nationwide activations at major malls, where consumers participated in skill-based games to win exclusive Tiger Beer merchandise. The collaboration with Against Lab added a bold, contemporary twist to the campaign with a limited-edition streetwear collection that combined the brand’s heritage with modern design.

This celebration of courage and ambition further cemented Tiger Beer’s place as a symbol of boldness and progress in Malaysia.



## Brand Highlights

### TIGER SOJU FLAVOURED LAGER: FEEL THE TWIST

The launch of Tiger Soju Flavoured Lager in Malaysia brought a fresh drinking experience to consumers who are looking for an exciting fusion of progressive flavours and innovative experimentation, inspired by the rising prominence of K-culture. The product debuted at a vibrant launch party featuring South Korean rapper Loco and a lineup of local artists. Guests enjoyed live performances, themed games and exclusive merchandise. The campaign, themed “Feel the Twist,” highlighted the playful and experimental spirit of Tiger Beer, making everyday moments exciting.





## Brand Highlights

### TIGER CRYSTAL FOOD FESTIVAL: REFRESHINGLY LIGHT, PERFECT WITH EVERY BITE

Tiger Crystal hosted its Food Festival at 1 Utama Shopping Mall, bringing together over 10,000 food lovers across four distinct zones featuring global and local cuisines. From street food to North Asian dessert bars, attendees enjoyed dishes perfectly paired with Tiger Crystal. The festival also featured interactive games, live performances and exclusive merchandise giveaways, showcasing Tiger Crystal as the perfect companion for moments of connection over a meal with friends and family.



## Brand Highlights

### TIGER® BEER BECOMES THE OFFICIAL BEER PARTNER OF MANCHESTER UNITED

Tiger® Beer became the Official Beer Partner of Manchester United, bringing together the iconic Asian Brewer and one of the most popular and successful sports teams in the world, to enhance experiences and deepen engagement with United fans globally.

The partnership launched at an exciting moment in Tiger® Beer's bold brand evolution, heralding a new era for the Company and its football-loving consumers. In its initial stage, the focus will be on connecting with the large Manchester United supporter base in Asia, where Tiger® is the number one premium beer among consumers, providing an unparalleled platform to activate the partnership.



# TOGETHER ROARS LOUDER

OFFICIAL BEER PARTNER  
OF MANCHESTER UNITED

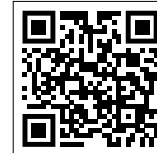




## Brand Highlights



**Guinness**  
World's No. 1 stout



For more information, scan the QR code or visit:  
<https://www.heinekenmalaysia.com/guinness/>



### ST. PATRICK'S DAY 2024: MAKE IT OUR DAY TO REMEMBER

Guinness Malaysia celebrated St. Patrick's Day 2024 with an exciting campaign that invited fans to make the day truly their own. At participating pubs and bars, fans could customise their Guinness pints in two unique ways - physically at on-ground events or digitally through an AR filter by scanning the Guinness logo.

The AR feature allowed fans to generate personalised charms and share their creations online, blending traditional celebrations with modern technology. Alongside this, the campaign offered live music, exclusive merchandise and skill-based games at iconic venues nationwide, creating an engaging and memorable celebration.

By merging innovative digital experiences with on-ground festivities, Guinness brought the spirit of St. Patrick's Day to life for fans across Malaysia.



## Brand Highlights

### GUINNESS X PREMIER LEAGUE: SOME THINGS JUST BRING US TOGETHER

As the Official Beer of the Premier League, Guinness Malaysia brought football fans together through its Guinness x Premier League campaign, celebrating the sport as a unifying force regardless of the teams they support, wins or losses. Highlights included electrifying viewing parties at popular pubs and bars, exclusive rewards like signed jerseys and custom merchandise, and the grand prize – a fully paid trip to watch a Premier League match live in England. With the tagline, "Lovely Game for a Guinness," the campaign captured the spirit of camaraderie, where fans could come together over their shared love for football and Guinness.

The key highlight of the Premier League campaign was the **Guinness Matchday event** at Sentul Depot which brought together over 2,000 football fans for live screenings of Premier League matches on a massive screen. Guests enjoyed Guinness-infused dishes created by renowned chefs and participated in football-themed activities. The event crowned the first winner of the all-expenses-paid Premier League trip, amplifying the spirit of togetherness and celebration.





## Brand Highlights

### Edelweiss Premium wheat beer born in the Alps



For more information, scan the QR code or visit:  
<https://www.heinekenmalaysia.com/edelweiss/>



#### EDELWEISS MIXOLOGY

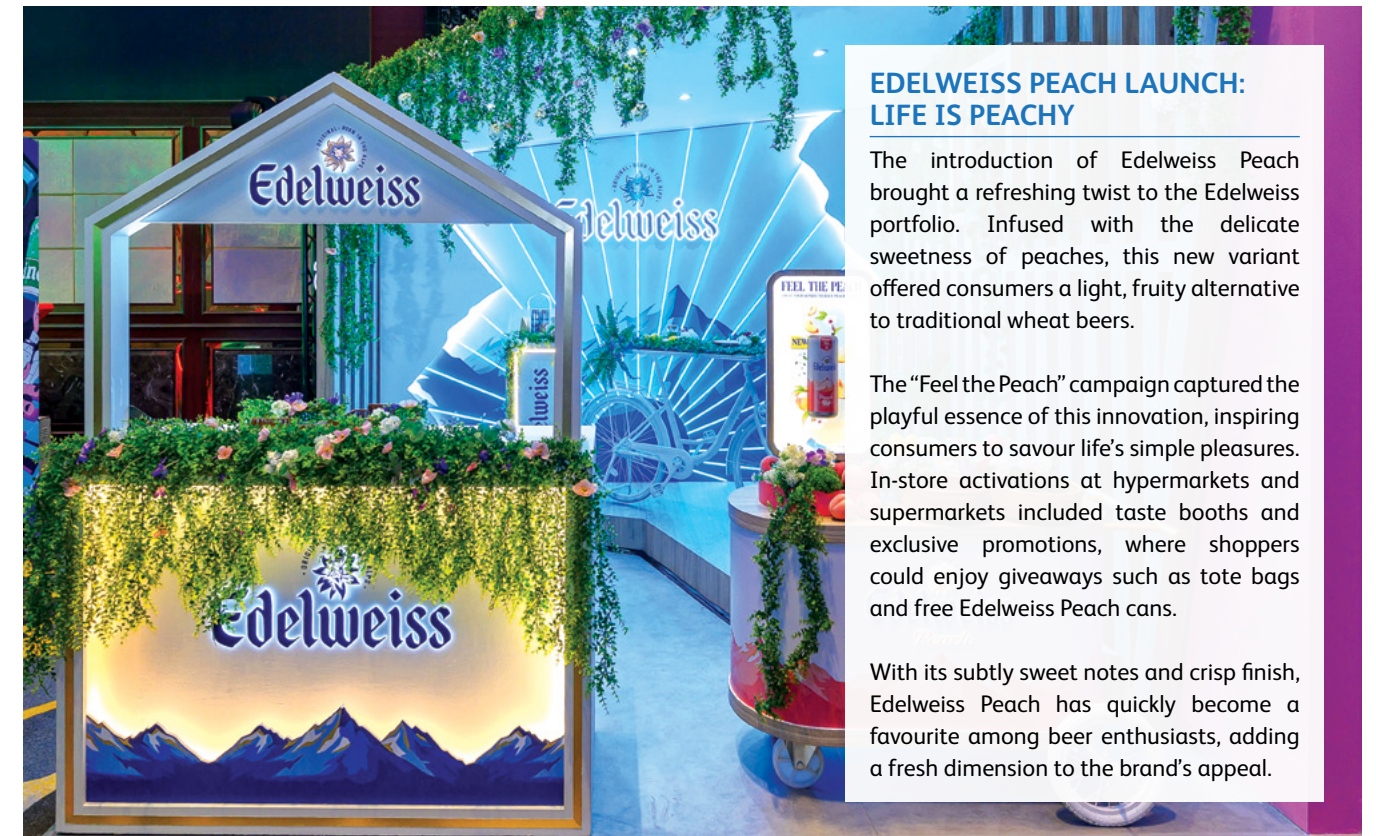
Edelweiss introduced the Mixology campaign to spark excitement and encourage trial among new users through innovative flavours, in collaboration with Monin.

- Retail: A special bundle pack featuring Edelweiss and Monin syrups in Peach and Grapefruit was made available, inviting consumers to craft their own cocktails at home.
- Bars and Pubs: Edelweiss cocktails were served at key outlets, offering an elevated drinking experience to consumers.

To further engage consumers, videos were shared on social media to consumers on how to create Edelweiss Peach and Grapefruit cocktails at home. This campaign not only showcased the versatility of Edelweiss but also set the stage for the highly anticipated launch of Edelweiss Peach.



## Brand Highlights



#### EDELWEISS PEACH LAUNCH: LIFE IS PEACHY

The introduction of Edelweiss Peach brought a refreshing twist to the Edelweiss portfolio. Infused with the delicate sweetness of peaches, this new variant offered consumers a light, fruity alternative to traditional wheat beers.

The “Feel the Peach” campaign captured the playful essence of this innovation, inspiring consumers to savour life’s simple pleasures. In-store activations at hypermarkets and supermarkets included taste booths and exclusive promotions, where shoppers could enjoy giveaways such as tote bags and free Edelweiss Peach cans.

With its subtly sweet notes and crisp finish, Edelweiss Peach has quickly become a favourite among beer enthusiasts, adding a fresh dimension to the brand’s appeal.





## Brand Highlights



### Heineken® Star Academy Programme

In 2024, HEINEKEN Malaysia continued its dedication to investing in talent development through the Star Academy Programme, which has trained over 10,000 bartenders across the nation since its inception. The programme, designed to elevate bartending standards and refine skills in pouring Heineken® and Guinness, invited bartenders to showcase their expertise and compete to represent Malaysia on the global stage. After a series of regional competitions and expert-led training sessions involving over 1,300 bartenders, Jason Dennis D'cruz from Te Amo, representing KL/Selangor, emerged victorious at the National Finals, securing his place to represent Malaysia at the global level.



## Brand Highlights



Jason's journey took him to Amsterdam for the 2024 Heineken® Global Draught Championship, where he competed against 13 of the world's best bartenders. His flawless performance, combining technical skill and passion, earned him the title of Global Champion. This remarkable achievement not only brought immense pride to Malaysia but also highlighted the incredible talent nurtured through HEINEKEN® Star Academy Programme, showcasing its ongoing impact on developing world-class bartending talent.





## Brand Highlights

# Awards and Accolades 2024

Demonstrating continued excellence, HEINEKEN Malaysia's brands and platforms garnered significant recognition in 2024 across various prestigious awards.



## CANNES LIONS INTERNATIONAL FESTIVAL OF CREATIVITY

Heineken® earned international acclaim with a Bronze at the Cannes Lions 2024 for its festive Gong Hei campaign, highlighting creative excellence and impactful storytelling.



## KANCIL AWARDS

Heineken® was named Advertiser of the Year at the Kancil Awards 2024, celebrating the brand's innovative campaigns and leadership in the advertising space. The brand also secured multiple wins for its "Heiden in Plain Sight" campaign, including:

- Golden Kancil: The highest honour of the awards, recognising unparalleled creativity and innovation
- Gold: Design Kancils, showcasing exceptional design execution
- Gold: Outdoor Kancils, celebrating impactful outdoor advertising
- Bronze: Digital Experience Kancils, acknowledging excellence in digital innovation

## Brand Highlights



## EFFIE AWARDS

Heineken® was recognised for marketing effectiveness at the 2024 Effie Awards, winning two Silvers. These accolades highlight the brand's ability to craft campaigns that resonate deeply with audiences.



## PUTRA BRAND AWARDS AND PUTRA ARIA BRAND AWARDS

At the Putra Brand Awards, Heineken®, Tiger Beer and Guinness took home Gold, while Edelweiss continued its winning streak with a Bronze at the Putra Aria Brand Awards, further solidifying its position as a beloved brand among consumers.



## MAD STARS AWARDS

The Heineken® Gong Hei campaign received further recognition at the MAD Stars Awards 2024 with two Silvers, cementing its position as a standout campaign in creativity and innovation.



## MSA AWARDS

At the Media Specialists Association (MSA) Awards, Guinness took centre stage with a Gold for "Guinness Unlocks Grab as an Acquisition Platform," demonstrating its strategic excellence in leveraging digital platforms to drive impactful results. Additionally, Guinness secured a Bronze for "Guinness Flavour by Fire Becomes a Spectacle," displaying its creative and engaging execution.

Edelweiss also stood out, winning Bronze for "Edelweiss' Multi-Layered Activation Through Data Partnership" and "Edelweiss Smartly Leverages Tech and Data to Drive Business Impact," highlighting its innovative use of technology and data to connect with audiences effectively.

These accolades reflect the trust and loyalty of our consumers and our unwavering responsibility to delivering bold campaigns and exceptional experiences.



# ESG Review

## ABOUT THIS STATEMENT

As a responsible and progressive company, HEINEKEN Malaysia is guided by our purpose, To Brew the Joy of True Togetherness to Inspire a Better World, embedding sustainability into our core operations to drive long-term value for all stakeholders. As part of the HEINEKEN Group, HEINEKEN Malaysia has adopted the HEINEKEN sustainability strategy, Brew a Better World (BaBW) 2030 which clearly outlines measurable and ambitious goals across three pillars: environmental sustainability, social sustainability and responsible consumption.



## ESG Review

The three pillars of this strategy are central to achieving our objective of net zero environmental impact, contributing to an inclusive, fair and equitable world and encouraging moderation in consumption. We are transparent in our progress, measuring success not only by the value we generate for our shareholders but also by how we contribute to a resilient and enduring future for both people and the planet.

The sustainability strategy BaBW 2030 was launched in April 2021 to drive progress towards a net zero, fairer and more balanced world and it has been deeply integrated into how we operate.

The strategy includes nine ambition areas and measurable goals, driving progress in environmental sustainability, social responsibility and responsible consumption.

HEINEKEN's net zero targets are approved by the Science-Based Targets initiative (SBTi), aligning with the 1.5°C pathway for a science-based approach. As part of our climate action efforts, we have updated the carbon baseline year from 2018 to 2022, in alignment with Heineken N.V.'s (our ultimate holding company) reporting approach, to ensure an accurate measurement of our carbon footprint. This change ensures that our progress towards the net zero goal is measured against a more current and comprehensive baseline, providing a clearer picture of our environmental impact and the effectiveness of our sustainability initiatives. We began reporting our carbon emissions reduction based on the 2022 baseline, effective from the financial year 2024 reporting, ensuring a more comprehensive view of our Scopes 1, 2 and 3 emissions in our net zero journey.

We are dedicated to achieving our 2030 goals through close monitoring and proactive implementation, with regular updates tracked during quarterly Sustainability Committee (SC) meetings.

By strengthening our sustainability practices and raising the bar on our ESG performance, HEINEKEN Malaysia is proud to present this annual sustainability statement.

### Scope and Reporting Framework

The sustainability statement covers the period from 1 January 2024 to 31 December 2024 (FY2024) and includes HEINEKEN Malaysia and its wholly-owned operating subsidiary, Heineken Marketing Malaysia Sdn Bhd (the Group) located in Petaling Jaya, Selangor.

The statement has been prepared with reference to the Bursa Malaysia Securities Berhad's (Bursa Malaysia) Main Market Listing Requirements (MMLR) on sustainability reporting, Bursa Malaysia's Sustainability Reporting Guide (3<sup>rd</sup> edition) and the indicators of the FTSE4Good Bursa Malaysia (F4GBM) Index. Our ESG disclosures are in line with the Global Reporting Initiative (GRI) standards, and with reference to the United Nations Sustainable Development Goals (UN SDGs).

As an operating subsidiary of Heineken N.V., an EU-based company, we have included in our sustainability governance structure a newly appointed personnel responsible for our sustainability reporting to Heineken N.V. This change ensures Heineken N.V.'s compliance with Corporate Sustainability Reporting Directive (CSRD) while enhancing transparency and accountability in our disclosures. In addition, we are referencing our climate-related disclosures with IFRS S2, in preparation for the climate-related disclosure standard required under the National Sustainability Reporting Framework (NSRF).

	Bursa Malaysia's Sustainability Reporting Guide (3 <sup>rd</sup> edition)
	Global Reporting Initiative Standards
	FTSE4Good Bursa Malaysia Index
	United Nations Sustainable Development Goals
	Corporate Sustainability Reporting Directive

### Assurance Statement

The SC and the Board of Directors (the Board) of HEINEKEN Malaysia have reviewed and approved the contents of this statement. To ensure data accuracy and compliance, we engaged Rapid Genesis Sdn Bhd, an independent consultant, to provide limited assurance for our ESG Review and the ESG data section. Additionally, our water balancing initiatives were quantified and independently verified by Limnotech, a leading water sciences and environmental engineering firm based in the United States.

### Feedback Contribution

We continue to refine our sustainability reporting and welcome feedback from our stakeholders. We value your input and invite active engagement in our sustainability reporting journey. For any inquiries or suggestions, please reach out to us at MY1-generalenquiry@heineken.com.



ESG Review

BaBW 2024 HIGHLIGHTS

HEINEKEN Malaysia remains focused on upholding ESG principles, shaping a future where brewing excellence aligns with responsible business practices. Our BaBW 2024 Highlights section provides an overview of the key initiatives and achievements delivered throughout the reporting period.



ENVIRONMENTAL SUSTAINABILITY

Path towards Net Zero Impact

▶ **100%** renewable electricity since March 2022 through Green Electricity Tariff (GET) programme

▶ **29%** improvement in water consumption since FY2014

▶ **36%** reduction in Scope 1 and Scope 2 emissions in production vs FY2022 baseline

▶ **Fully recycled and upcycled** our production waste since FY2017

▶ Installed **3,500** mono-perc solar panels on Sungei Way Brewery roof

▶ **209%** water balanced via water stewardship projects



SOCIAL SUSTAINABILITY

Path towards an Inclusive, Fair and Equitable Company and World

▶ **43%** of women in Board of Directors

▶ **38%** of women in Management Team

▶ **20,993 hours** of training provided to employees

▶ **ZERO** fatal accidents and serious injuries

▶ **2** social impact initiatives



RESPONSIBLE CONSUMPTION

Path towards Moderation and No Harmful Use

▶ **>10%** of Heineken® media spend on promoting responsible consumption

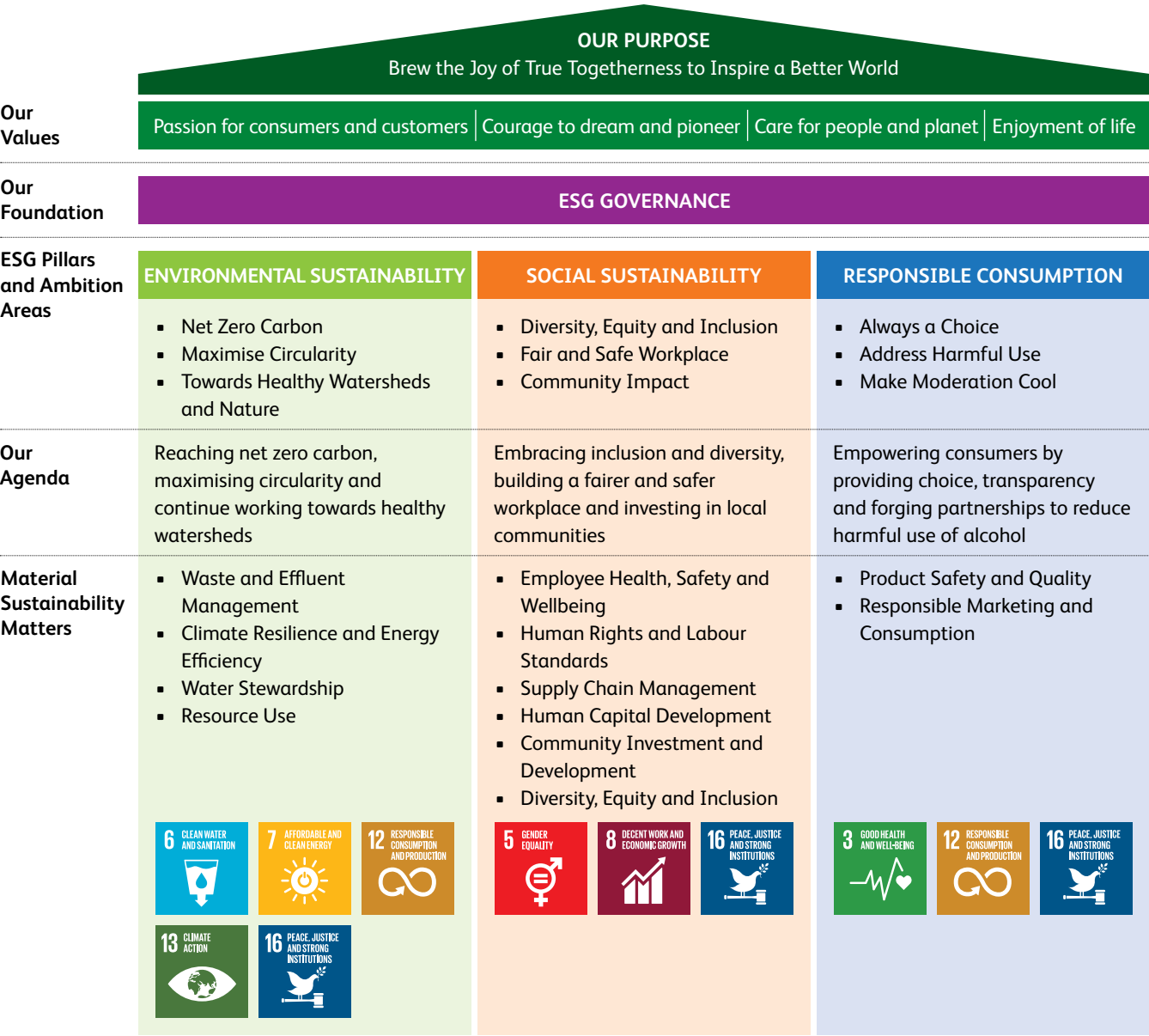
▶ Distributed over **RM140,000** in Grab e-hailing promo codes for consumers through brand and corporate events

ESG Review

SUSTAINABILITY APPROACH

ESG Framework

Our ESG Framework reflects our focus on sustainability, aligned with the BaBW 2030 ambition. It centres on three core pillars: environmental sustainability, social sustainability and responsible consumption. This approach ensures our operations are guided by long-term goals, proactive management of ESG risks and a clear understanding of stakeholder expectations.



Stakeholder Groups

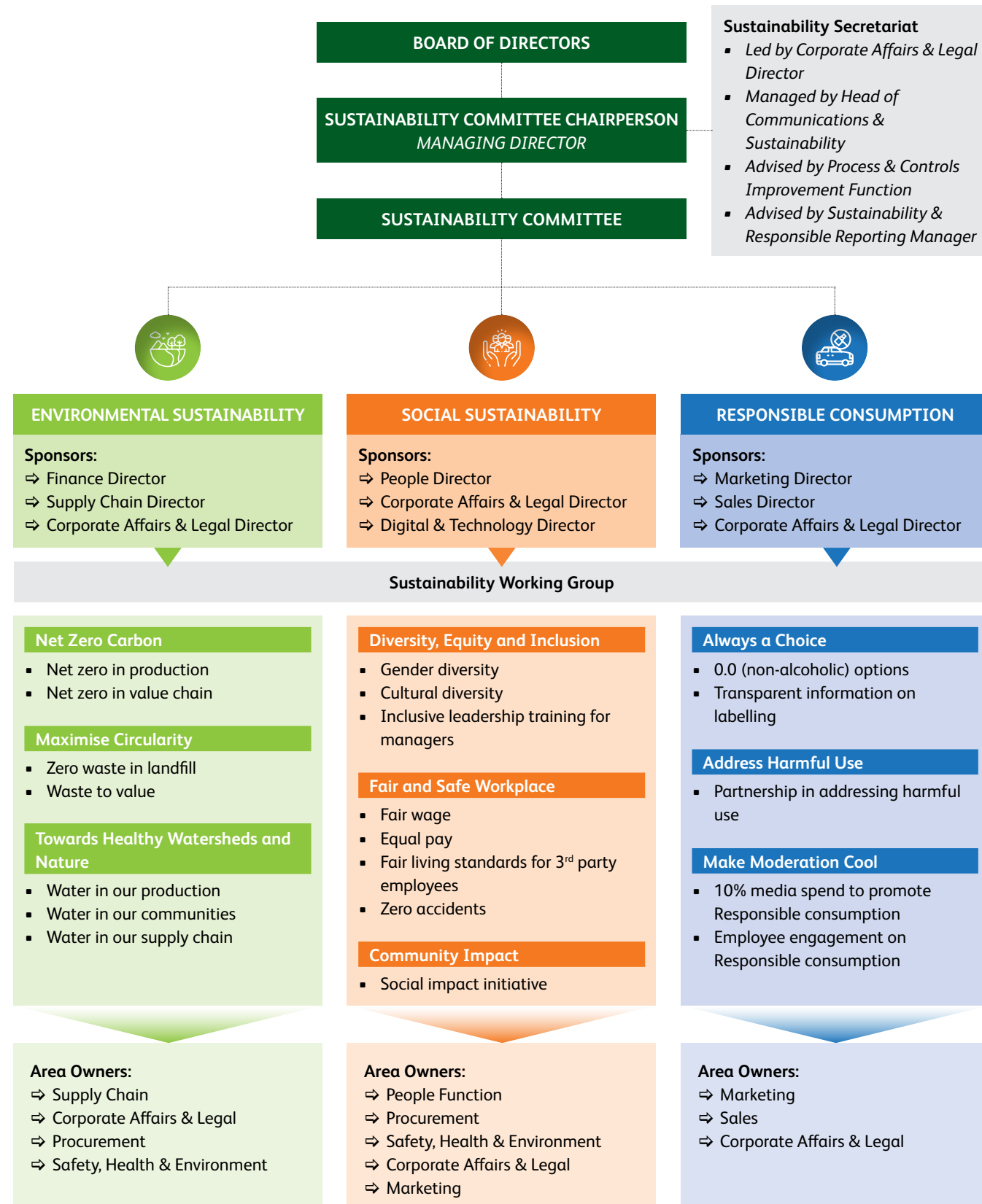




## ESG Review

### Sustainability Governance Structure

HEINEKEN Malaysia has established a governance structure that ensures accountability in managing ESG matters, operating through a three-tier framework comprising the Board, the SC and the Sustainability Working Group (SWG). As an operating subsidiary of Heineken N.V., an EU-based company, we have included in our sustainability governance structure a newly appointed personnel responsible for our sustainability reporting to Heineken N.V.. This change ensures Heineken N.V.'s compliance with CSRD while enhancing transparency and accountability in our disclosures.



## ESG Review

### Roles and Responsibilities





## ESG Review

### Our Sustainability Policy

The Group's Sustainability Policy, approved by our SC and adopted by the Board, reflects our ESG strategies and aligns with our Purpose and Values. It sets out core principles that guide our approach, providing a structured basis for integrating ESG considerations across our operations and value chain.




The Sustainability Policy is available on our company website at <https://www.heinekenmalaysia.com/corporate-governance/>.

### Our Green Claims Policy


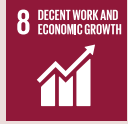



In FY2024, the Group adopted the Green Claims Policy introduced by Heineken N.V. with an aim to ensure all environmental claims on our products and initiatives are accurate, substantiated and compliant with regulations. The policy provides clear guidelines for environmental claims in communications, marketing, product labels and advertising, emphasising reliable evidence and international standards. It aims to prevent greenwashing, enabling consumers to make informed choices based on actual environmental impact. The policy strengthens our ESG disclosures, enhancing transparency and trust in our sustainability efforts. It aligns with the HEINEKEN sustainability frameworks and reinforces the Group's support for ethical environmental stewardship.

### Our Alignment with the UN SDGs

The Group integrates the UN SDGs into our BaBW strategy, aligning our 2030 ambitions and goals with relevant targets and indicators to drive meaningful progress. As such, we have adopted eight SDGs that are most relevant to our business operations, with SDG 16 (Peace, Justice and Strong Institutions) added as a focus area. Below are the highlights of our contributions to the SDGs:

SDG	Target	Our Actions	Materiality
	3.5: Strengthen the prevention and treatment of substance abuse, including harmful use of alcohol	<ul style="list-style-type: none"> <li>Introduced a Policy on Responsible Alcohol Consumption</li> <li>Supported the Government's efforts to eliminate illicit alcohol sales in Malaysia as part of the Confederation of Malaysian Brewers Berhad's (CMBB) initiatives</li> <li>Allocated more than 10% of the Heineken® annual media spend to promote responsible consumption</li> <li>Provided Grab e-hailing promo codes to consumers as part of the "When You Drive, Never Drink" campaign at brand events, corporate events and throughout the festive season</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Governance and Anti-Corruption</li> <li>Responsible Consumption</li> </ul>
	5.5: Ensure women's full and effective participation for leadership	<ul style="list-style-type: none"> <li>Adopted the HEINEKEN Code of Business Conduct (HeiCode) and the HEINEKEN Human Rights Policy, highlighting the principles of non-discrimination, including but not limited to race, gender, nationality and age</li> <li>Hired, compensated and promoted employees in accordance with the principle of equal opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Diversity</li> </ul>
	6.3: Improve water quality by reducing pollution	<ul style="list-style-type: none"> <li>Ensured the compliance of wastewater treatment with the Environmental Quality Act 1974 and the Environmental Quality (Industrial Effluent) Regulations 2009, Fifth Schedule</li> <li>Achieved result that surpassed the Department of Environment's standards for wastewater treatment</li> </ul>	<ul style="list-style-type: none"> <li>Water Stewardship</li> </ul>
	6.4: Increase water-use efficiency across all sectors	<ul style="list-style-type: none"> <li>Improved water consumption by 29% compared to the 2014 baseline year and replenished 209% of the water used in our products</li> </ul>	<ul style="list-style-type: none"> <li>Water Stewardship</li> </ul>
	6.6: Protect and restore water-related ecosystems	<ul style="list-style-type: none"> <li>Supported the conservation and restoration efforts through our Working Actively Through Education &amp; Rehabilitation (W.A.T.E.R.) Project</li> </ul>	<ul style="list-style-type: none"> <li>Water Stewardship</li> </ul>

## ESG Review

SDG	Target	Our Actions	Materiality
	7.2: Increase the share of renewable energy	<ul style="list-style-type: none"> <li>Continued subscription to Tenaga Nasional Berhad's (TNB) GET programme since March 2022</li> <li>Installed 3,500 mono-perc solar panels on Sungei Way Brewery roof with a total capacity of 2,600 MWh, operational since July 2024</li> </ul>	<ul style="list-style-type: none"> <li>Climate Resilience and Energy Efficiency</li> </ul>
	7.3: Double the global rate of improvement in energy efficiency	<ul style="list-style-type: none"> <li>Upgraded utilities, cooling systems and CO<sub>2</sub> plants at the brewery to enhance energy efficiency</li> <li>Utilised energy-efficient refrigerators to improve energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Climate Resilience and Energy Efficiency</li> </ul>
	8.7: Eradicate forced labour	<ul style="list-style-type: none"> <li>Fully complied with the Employment Act 1955 and the Minimum Wages Order 2022</li> <li>The principles of non-discrimination are outlined in the HeiCode and the HEINEKEN Human Rights Policy</li> <li>Advocated ethical business conduct and human rights through the HEINEKEN Supplier Code and the Distributor Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>Human Rights and Labour Standards</li> </ul>
	8.8: Protect labour rights and promote safe and secure working environments for all workers	<ul style="list-style-type: none"> <li>Ensured all employees received training on HEINEKEN Life Saving Commitments (LSC)</li> <li>Addressed the widespread culture of overwork by encouraging healthier work-life balance through the Work Responsibly Campaign</li> </ul>	<ul style="list-style-type: none"> <li>Employee, Health, Safety and Wellbeing</li> <li>Human Capital Development</li> </ul>
	12.5: Reduce waste generation through prevention, reduction, recycling and reuse	<ul style="list-style-type: none"> <li>Recycled or upcycled all production waste since 2017</li> <li>Replaced plastic shrink wraps in all locally brewed multi-can secondary packaging with paper-based packaging, prem collar</li> <li>Collected returnable packaging materials, including kegs, bottles and crates from on-trade outlets in Peninsular Malaysia, for reuse</li> <li>Mandated supplier compliance with the HEINEKEN Supplier Code</li> </ul>	<ul style="list-style-type: none"> <li>Waste and Effluent Management</li> <li>Resource Use</li> </ul>
	13.1: Strengthen resilience and adaptation to climate-related hazards	<ul style="list-style-type: none"> <li>Progressed on the journey towards net zero carbon emissions, targeting net zero emissions in production by 2030 and across the entire value chain by 2040</li> <li>Fully transitioned to renewable energy for Scope 2 through the GET programme</li> </ul>	<ul style="list-style-type: none"> <li>Climate Resilience and Energy Efficiency</li> </ul>
	16.5: Substantially reduce corruption and bribery	<ul style="list-style-type: none"> <li>All Board members received training on Anti-Bribery and Anti-Corruption</li> <li>Conducted online courses to raise awareness among employees of the Group's Anti-Bribery and Anti-Corruption principles</li> <li>Promoted the HEINEKEN Speak Up Policy to drive awareness and encourage the reporting of suspected misconduct</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Governance and Anti-Corruption</li> </ul>



## ESG Review

### Stakeholder Engagement

Our stakeholders play a key role in shaping decisions at HEINEKEN Malaysia. Having identified nine key stakeholder groups impacted by our activities, we focus on ongoing engagement to gain insights into their concerns. We actively pursue our BaBW goals through effective communication, cross-functional collaboration and strategic partnerships with external stakeholders.


Our Focus	How We Engage	Frequency	Our Response
 <b>Shareholders/Investors</b>			
<ul style="list-style-type: none"> <li>Strategic direction and business performance</li> <li>Business strategy and targets</li> <li>Shareholders' returns</li> <li>Sustainability agenda</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Investor Relations enquiries</li> <li>Enquiries to Company Secretary</li> <li>Analysts and media briefings</li> <li>Investor calls/meetings</li> <li>Financial announcements via Bursa Malaysia</li> <li>Annual Reports in Investor Relations section on corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>As needed</li> <li>As needed</li> <li>Bi-annually</li> <li>As needed</li> <li>Quarterly</li> <li>Annually</li> </ul>	<ul style="list-style-type: none"> <li>Updates on the Group's strategic direction, operational and financial performance are shared through Bursa Malaysia's announcements platform</li> <li>Sustainability policies and practices, as well as corporate governance, are communicated through the Company's Annual Report</li> </ul>
 <b>Regulators/Public Authorities</b>			
<ul style="list-style-type: none"> <li>Industry issues</li> <li>Excise duty</li> <li>Licensing and regulatory matters</li> <li>Anti-contraband initiatives</li> <li>Support for business operations</li> </ul>	<ul style="list-style-type: none"> <li>Courtesy visits</li> <li>Dialogue sessions</li> <li>Workshops and training</li> <li>Scheduled meetings</li> <li>Roundtable discussions, Industry and F&amp;B sector engagement via chambers of commerce and trade associations</li> </ul>	<ul style="list-style-type: none"> <li>As needed</li> <li>As needed</li> <li>As needed</li> <li>Regularly</li> <li>As needed</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with the Government, as part of CMBB, drives initiatives on responsible consumption and combating illicit beer</li> </ul>
 <b>Consumers</b>			
<ul style="list-style-type: none"> <li>Brand campaigns and engagement activities</li> <li>Responsible consumption campaigns</li> <li>Product quality and freshness</li> <li>Consumer attitude and behaviour</li> </ul>	<ul style="list-style-type: none"> <li>Brand events</li> <li>Social media campaigns</li> <li>Product sampling</li> <li>Consumer research interviews and focus groups</li> <li>Virtual consumer engagements</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> <li>Ongoing</li> <li>Regularly</li> <li>Regularly</li> <li>Regularly</li> </ul>	<ul style="list-style-type: none"> <li>Innovative packaging solutions are being explored to reduce plastic use as we shift towards paper-based materials such as prem collars</li> <li>Advocate responsible consumption through brand campaigns and corporate events</li> </ul>
 <b>Suppliers/Vendors/Contractors</b>			
<ul style="list-style-type: none"> <li>Safety, Health and Wellbeing</li> <li>Anti-bribery and corruption</li> <li>Cost and value</li> <li>Engagement session with Business Partners on Scope</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with HEINEKEN's Supplier Code</li> <li>Supplier meetings</li> <li>Vendor registration briefings/requirements</li> <li>Business partner engagement sessions</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Ongoing</li> <li>Ongoing</li> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>The Group's suppliers are required to adhere to the HEINEKEN Supplier Code and the Distributor Code of Conduct</li> <li>Our collaboration with suppliers focuses on creating and scaling efficient, innovative packaging solutions</li> <li>Conducted engagement session with key business partners to raise awareness of Scope 3 emissions and ensure they are informed about the reporting requirements</li> </ul>

## ESG Review

Our Focus	How We Engage	Frequency	Our Response
 <b>Customers/Trade Partner</b>			
<ul style="list-style-type: none"> <li>Business strategy and targets</li> <li>Identification of areas for improvement</li> </ul>	<ul style="list-style-type: none"> <li>Trade partner engagements</li> <li>Distributor engagement sessions</li> <li>One-on-one engagements</li> <li>Joint business planning/review meetings</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> <li>Regularly</li> <li>Regularly</li> <li>Regularly</li> </ul>	<ul style="list-style-type: none"> <li>Business operations are conducted with integrity, assisting customers in refining their strategies, targets and sustainability efforts</li> <li>Collaboration with trade partners ensures the return of reusable kegs, bottles and crates through a deposit system to promote circularity</li> </ul>
 <b>Employees</b>			
<ul style="list-style-type: none"> <li>Safety, Health and Wellbeing</li> <li>Alignment on business strategy, direction and goals</li> <li>Industrial relationship management</li> <li>Talent development</li> <li>Cross-function collaboration</li> <li>Employee engagement</li> <li>Productivity</li> <li>Whistleblowing (Speak Up)</li> <li>Responsible consumption</li> <li>Diversity, Equity and Inclusion</li> <li>Leadership capability</li> </ul>	<ul style="list-style-type: none"> <li>Online communication platform – Workplace by Facebook</li> <li>Employee Pulse Survey</li> <li>Employee Climate Survey</li> <li>Town halls</li> <li>Meetings with Union employees</li> <li>Flexible and open workspace</li> <li>Management Team meetings</li> <li>Leadership Team meetings</li> <li>Union Work-Site Committee engagements</li> <li>Department meetings</li> <li>On-boarding programme for new employees</li> <li>Employee engagement get-togethers</li> <li>Annual Dinner</li> <li>Festive get-togethers</li> <li>Inclusive Behaviour workshops</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Quarterly</li> <li>Annually</li> <li>Quarterly</li> <li>As needed</li> <li>Ongoing</li> <li>Monthly</li> <li>Monthly</li> <li>Twice a year</li> <li>Weekly</li> <li>As needed</li> <li>Regularly</li> <li>Annually</li> <li>Regularly</li> <li>Regularly</li> </ul>	<ul style="list-style-type: none"> <li>Training on the LSC was provided to employees</li> <li>Transparent performance reviews and appraisals were conducted</li> <li>Various employee engagement programmes were implemented to foster a positive workplace culture</li> <li>Quarterly updates on sustainability achievements to all employees</li> <li>Health and wellbeing workshops</li> <li>Regular data privacy and phishing trainings</li> </ul>
 <b>NGOs/Communities</b>			
<ul style="list-style-type: none"> <li>Environmental conservation projects</li> <li>Water stewardship projects</li> <li>Fundraising for schools via Tiger Sin Chew CECC</li> <li>HEINEKEN Cares community food aid programme</li> </ul>	<ul style="list-style-type: none"> <li>SPARK Foundation activities</li> <li>NGO partner activities</li> <li>Community engagement programmes</li> <li>Fundraising initiatives</li> <li>Community events</li> <li>Participation in forum sessions</li> </ul>	<ul style="list-style-type: none"> <li>Regularly</li> <li>Ongoing</li> <li>Ongoing and Annually</li> <li>Regularly</li> <li>Regularly</li> <li>As needed</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing contributions are made to flagship community initiatives, with collaboration alongside NGO partners through the HEINEKEN Cares Programme, administered by the SPARK Foundation</li> <li>Audits conducted on W.A.T.E.R. Project</li> <li>Regular meetings with participating NGOs conducted</li> </ul>
 <b>Media/Analysts</b>			
<ul style="list-style-type: none"> <li>Strategic direction and business performance</li> <li>Sustainability agenda</li> <li>Brand activities</li> </ul>	<ul style="list-style-type: none"> <li>Media briefings</li> <li>Media interviews</li> <li>Media visits</li> <li>Product launches</li> <li>Brand marketing campaigns</li> </ul>	<ul style="list-style-type: none"> <li>As needed</li> <li>As needed</li> <li>As needed</li> <li>As needed</li> <li>Ongoing</li> </ul>	<ul style="list-style-type: none"> <li>10% of Heineken® media spend is allocated to promote responsible consumption</li> <li>Partnership with Grab Malaysia to promote responsible consumption</li> </ul>



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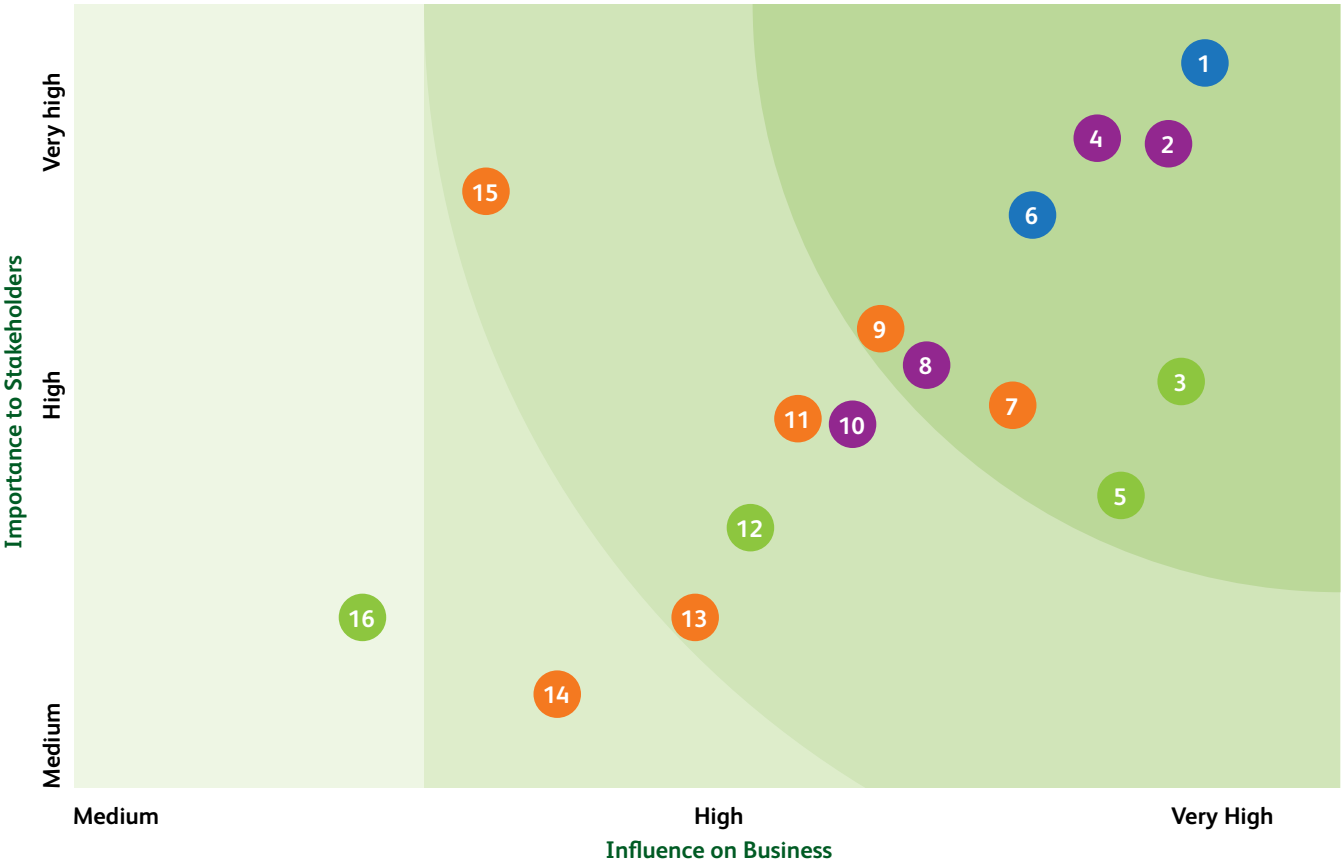
Our Focus	How We Engage	Frequency	Our Response
<div> Industry Associations</div>			
<ul style="list-style-type: none"><li>Industry issues</li></ul>	<ul style="list-style-type: none"><li>Engagement session</li><li>Dialogue and forum sessions</li><li>Scheduled meetings</li></ul>	<ul style="list-style-type: none"><li>As needed</li><li>As needed</li><li>Regularly</li></ul>	<ul style="list-style-type: none"><li>Our Industry collaboration focused on mitigating irresponsible drinking and addressing drinking and driving issues</li><li>We collaborate with seven industry associations, including:<ul style="list-style-type: none"><li>CMBB</li><li>Federation of Malaysian Manufacturers (FMM)</li><li>Malaysian Advertisers Association (MAA)</li><li>Malaysian Dutch Business Council (MDBC)</li><li>Malaysian Employers Federation (MEF)</li><li>Malaysian International Chamber of Commerce and Industry (MICCI)</li><li>UN Global Compact Network Malaysia and Brunei (UNGCMYB)</li></ul></li></ul>

MATERIALITY ASSESSMENT

HEINEKEN Malaysia evaluates the relevance of ESG topics and material sustainability matters to both our organisation and stakeholders to ensure alignment with business priorities, regulatory requirements and long-term sustainability goals.

The materiality assessment conducted in FY2022 identified 16 material sustainability matters. These material matters have remained relevant to our operations and have been retained for FY2024.

Materiality Matrix



ESG Review



**GOVERNANCE**

- 2 Regulatory Compliance
- 4 Ethical Business Conduct
- 8 Data Privacy and Cybersecurity
- 10 Risk Management



**ENVIRONMENTAL SUSTAINABILITY**

- 3 Climate Resilience and Energy Efficiency
- 5 Water Stewardship
- 12 Waste and Effluent Management
- 16 Resource Use



**SOCIAL SUSTAINABILITY**

- 7 Employee Health, Safety and Wellbeing
- 9 Human Rights and Labour Standards
- 11 Supply Chain Management
- 13 Human Capital Development
- 14 Community Investment and Development
- 15 Diversity, Equity and Inclusion



**RESPONSIBLE CONSUMPTION**

- 1 Product Safety, Quality and Hygiene
- 6 Responsible Marketing and Consumption






















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Mapping of Material Matters

The following table aligns our material sustainability matters with the relevant sustainability pillars, UN SDGs, key stakeholder groups and the Company’s strategic initiatives. This mapping facilitates the development of clear objectives and underscores the interconnected nature of these matters across our operations.

Material Matters	Our Approach	UN SDGs	Key Stakeholder Groups
Governance			
Regulatory Compliance	We uphold compliance with laws and regulations by conducting regular policy reviews to align with evolving industry standards		<ul style="list-style-type: none"><li>Regulators and Public Authorities</li><li>Shareholders and Investors</li><li>Customers/Trade Partners</li><li>Suppliers/Vendors/Contractors</li><li>Industry Associations</li><li>Media/Analysts</li></ul>
Corporate Governance and Anti-Corruption	We maintain a strong governance framework with stringent anti-corruption policies to ensure ethical practices across our operations		
Data Privacy and Cybersecurity	We safeguard data by implementing robust cybersecurity measures while adhering to global privacy standards		
Risk Management	We proactively manage risks through continuous monitoring and adopting best practices to mitigate business and operational uncertainties		
Environmental Sustainability			
Climate Resilience and Energy Efficiency	We reduce carbon emissions by optimising energy use and investing in renewable energy to enhance climate resilience	  	<ul style="list-style-type: none"><li>Regulators and Public Authorities</li><li>Shareholders and Investors</li><li>Customers/Trade Partners</li></ul>
Water Stewardship	We promote efficient water use and invest in community water projects to balance our water footprint	  	<ul style="list-style-type: none"><li>Regulators and Public Authorities</li><li>NGOs and Communities</li></ul>
Waste and Effluent Management	We minimise waste generation and ensure proper treatment of effluent to maintain environmental integrity	 	<ul style="list-style-type: none"><li>Regulators and Public Authorities</li><li>NGOs and Communities</li></ul>
Resource Use	We focus on reducing material usage and maximising recycling to conserve natural resources	 	<ul style="list-style-type: none"><li>Shareholders and Investors</li><li>Customers/Trade Partners</li><li>Industry Associations</li><li>Media/Analysts</li></ul>
Social Sustainability			
Diversity	We embrace diversity by fostering an inclusive workplace culture that values different perspectives		<ul style="list-style-type: none"><li>Employees</li></ul>
Human Rights and Labour Standards	We uphold human rights by ensuring fair labour practices while prohibiting discrimination across our operations	 	<ul style="list-style-type: none"><li>Regulators and Public Authorities</li><li>Suppliers/Vendors/Contractors</li><li>Employees</li></ul>

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Material Matters	Our Approach	UN SDGs	Key Stakeholder Groups
Social Sustainability (Continued)			
Employee Health, Safety and Wellbeing	We prioritise employee wellbeing through safety initiatives and comprehensive health programmes		<ul style="list-style-type: none"><li>Regulators and Public Authorities</li><li>Suppliers/Vendors/Contractors</li><li>Employees</li><li>Industry Associations</li></ul>
Human Capital Development	We invest in skill development and training to empower our workforce for future challenges		<ul style="list-style-type: none"><li>Employees</li></ul>
Community Investment and Development	We engage in impactful community programmes, addressing local needs while driving socio-economic growth		<ul style="list-style-type: none"><li>Industry Associations</li><li>Media/Analysts</li></ul>
Supply Chain Management	We prioritise responsible sourcing and collaborate with suppliers to ensure adherence to ESG criteria and quality standards		<ul style="list-style-type: none"><li>Regulators and Public Authorities</li><li>Suppliers/Vendors/Contractors</li><li>Employees</li></ul>
Responsible Consumption			
Product Safety, Quality and Hygiene	We maintain strict quality control protocols to deliver safe, high-quality products that meet international standards	 	<ul style="list-style-type: none"><li>Regulators and Public Authorities</li><li>Consumers</li><li>Customers/Trade Partners</li><li>Employees</li></ul>
Responsible Marketing and Consumption	We advocate responsible consumption by promoting awareness campaigns and aligning with ethical marketing guidelines		<ul style="list-style-type: none"><li>Shareholders and Investors</li><li>Consumers</li><li>Customers/Trade Partners</li><li>Employees</li></ul>








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GOVERNANCE

HEINEKEN Malaysia maintains a governance structure rooted in ethical conduct and accountability, fostering integrity across all levels of the organisation. These principles guide our daily operations, from frontline employees to senior leadership, ensuring operational excellence, ethical sourcing and supply chain integrity. Together, we build trust and encourage responsible corporate leadership which is essential for success in the competitive brewing industry.



Material Sustainability Matters	Key Highlights
2 Regulatory Compliance	 <b>ZERO</b> substantiated non-compliance incidents with applicable laws or regulations
4 Corporate Governance and Anti-Corruption	 <b>ZERO</b> substantiated complaints concerning breaches of customer privacy and losses of customer data
8 Data Privacy and Cybersecurity	
10 Risk Management	 <b>100%</b> employees underwent training on anti-bribery and anti-corruption

Corporate Governance and Anti-Corruption

Legal compliance and ethical conduct are central to HEINEKEN Malaysia’s governance and anti-corruption efforts. To maintain the highest standards of integrity and transparency across our operations, the Group maintains the following codes and policies.

**HEINEKEN Code of Business Conduct (HeiCode)**

The HeiCode was updated in 2023 to address evolving business needs and emerging challenges. Organised into four key areas – Caring for People and Planet, Maintaining Business Integrity, Protecting our Assets and Engaging Responsibly – the revised Code has been enhanced to clarify critical issues, including harassment and corruption. Regular reviews ensure its continued relevance and support our industry leadership. Compliance is mandatory, and violations may result in disciplinary action, termination of employment, or legal action where appropriate.



To read the HeiCode, please visit <https://www.heinekenmalaysia.com/corporate-governance/>

ESG Review

**HEINEKEN Policy on Bribery**

Our anti-bribery policy maintains a firm stance against bribery and corruption. We ensure full legal compliance, implement robust internal controls, offer periodic training and promote a culture of integrity and transparency to maintain the highest ethical standards across our operations.

 **ZERO**  
incidents of corruption reported

 **100%**  
Board members and employees received anti-bribery and anti-corruption training

**HEINEKEN Speak Up Policy**

As part of the Speak Up Policy, we provide a confidential reporting channel for our employees and stakeholders to report their concerns regarding unethical practices. Reports can be submitted online or by phone and are managed by an independent third party under the oversight of the HEINEKEN Global Integrity Committee. The Speak Up Policy ensures confidentiality for those reporting misconduct, including cases of fraud, corruption, harassment or discrimination. This service operates on a 24/7 basis, providing timely responses to all concerns.


 **14**  
reports received via Speak Up Channel

 **100%**  
cases resolved successfully

 **NONE**  
of the Speak Up cases has caused any material financial impact to the Group

**HEINEKEN Policy on Fraud**

Recognising the significant financial and reputational risks posed by fraud, we have a Fraud Policy that clarifies what constitutes fraudulent activity and provides guidance for its identification and mitigation. Maintaining transparency, accuracy and completeness in all records, both financial and non-financial, is essential for mitigating these risks and upholding stakeholder confidence.

 **Fully implemented**  
fraud risk assessments

Risk Management

The Group has established a comprehensive system of risk management and internal control, drawing from the COSO Enterprise Risk Management and Internal Control Reference model which is a key component of our HEINEKEN Business Framework.

The HEINEKEN Risk Management Framework (RMF) provides guidance for identifying and mitigating risks.

Type of Risks	Our Actions
<b>Responsible Commercial Communication</b>	
Risk of adverse public reaction to external communications/activities and potential change in regulations.	<ul style="list-style-type: none"><li>Managed external activities and communications across commercial teams.</li><li>Stepped up communications to enhance the Group’s reputation.</li><li>Corporate Affairs and Marketing teams explore partnership with Grab Malaysia for responsible consumption campaigns.</li><li>Introduced a new responsible marketing code e-learning in FY2024.</li><li>Engaged key government stakeholders on the Group’s socio-economic contributions and corporate responsibility activities.</li></ul>



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Type of Risks	Our Actions
Safety	
Uncontrolled events which lead to serious injuries or fatalities impacting the communities, potentially followed by business disruption, losses, reputational or legal claims.	<ul style="list-style-type: none"><li>A safety workshop was conducted with the Management Team.</li><li>A fire drill alongside an emergency evacuation drill for a chemical leak, was conducted in Sungei Way Brewery in collaboration with the Fire and Rescue Department (BOMBA).</li><li>A driving restriction hour was imposed for the commercial team. Additionally, mandatory safety e-learning sessions, focusing on LSC, were rolled out across the organisation.</li></ul>
Non-Compliance with Environmental Regulations	
Occurrences of excessive waste, pollution, or any other non-compliance with legal and regulatory requirements or stakeholder expectations may result in legal claims, reputational damage, or the revocation of the operational license.	<ul style="list-style-type: none"><li>Upgraded the Wastewater Treatment Plant with the employment of qualified personnel.</li><li>Completed the inspection and repair of underground drainage in 2021.</li><li>Proactive measures were taken to minimise the volume of scheduled waste within the brewery.</li></ul>
Violation of Human Rights	
Significant alleged or actual non-compliance with the Human Rights policy arising from our business activities within our operations or value chain, may result in claims, fines and reputational damage.	<ul style="list-style-type: none"><li>Adopted the HeiCode e-learning initiative to enhance awareness of human rights issues.</li><li>Spot checks on contract workers’ payroll are conducted by the People Function and Internal Audit Department to ensure compliance.</li><li>The annual Control Self-Assessment conducted on internal controls related to human rights has been rated effective.</li></ul>
Cyber Security Incident	
Cyber-attacks targeting the Group for the purposes of disrupting, disabling, destroying or stealing its critical data leading to potential loss of intellectual property, fines, legal expenses, loss of public confidence, business disruption, reputational damage, financial losses and loss of our license to operate.	<ul style="list-style-type: none"><li>Implemented the HEINEKEN Global Cybersecurity Framework, including firewall, network and security operations centre.</li><li>Adopted the HEINEKEN Information Security Maturity Assessment Framework as part of the internal controls to protect and detect threats against information systems, with quarterly assessments conducted to evaluate the effectiveness of the Group’s information security management system and cyber security measures.</li><li>Conducted monthly scanning of applications through the HEINEKEN Global Information Security vendor.</li><li>Launched the annual Cybersecurity Awareness programme.</li><li>Launched Cyber Security e-learning to raise awareness.</li><li>Conducted a Cyber Crisis Preparedness tabletop exercise.</li></ul>
Sustainability Goals	
Failure to fulfil BaBW’s goals could result in substantial damage to our reputation and heightened scrutiny of our sustainability programmes.	<ul style="list-style-type: none"><li>A sustainability governance structure is in place.</li><li>Management Team and the Board are updated quarterly on sustainability progress.</li><li>Non-financial reporting controls have been implemented since 2022 to track our progress and achievements of the BaBW goals.</li></ul>
Sustainability Disclosures	
Inaccurate reporting or unbalanced disclosure of non-financial indicators and BaBW goals could undermine transparency and accountability.	<ul style="list-style-type: none"><li>Proactive measures were taken to mitigate the risks associated with the goals of BaBW.</li><li>Consultants have been appointed to benchmark the standards, with the process currently ongoing.</li></ul>
Data Breach	
Accidental or deliberate loss of sensitive or critical data leading to fines, brand damage, adverse media exposure, loss of customer confidence and possibly loss of revenue.	<ul style="list-style-type: none"><li>Reviewed data and reporting system access controls.</li><li>Assessed the detection of unauthorised file transfer.</li><li>Modified Access Profiles for production interfaces.</li><li>Activated a phishing campaign across the organisation to enhance awareness of phishing and its attack methods with a 1.22% click rate recorded. Digital and Transformation team will continue to run this campaign to increase awareness.</li><li>Recognised an opportunity to address potential consumer data leakage, safeguarding our reputation.</li><li>Monitored Data Privacy regulation to embed compliance in SOPs.</li></ul>


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Type of Risks	Our Actions
Disruption of Sourcing Continuity	
Adverse change or high volatility in currency rates leading to deterioration of revenues and/or increase in input costs and reduced margins and/or liquidity.	<ul style="list-style-type: none"><li>Continued to manage the Group’s foreign currency exposures and align with HEINEKEN Global on hedging strategies and requirements.</li></ul>

Data Privacy and Cybersecurity

We prioritise the protection of both personal and business data to maintain trust and meet regulatory requirements. Safeguarding this information minimises the risk of data breaches, preserves our reputation and strengthens relationships with clients, enabling continued operational performance and compliance.


In compliance with the Personal Data Protection Act (PDPA) 2010, our Privacy Policy governs data management activities across the Group. The HEINEKEN Information Security Maturity Assessment (ISMA) framework, now known as Security Control Effectiveness Assessment (SCEA), was established by Heineken N.V. in compliance with the NIST Cybersecurity Framework. The NIST Cybersecurity Framework (CSF) is a set of guidelines developed by the U.S. National Institute of Standards and Technology (NIST) to help organisations manage and mitigate cybersecurity risks. All this information is stipulated in the HEINEKEN Cyber Security Policy. The framework is designed to fortify our information systems against potential threats. The efficacy of our cybersecurity risk management measures and the robustness of our information security management system undergo quarterly assessments through the SCEA evaluations.




**ZERO**  
substantiated complaints concerning breaches of customer privacy and losses of customer data

In FY2024, all employees completed mandatory training through the Data Privacy e-learning course to strengthen their cybersecurity awareness. To further enhance vigilance, a series of simulated phishing email exercises were conducted, focusing on recognising phishing tactics and attacks. Additionally, we engaged external specialists to perform network penetration tests, simulating real-world cyberattacks to identify vulnerabilities in our computer network. These tests not only help pinpoint weaknesses but also offer valuable recommendations for improving our security measures.


**Data Security Measures in 2024**




Email Phishing Exercise




Disaster Recovery Drill for Production Systems




SCAM ME - QR Phishing Campaign




Physical Cyber Security Training with Live Hacking Demos




Secure Brew - Cyber Security Newsletter




Cyber Security Awareness Day




Continuous Education on WhatsApp Phishing Scam Alert



Phishing Recognition Game 2.0



Security Awareness Training 2024



How to Identify Phishing Attacks Training



## ESG Review



### ENVIRONMENTAL SUSTAINABILITY

As a responsible corporate citizen, HEINEKEN Malaysia acknowledges the environmental risks posed by climate change and resource scarcity, including high energy and water consumption. In response, we adhere to the highest environmental responsibility standards, ensuring our sustainability claims are substantiated by credible and verifiable data. Our BaBW 2030 ambition guides our efforts with clear, measurable goals to reduce our environmental impact. Through this, we aim to brew responsibly and contribute to a more resilient future.

#### Material Sustainability Matters

- 3 Climate Resilience and Energy Efficiency
- 5 Water Stewardship
- 12 Waste and Effluent Management
- 16 Resource Use

#### Key Highlights



**100%**

renewable electricity since March 2022 through TNB GET programme



**29%**

improvement in water consumption vs 2014 baseline



**3,500**

mono-perc solar panels installed on roof of the Sungei Way Brewery



#### ESG Pillars and Ambition Areas

- Reach Net Zero Carbon
- Maximise Circularity
- Towards Healthy Watersheds and Nature



**36%**

reduction in Scope 1 and Scope 2 emissions in production vs FY2022 baseline



**Fully recycled and upcycled**

our production waste since FY2017



**209 %**

water balanced via water stewardship projects



## ESG Review



### NET ZERO CARBON

Our Ambition: We aim to achieve net zero emissions in Scopes 1 and 2 by 2030 and fully advance Scope 3 initiatives towards net zero by 2040.

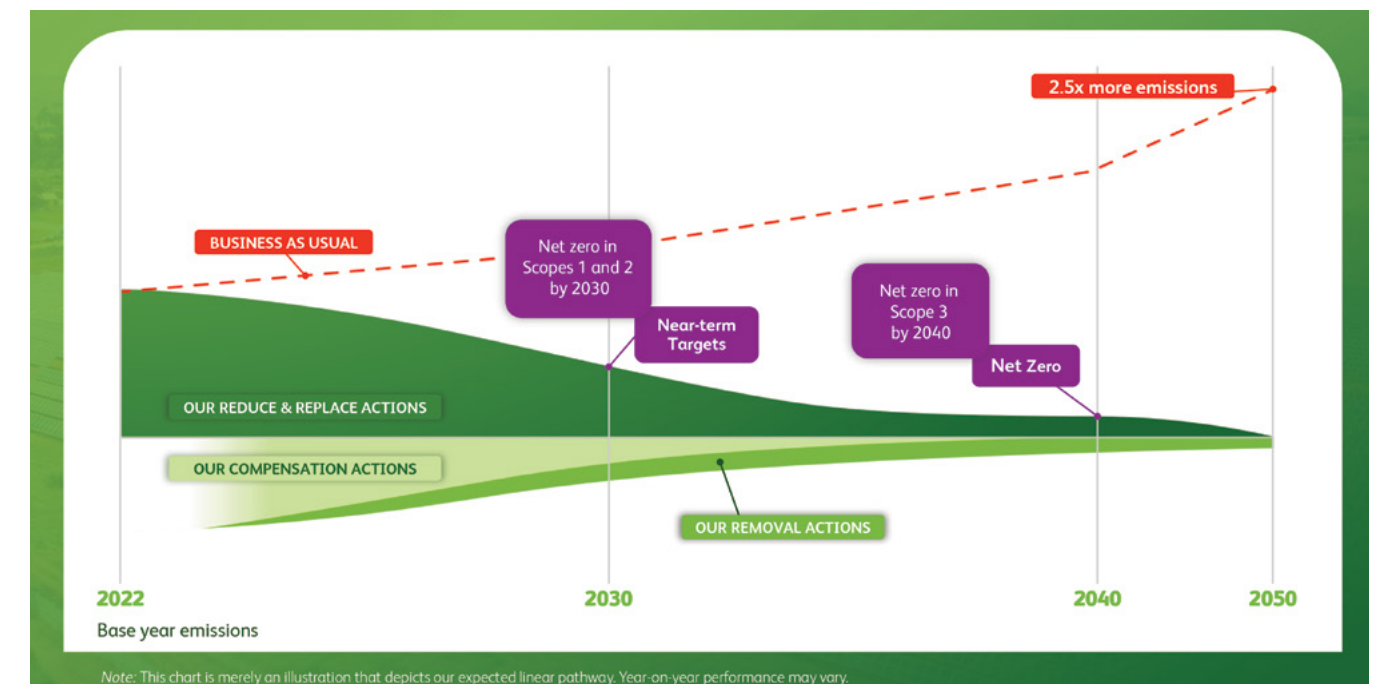
#### Our Roadmap to Net Zero

HEINEKEN Global's BaBW strategy sets out both short and long-term approaches to achieving net zero emissions across the entire value chain. Our target is to achieve net zero emissions in Scopes 1 and 2 by 2030 and fully advance Scope 3 initiatives towards net zero by 2040, relative to our 2022 baseline year.

Our strategy to reach net zero across our value chain is built on the four Rs: reduce, replace, remove and report. This involves transitioning from fossil fuels to renewable energy across our operations and value chain. We have set long-term and near-term targets to achieve this, approved by the SBTi. This ambition aligns with the 1.5°C global temperature limit in the Paris Agreement.

#### Our Net Zero Glidepath

2030 – Net zero in Scope 1 and 2 | 2040 – Net zero in Scope 3



#### Our Strategic Pillars

#### OUR NET ZERO ROADMAP IS ALL ABOUT THE 4 R'S



Reduce



Replace



Remove



Report

#### Process Optimisation for Increased Energy Efficiency

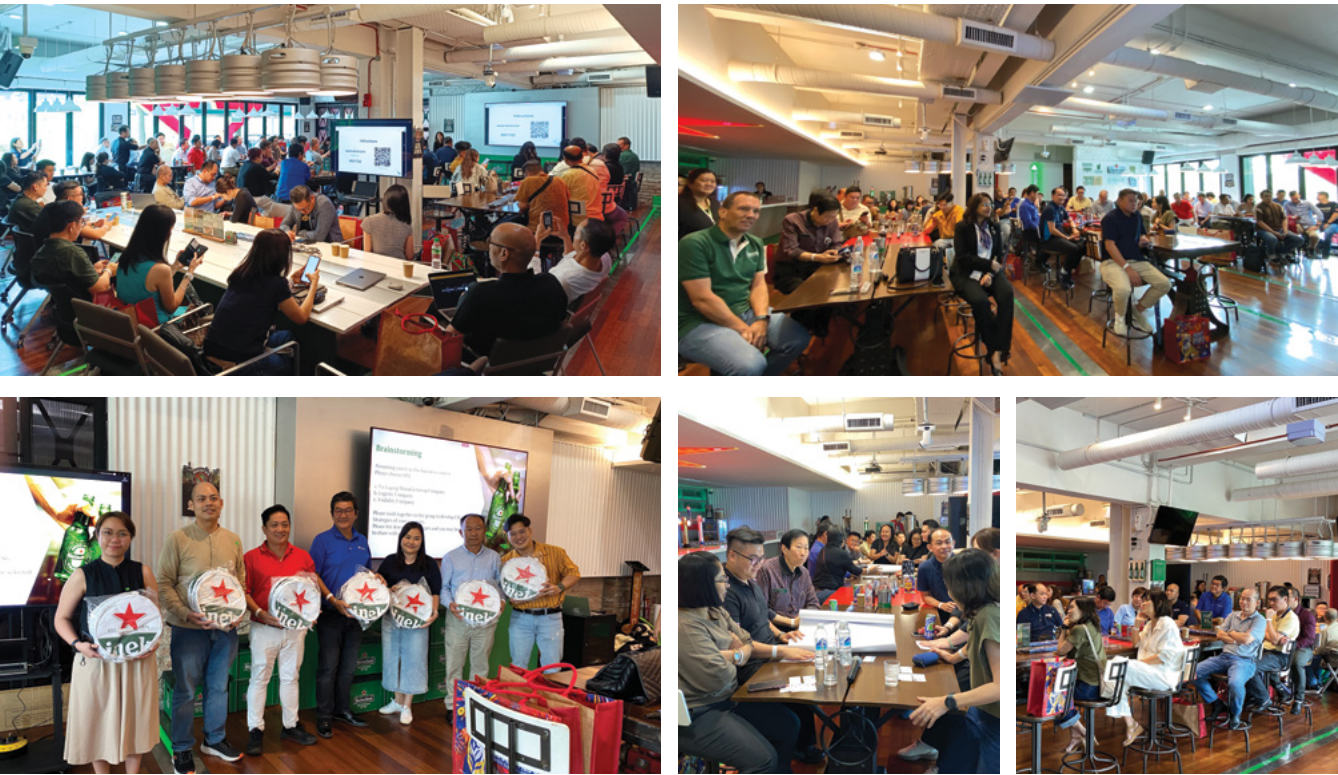
HEINEKEN Malaysia has implemented various energy-saving initiatives, including utility upgrades, process improvements and plant upgrades, resulting in a 1 kWh/hl reduction in cooling plant electricity consumption. Key measures include installing insulation on steam boilers and fermentation tanks, investing in energy-efficient refrigeration and adding a heat recovery system in the brewhouse. These are complemented by process optimisations such as reducing evaporation rates, enhancing clean-in-place efficiency and improving condensate return rates to maximise energy efficiency across our operations.



ESG Review

Enhancing Scope 3 ESG Engagement with Suppliers and Business Partners

We have engaged with our key suppliers and business partners to strengthen our collective focus towards ESG principles. With the support of our Procurement team and in partnership with the United Nations Global Compact Network Malaysia and Brunei (UNGCMYB), we rolled out the ESG Start dashboard to provide suppliers with access to maturity assessments and e-learning modules, equipping them with the necessary resources to strengthen their ESG practices while also contributing to our Scope 3 disclosures. This session aimed to deepen our suppliers' understanding of ESG principles and enhance their preparedness for compliance with ESG standards. It also enables us to effectively report on our Scope 3 engagement with suppliers and business partners.

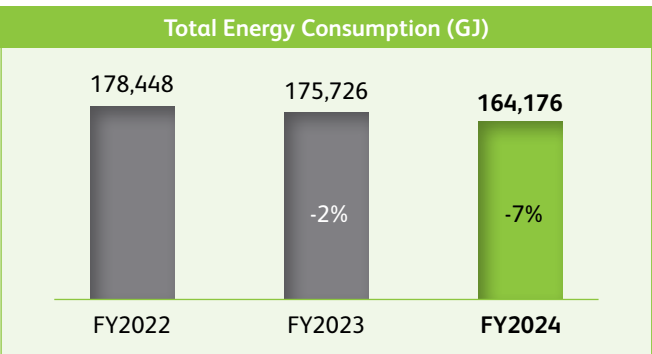


RENEWABLE ENERGY INTEGRATION

- Installed 3,500 mono-perc solar panels on Sungei Way Brewery roof, covering 9,044m<sup>2</sup> with a 2,600 MWh capacity.
- We subscribed to the GET programme with TNB, reducing emissions from our electricity usage.

Energy Management

In FY2024, HEINEKEN Malaysia's total energy consumption is recorded at 164,176 GJ. 62% of the total energy consumption stemmed from natural gas usage followed by 35% from procured electricity for the production process at the brewery. The remaining are from non-production processes at the office and company-owned vehicles. In FY2024, we recorded a reduction of 7% in total energy consumption compared to FY2023.



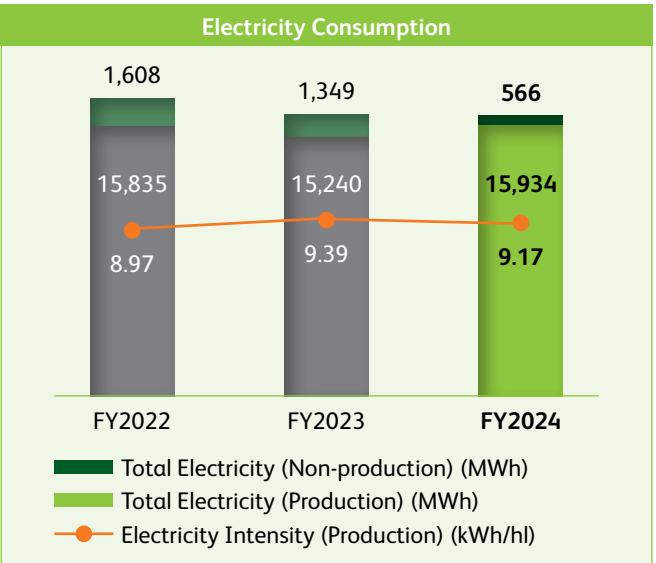
Note: Three years of energy data have been disclosed.

ESG Review

Breakdown by Type of Energy Consumption

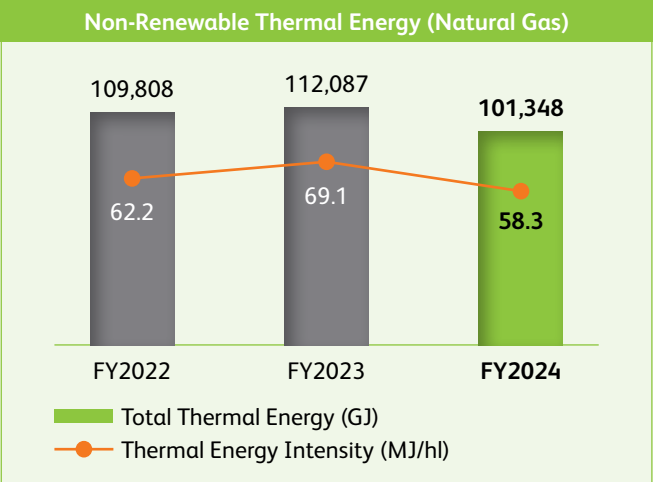
Procured Electricity

In FY2024, our procured electricity data accounts for consumption at both the brewery and the office. HEINEKEN Malaysia's total electricity consumption in FY2024 amounted to 16,500 MWh, where 97% was attributed to the production at the brewery. This marks a 1% decrease compared to our electricity consumption of 16,589 MWh in FY2023. Our electricity consumption for production decreased by 5% in FY2024, aided by the installation of mono-perc solar panels on our brewery roof.

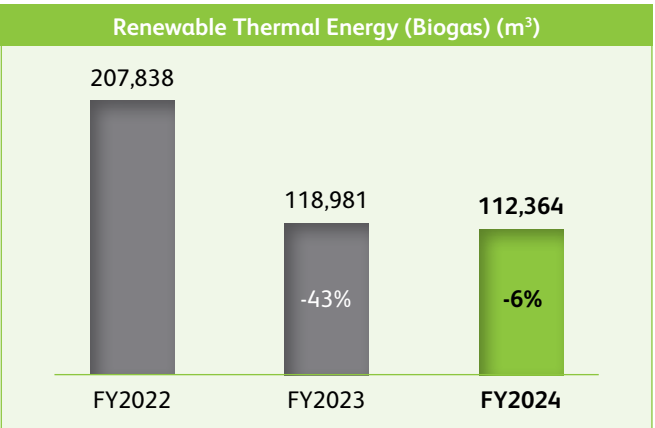


Thermal Energy

The primary sources of thermal energy for our production processes are natural gas, supplemented by biogas generated from our wastewater treatment plant which provides a renewable energy source. In FY2024, we recorded 101,348 GJ of natural gas consumption with an intensity of 58.3 MJ/hl. Compared to FY2023, our natural gas consumption has decreased by 10%.

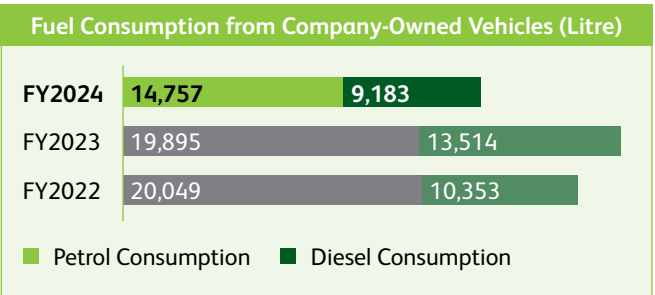


For biogas consumption, we generated 112,364 m<sup>3</sup> of biogas this year. A decrease of 6% in FY2024 was observed. By reducing water consumption across our production processes, we not only minimised overall water usage but also decreased the load on our wastewater treatment plant. This led to a lower volume of wastewater to be processed, which directly impacted the amount of biogas generated from the treatment plant, as less biogas was needed to handle the reduced load.



Fuel Consumed by Company-Owned Vehicles

Since FY2022, we have tracked fuel consumption from company-owned vehicles, including petrol and diesel. In FY2024, total fuel consumption was 23,940 litres, with 62% from petrol and 38% from diesel. Compared to FY2023, fuel consumption decreased by 28%.



Total Greenhouse Gas (GHG) Emissions

In FY2024, HEINEKEN Malaysia's total GHG emissions were 6,873 tCO<sub>2</sub>e, with 84% from Scope 1, including thermal energy, refrigerants and fuel consumption from company-owned vehicles. We achieved zero Scope 2 emissions through a 100% transition to renewable electricity. Additionally, our mono-perc solar panels have contributed to an emissions reduction of 736 tCO<sub>2</sub>e from July to December 2024. Our Scope 3 emissions, covering employee commute and business travel, accounted for 16% of the total emissions.



ESG Review

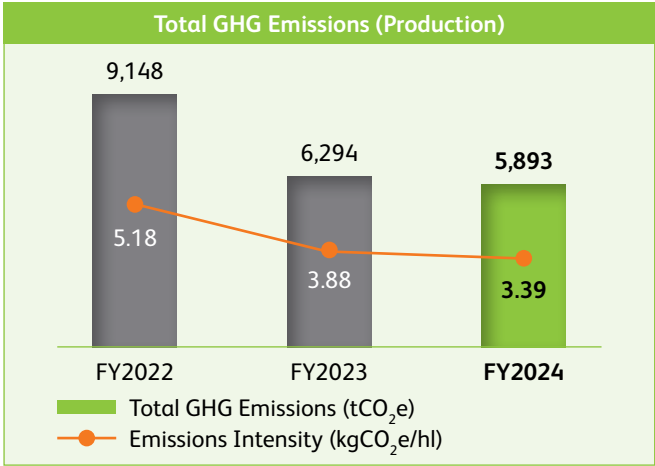
	FY2022	FY2023	FY2024
Scope 1 emissions (tCO <sub>2</sub> e) <i>(natural gas, refrigerants and company-owned vehicles)</i>	7,810	6,375	5,743
Scope 2 emissions (tCO <sub>2</sub> e) <i>(procured electricity in production and non-production)</i>	11,146	10,600	10,543
Scope 2 emissions reduction (tCO <sub>2</sub> e) <i>(through procured electricity from GET programme)</i>	(9,736)	(10,600)	(10,543)
Scope 2 emissions reduction (tCO <sub>2</sub> e) <i>(through solar panel installation in FY2024)</i>	N/A	N/A	(736)
<b>Total Scope 1 and 2 GHG Emissions (tCO<sub>2</sub>e)</b>	<b>9,220</b>	<b>6,375</b>	<b>5,743</b>
Scope 3 emissions (tCO <sub>2</sub> e) <i>(employee commute and business travel)</i>	N/A	1,310	1,130
<b>Total GHG Emissions (tCO<sub>2</sub>e)</b>	<b>9,220</b>	<b>7,685</b>	<b>6,873</b>

Notes:

- i. FY2022's emissions expanded to include Scope 1 emissions from production and company-owned vehicles, in addition to Scope 2 emissions from production and office activities.
- ii. Emissions for FY2023 and FY2024 encompass Scope 1 emissions from production and company-owned vehicles, Scope 2 emissions from production and office operation and the inclusion of Scope 3 emissions from business travel (both land and air).
- iii. Total GHG emissions data presented in HEINEKEN Malaysia's Annual Report 2022 is only inclusive of Scopes 1 and 2 for production only.
- iv. Three years of total GHG emissions data for all operations have been disclosed, applying the Operational Control consolidation method.

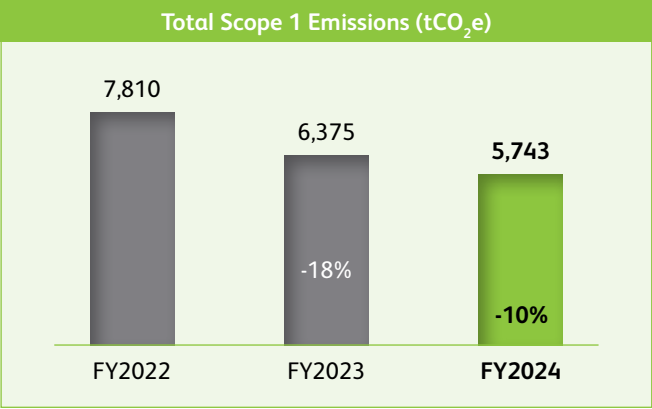
Total GHG Emissions from Production

Our GHG emissions from production include those from natural gas consumption, refrigerants, signboards and purchased electricity for use at the brewery. Our total carbon emissions have decreased by 36% since our FY2022 baseline, recording at 3.39 kgCO<sub>2</sub>e/hl. This reduction is attributed to the Group's complete transition to renewable electricity since March 2022 and the mono-perc solar panels installation on Sungei Way Brewery roof which has been operational since July 2024.



Direct Scope 1 Emissions

The Group's Scope 1 emissions primarily stem from natural gas usage and refrigerants in production processes. In FY2024, total Scope 1 emissions amounted to 5,743 tCO<sub>2</sub>e, marking a 10% decrease compared to 6,375 tCO<sub>2</sub>e in FY2023. In comparison with our FY2022 baseline, a 26% reduction in Scope 1 emissions has also been recorded, reflecting ongoing improvements in operational efficiency.

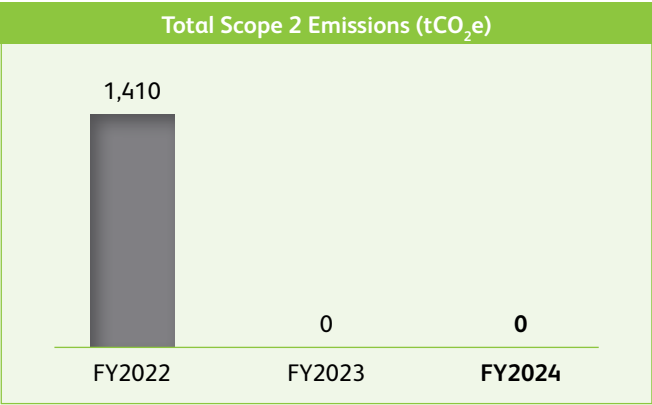


Indirect Scope 2 Emissions

The Group's Scope 2 emissions are primarily consumed in both production and non-production activities at the headquarters office in Sungei Way Brewery. Since March 2022, we have subscribed to TNB's GET Programme which mitigated all Scope 2 emissions, where 100% of our electricity was sourced from renewable sources, resulting in zero Scope 2 emissions recorded for FY2023 and FY2024.

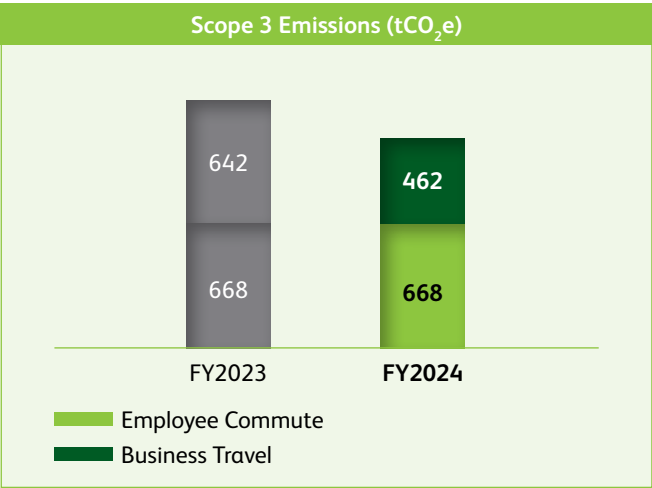
ESG Review

Additionally, the 3,500 mono-perc solar panels installed on the Sungei Way Brewery roof, with a total capacity of 2,600 MWh further reduced 736 tCO<sub>2</sub>e from the period of July 2024 till December 2024. The mono-perc solar panels are fully operational since July 2024 which accounts for 7% of the total electricity consumption of the brewery.



Other Indirect Scope 3 Emissions

Our total Scope 3 emissions for FY2024 amounted to 1,130 tCO<sub>2</sub>e. Specifically, our emissions from business travel amounted to 462 tCO<sub>2</sub>e, with 668 tCO<sub>2</sub>e attributed to employee commute. Our emissions from employee commute represent the entire workforce at HEINEKEN Malaysia (526 employees). We have utilised an average-based methodology to estimate these emissions, drawing insights from a survey conducted by Heineken N.V. in FY2023, categorised by the Asia Pacific (APAC) region.



**MAXIMISE CIRCULARITY**

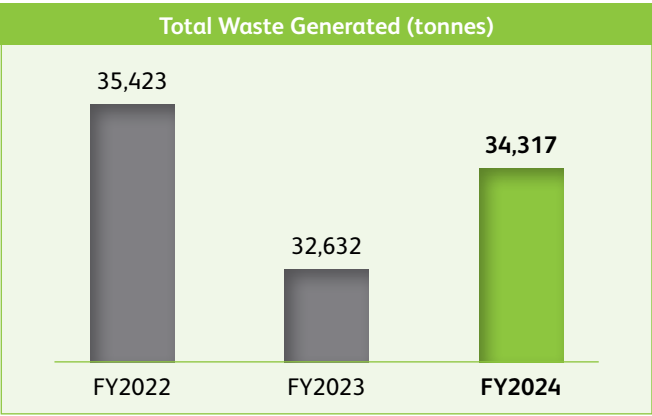
 Our Ambition: We aim to reach zero waste to landfill by 2025 at our production site, advancing circularity by repurposing, recycling and transforming waste into valuable resources, contributing to a closed-loop value chain.

Waste and Effluent Management


HEINEKEN Malaysia places great importance on effective waste management to minimise environmental impact and optimise cost efficiency. The majority of our waste consists of biodegradable byproducts such as spent grain, yeast and kieselguhr, which have commercial value from reuse in other industrial applications.


We prioritise the reuse of brewery by-products, such as spent grain and yeast, while enhancing recycling initiatives to improve resource efficiency. During the reporting year, the Group incurred no environmental fines or penalties.


Total Waste Generated



Note: The total waste generated covers 100% of our operations.

 Generated **34,317** tonnes of waste

 **RM2.20 million** revenue generated

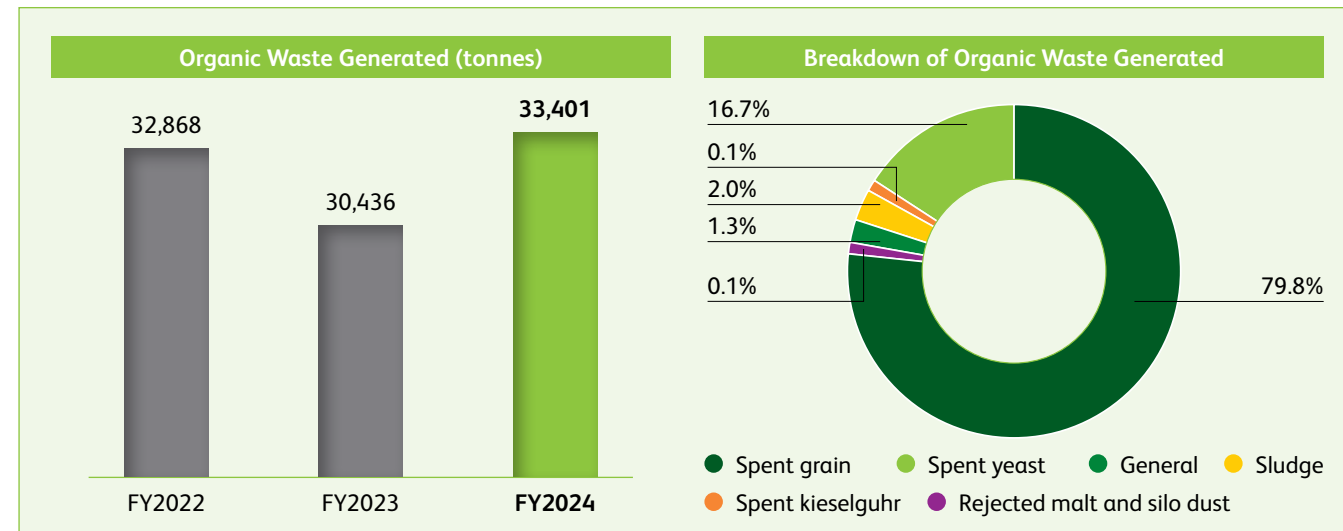
 **Fully recycled and upcycled** our production waste



## ESG Review

### Organic Waste Management

In FY2024, we produced a total of 33,401 tonnes of organic waste with spent grain accounting for 79.8% of the organic waste.



#### TURNING WASTE INTO VALUE



A majority of our organic waste streams, encompassing spent grain, yeast and kieselguhr, have inherent biodegradability and considerable commercial potential. We collaborate with external partners to repurpose these by-products through bioconversion processes, generating valuable materials for a range of industries.

#### WASTE TO ENERGY

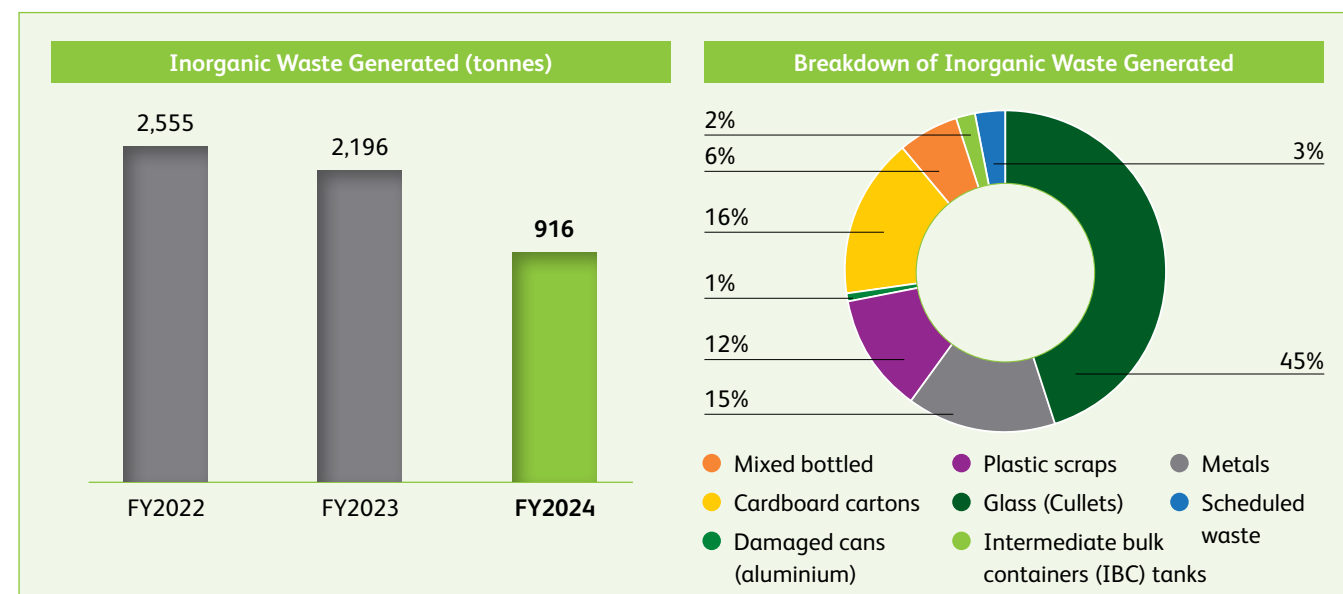


Wastewater is transformed into a valuable resource for biogas production via anaerobic digestion, thereby reducing our reliance on fossil fuels within the brewing process. As part of our ongoing ambition towards sustainability, we actively explore innovative technologies for converting organic waste into biogas.

### Inorganic Waste Management

Our inorganic waste stream consists of a range of materials such as cardboard, glass, metals, plastics, damaged aluminium cans, intermediate bulk containers (IBC) tanks and scheduled waste. Our brewery produces minimal scheduled waste, and it is handled by a licensed contractor. To support effective waste segregation, we provide dedicated bins in cafés, office spaces and pantries, allowing staff to separate food waste, packaging and other types of waste.

In FY2024, we produced a total of 916 tonnes of inorganic waste, where 45% of our inorganic waste consisted of glass.



## ESG Review

### Packaging Material

HEINEKEN Malaysia is proud to announce that through a strategic partnership aimed at advancing sustainability in secondary packaging, we introduced prem collars in our secondary packaging material. We are replacing plastic shrink wraps in all locally brewed multi-can secondary packaging with a paper-cardboard prem collar. Prem collar, a type of paperboard packaging made from renewable materials that is used to hold cans, offers an alternative to traditional shrink wrap.

Through this innovative initiative, we are taking steps to reduce single-use plastic from our secondary packaging. This initiative is also expected to reduce approximately 108 tonnes of single-use plastic from the packaging from the period of September 2023 to December 2024.



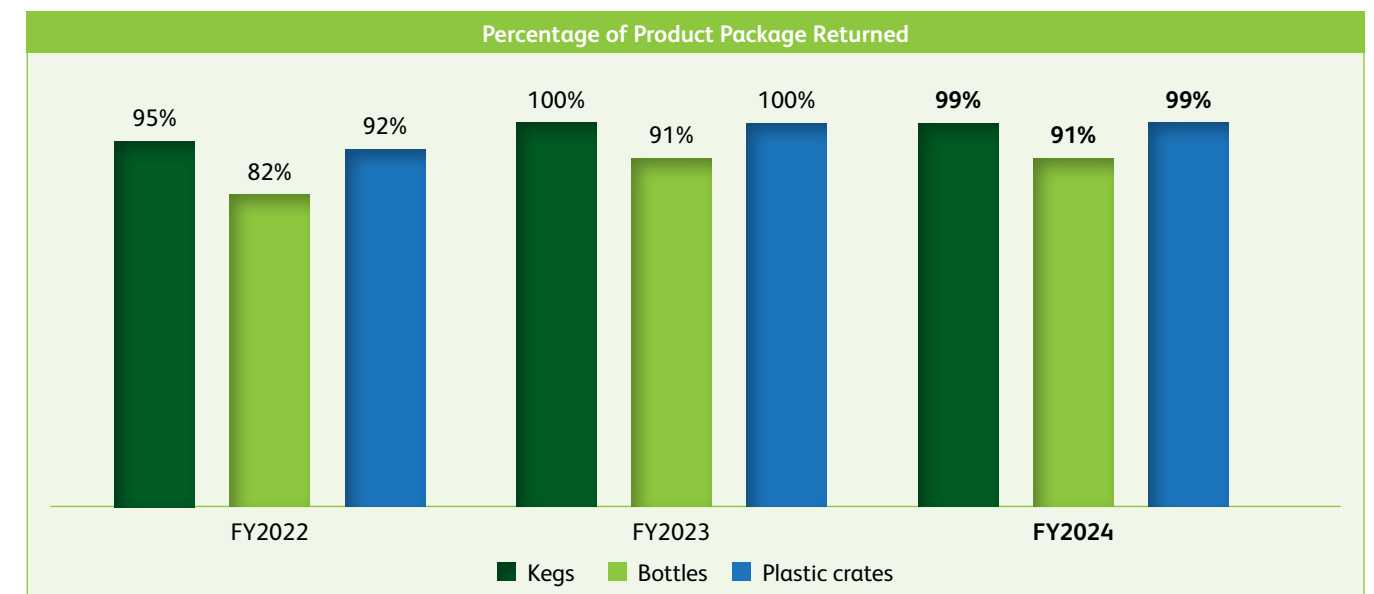
Reduced

**approximately 108 tonnes**  
of plastic from packaging

### Resource Use

Our approach emphasises reduction, reuse and recycling across kegs, bottles and crates. By embracing a circular packaging model, we minimise our reliance on finite resources.

In FY2024, the returned kegs, bottles and plastic crates, which are collected from the on-trade outlets in Peninsular Malaysia, are at 99%, 91% and 99% respectively. FY2024 presents a unique challenge due to the seasonal peak periods in January and December, which are two key months for stock build-up. During these peak periods, the returnable packaging materials are typically delayed as customers accumulate stock to meet demand. These seasonal driven returnable patterns provide a great opportunity to refine and optimise logistics processes. By understanding and anticipating these patterns, we can improve forecasting, enhance supply chain efficiency, whilst ensuring our packaging returns remain consistent and contribute to a more sustainable circular economy to advance our sustainability goals.





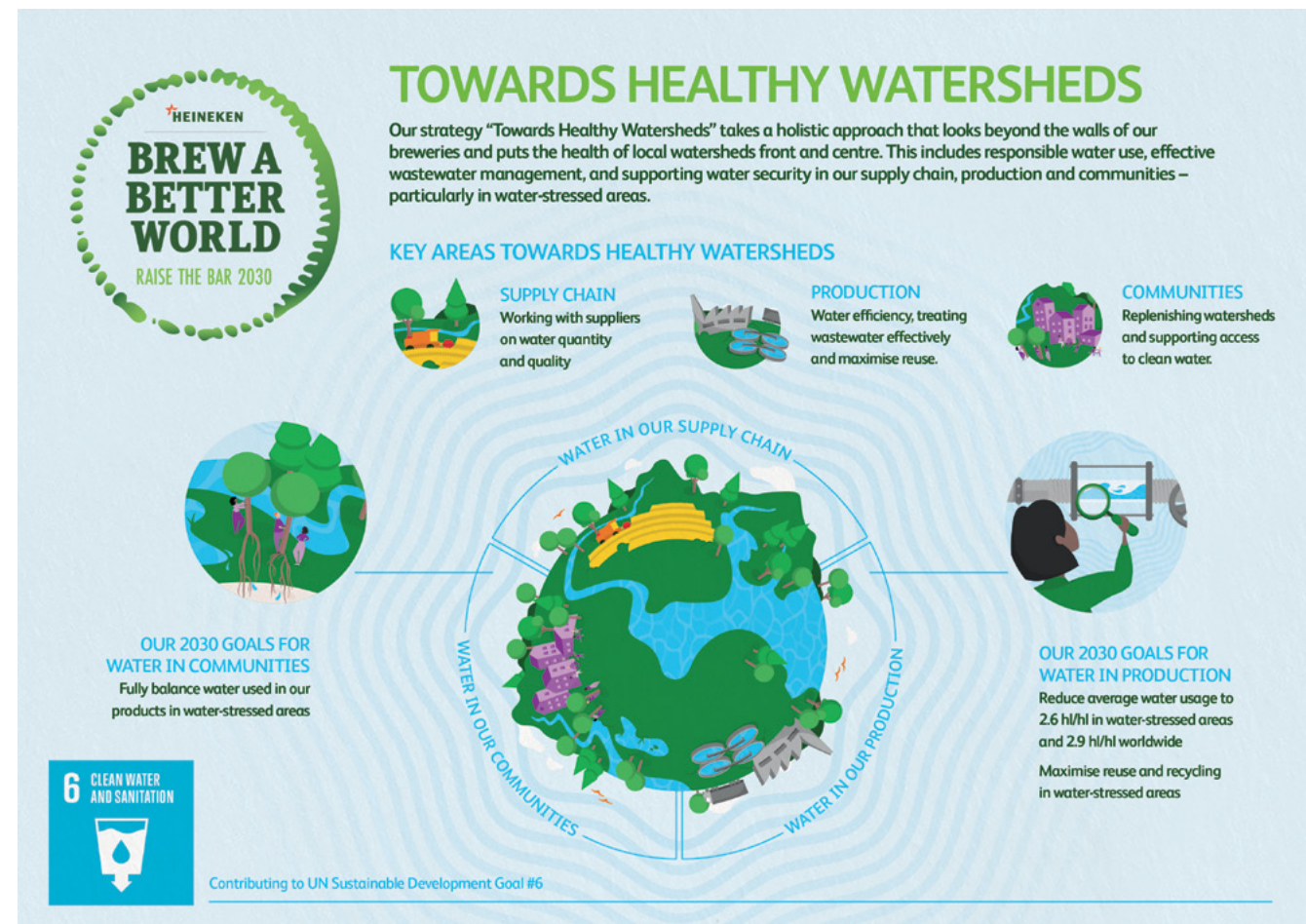
## ESG Review

### TOWARDS HEALTHY WATERSHEDS AND NATURE



Our Ambition: Our 2030 water strategy, 'Towards healthy watersheds and nature' is designed to create long-term value in our production processes and go beyond our brewery walls to actively support the health and sustainability of local watersheds.

#### Our 2030 Water Goals



Water is not only essential to our products – it is an important resource that supports all aspects of our operations. We have made water management a core priority, recognising its importance to our business, communities and the environment. This strategy is built on three key pillars: **water in our production**, **water in our communities** where we operate and **water in our supply chain**.

At HEINEKEN Malaysia, we manage water use in production through a combination of water efficiency improvements, reuse and recycling initiatives and wastewater treatment processes. Our focus is on improving water usage, reusing and recycling water within our operations and promoting best practices beyond our business. We also invest in advanced technologies to improve water management efficiency.

For 2030, we aim to reduce the amount of water we use to produce one litre of our products to 2.6 hl/hl. This target is part of

our measurable sustainability goals, which are regularly tracked and reported to ensure we are making progress towards achieving them. All wastewater produced in our brewery is treated to protect the local ecosystem and comply with the Environmental Quality Act 1974 and the Environmental Quality (Industrial Effluent) Regulations 2009 Fifth Schedule (Standard B) by the Department of Environment.

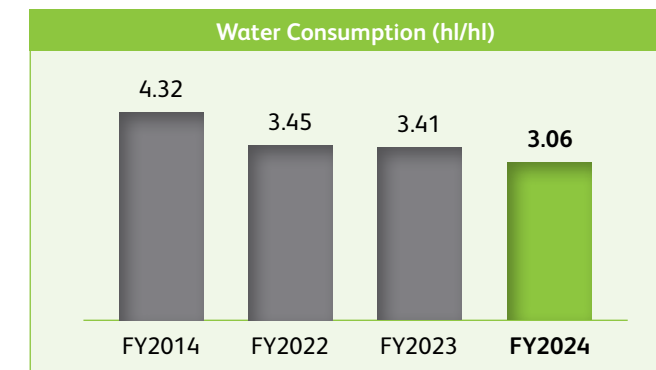
In our communities, we strive to balance the water used in our products through initiatives that incorporate nature-based solutions, including reforestation and rehabilitation projects at our watershed and wastewater discharge. These actions are focused on reducing water loss and improving resilience to climate change impacts.

## ESG Review

### Water In Our Production

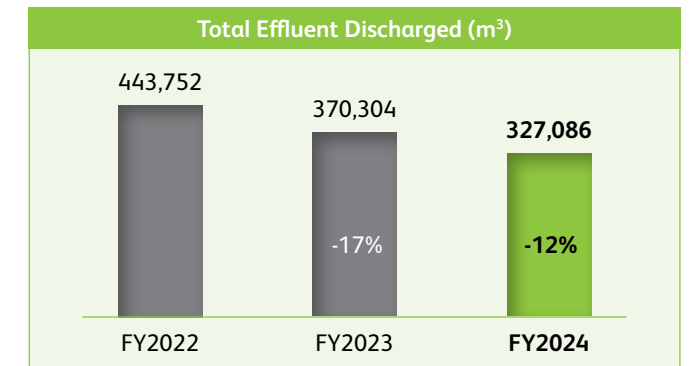
To achieve our 2030 goal of reducing water consumption to 2.6 hl/hl, we have upgraded our brewery to reduce our water consumption. To further enhance our efforts, the integration of flow metres enables precise monitoring and optimisation of recycling processes, improving overall resource efficiency.

In FY2024, we recorded an average water consumption of 3.06 hl per hl of beer produced, a 29% improvement versus the FY2014 baseline year. There was a decreasing pattern seen from previous years, and we continue to strive to meet our BaBW target of reducing average water consumption to 2.6 hl/hl.



Our wastewater treatment plant, with an annual capacity of 780 million litres, ensures full compliance with the Environmental Quality Act 1974 and the Environmental Quality (Industrial Effluent) Regulations 2009 Fifth Schedule (Standard B). Zero incidents of non-compliance with water quality standards and regulations were recorded in the reporting year.

In FY2024, wastewater discharge decreased by 12% compared to FY2023. By implementing more efficient water usage practices, optimising processes and promoting conservation efforts, we were able to lower the volume of water used, which directly contributed to a decrease in wastewater discharge.



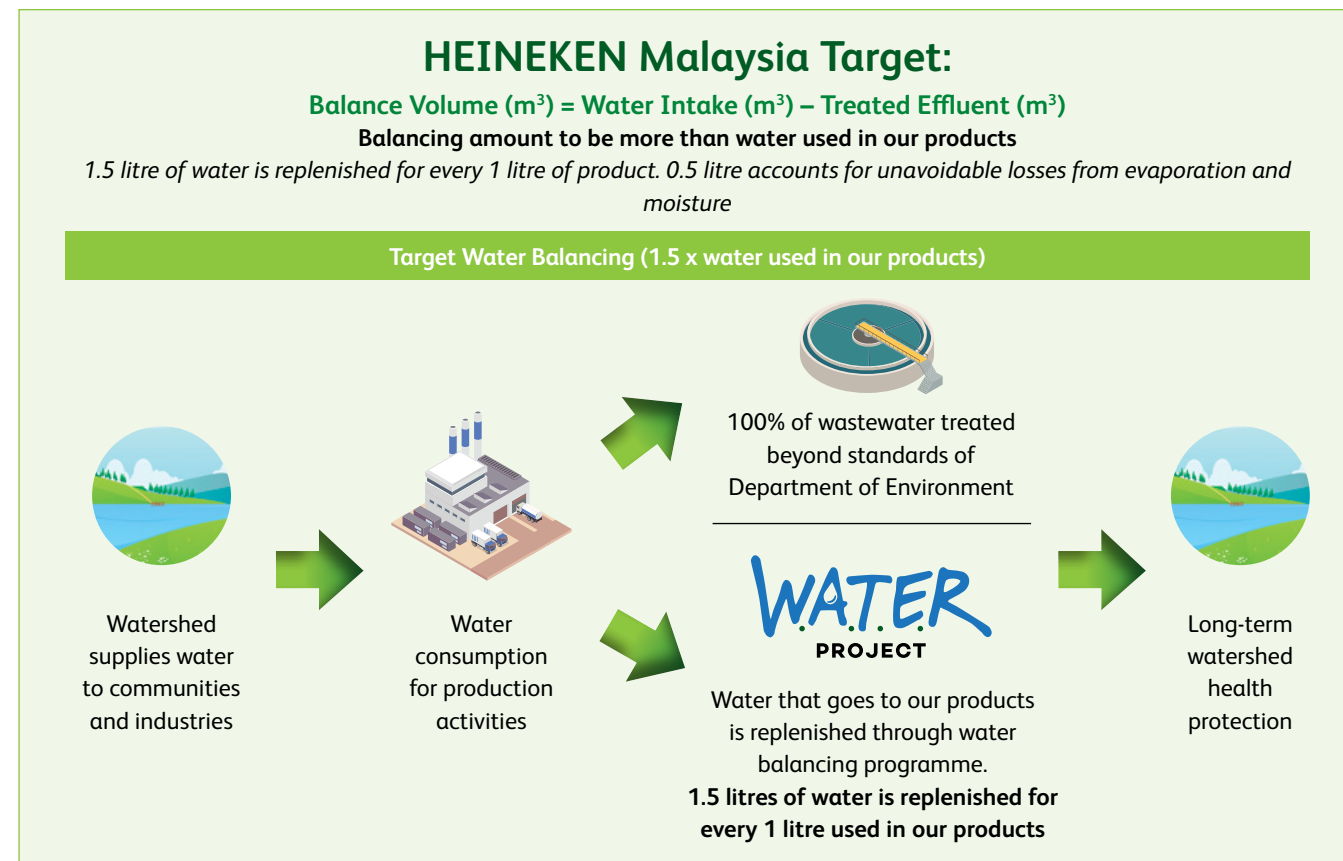
### Water In Our Communities

We aim to balance the amount of water used in our products with our local watersheds through investing in water stewardship projects. For every 1 litre of water in our beers and ciders, we target to balance 1.5 litres of water in our watersheds. We have initiated various water conservation projects and remain dedicated to ongoing contributions. Central to these efforts is our flagship initiative, the W.A.T.E.R Project, undertaken in collaboration with the Global Environment Centre and local communities supported by the Government agencies. Spearheaded by the SPARK Foundation, HEINEKEN Malaysia's corporate responsibility arm established in 2007, our endeavours focus on environmental protection and empowering local communities in the areas of water access and food security.





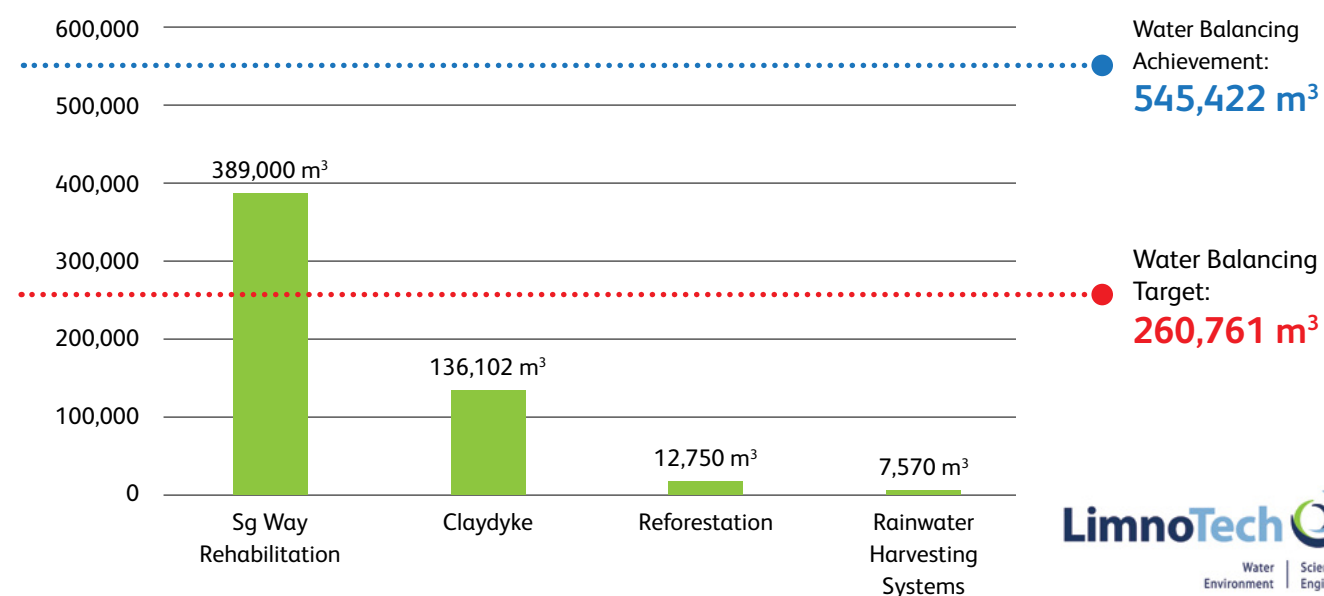
## ESG Review



Our water balancing volumes are quantified and verified in line with the Volumetric Water Benefit Accounting (VWBA) framework by the World Resources Institute; volumetric benefit evaluation is independently verified by LimnoTech, a leading water sciences and environmental engineering firm based in the United States.

In 2024: HEINEKEN Malaysia achieved 209% of our target water balancing volume

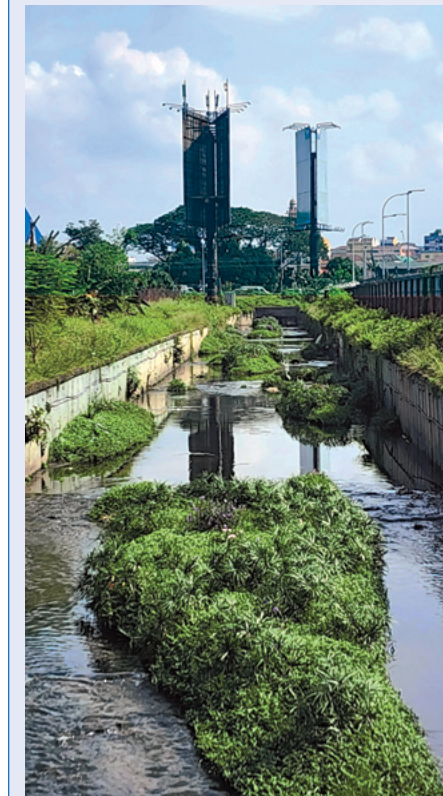
2024 Water balancing achievement through Water Stewardship initiatives



## ESG Review



## Sungai Way River Rehabilitation



## WHERE

## Sungai Way river

Petaling Jaya

## WHY

Located next to HEINEKEN Malaysia's Sungei Way Brewery, this is where our **treated wastewater is discharged**

## WHAT

**Transformed water quality** from Class IV-V (extremely polluted) to Class III (suitable for living organisms)

## HOW

- Pollution reduction: point source mapping, rubbish traps, solid waste monitoring
- Water quality improvement: food, oil and grease traps systems and biological treatment
- River within river concept - constructed wetlands to improve quality of water in the river

## RESULT

- Reduction in pollution
- Improved habitat and biodiversity

## VOLUMETRIC WATER BENEFIT

**389,000 m³**  
(389 million litres)



## Clay Dyke for Water Retention



## WHERE

## Raja Musa Forest Reserve

Hulu Selangor

## WHY

**Sungai Selangor watershed** as a key water resource

## WHAT

Constructed **305-metre clay dyke** at Raja Musa Forest Reserve

## HOW

- Built four to five metres vertical wall of clay below the peat surface to prevent peatland fires by promoting wetter soil conditions
- Blocks water flow from the peatlands into disused mining ponds, effectively raising the water table in the areas upgradient to the dyke

## RESULT


- Increase in soil water retention
- Decrease in the risks of peatland fires
- Restoration of peatland, contributing to the long-term sustainability of the watershed
- **ZERO** forest fires since 2019

## VOLUMETRIC WATER BENEFIT


**136,102 m³**  
(136 million litres)



ESG Review



### Reforestation of Degraded Peatland



WHERE

Raja Musa Forest Reserve  
Hulu Selangor

WHY

Prevent peatland fires  
by promoting wetter soil conditions

WHAT

1,800 trees planted  
and maintained on three hectares of degraded peatland

HOW

- Open planting techniques
- Cleared invasive weeds and plants

RESULT

- Prevent further degradation of the peat
- Increased soil water retention

VOLUMETRIC WATER BENEFIT

12,750 m<sup>3</sup>  
(12.7 million litres)



### Rainwater Harvesting for Local Communities



WHERE

Klang Valley

WHY

Help communities  
obtain access to alternative water sources to reduce reliance on treated water

WHAT

33 Rainwater Harvesting Systems  
consists of an interconnected rooftop area that serves as a catchment for the rainwater and storage tanks to collect and store rainwater

HOW

- The rainwater collected serves as non-potable water supply including cleaning, landscaping and irrigation
- Increase water availability in the local community to reduce wastage on treated water and stress on our water resources

RESULT





- Reduced demands on treated water source
- Rainwater harvesting systems are linked to 12 community farming projects which help in supplementing income and food

VOLUMETRIC WATER BENEFIT

7,570 m<sup>3</sup>  
(7.5 million litres)

ESG Review

Our Progress Against BaBW 2030 Ambitions

Environmental Sustainability		
		
		
Ambition Areas	Our BaBW Global Ambitions	Our FY2024 Progress
Net Zero Carbon	<ul style="list-style-type: none"><li>Reach net zero across our value chain by 2040<sup>1</sup></li><li>Reach net zero in Scopes 1 and 2 by 2030<sup>2</sup></li><li>Reduce Scope 3 FLAG (forest, land and agriculture) emissions by 30% and non-FLAG by 25% by 2030</li></ul> <p><sup>1</sup> 100% of our Scopes 1, 2 and 3 GHG emissions.</p> <p><sup>2</sup> 100% of our Scopes 1 and 2 GHG emissions.</p>	<ul style="list-style-type: none"><li>Reduced 36% of carbon emissions (Scopes 1 and 2) in production vs 2022 baseline</li><li>100% renewable electricity via TNB GET programme</li><li>3,500 mono-perc solar panels with a total capacity of 2,600 MWh installed and operational since July 2024</li><li>Engaged 36 business partners on Scope 3 reporting</li></ul>
Maximise Circularity	<ul style="list-style-type: none"><li>Zero waste to landfill for all production sites by 2025</li><li>Turn waste into value and close material loops throughout the value chain</li></ul>	<ul style="list-style-type: none"><li>Fully recycled and upcycled our production waste since 2017</li></ul>
Towards Healthy Watersheds and Nature	<ul style="list-style-type: none"><li>Reduce average water usage to 2.6 hl/hl in water-stressed areas by 2030</li><li>Fully balance<sup>3</sup> water used in our products in water-stressed areas by 2030</li><li><sup>3</sup> For every 1 litre of water in our products, we aim to balance 1.5 litres of water through water stewardship projects.</li><li>Maximise reuse and recycling in water-stressed areas by 2030</li></ul>	<ul style="list-style-type: none"><li>Improved water consumption by 29% vs 2014 baseline year</li><li>3.06 hl water consumed per hl of beer</li><li>209% water balanced in 2024</li><li>Treated wastewater is collected and reused for general cleaning and gardening purposes</li><li>100% of wastewater treated beyond the standards required by the Department of Environment</li></ul>

Note: A comprehensive set of environmental data in compliance with Bursa Malaysia's sustainability reporting requirements can be referred to the Performance Data Table on page 99.





## ESG Review



### SOCIAL SUSTAINABILITY

Our social sustainability efforts focus on promoting Diversity, Equity and Inclusion (DEI), supporting local communities and ensuring the health and safety of employees and consumers. We strive to create a positive social impact through initiatives that enhance wellbeing, foster safe drinking and empower employees while contributing to societal development through partnerships and community engagement. We aim to align our business practices with global social sustainability standards, driving long-term value for both society and the company.

#### Material Sustainability Matters

- 7 Employee Health, Safety and Wellbeing
- 9 Human Rights and Labour Standards
- 11 Supply Chain Management
- 13 Human Capital Development
- 14 Community Investment and Development
- 15 Diversity

#### List of Ambition Areas

- Embrace Inclusion and Diversity
- A Fair and Safe Workplace
- Positive Impact on our Communities



#### Key Highlights

**43%**  
of women in Board of Directors

**38%**  
of women in Management Team

**20,993 Hours**  
of training provided to employees

**ZERO**  
fatal accidents and serious injuries

**2**  
social impact initiatives



## ESG Review



### EMBRACE DIVERSITY, EQUITY AND INCLUSION

Our Ambition: We aim to create an environment where everyone feels valued and respected. Embracing diverse perspectives and equitable opportunities enhances collaboration between our teams for a shared purpose.

#### Diversity

Guided by our DEI principles, we cultivate an environment where diverse strengths are valued, enabling individuals to reach their full potential. Efforts to enhance gender balance in Senior Management are progressing, with targets set at 30% women by 2025 and 40% by 2030. To accelerate progress, initiatives such as the DEI Strategy and Women Interactive Network (WIN) have been introduced.

#### DEI Strategy

HEINEKEN Malaysia's DEI strategy promotes inclusivity by strengthening leadership, cultivating a supportive environment and promoting equitable opportunities. Appointed from each department, DEI ambassadors play a key role in creating meaningful spaces for employees to share their experiences and perspectives, driving deeper engagement across the organisation.

Our key DEI initiatives in FY2024 include:



Reigniting the "WANT" to participate by refreshing DEI council members from various functions.



Launched a DEI BINGO Challenge, gamifying inclusion with activities for recognition and rewards.



Curated two DEI-themed films, "Breaking Labels" and "The Inner Voice", to challenge workplace stereotypes and foster belonging.



Conducting Unconscious Bias Awareness workshops for targeted teams to improve awareness and practices.





## ESG Review

Our efforts to advance the gender equality agenda are embraced through five key pillars.

### Talent Acquisition and External Brand

- Ensured our recruitment processes encourage equal opportunity by including diverse candidate pools, with a target of at least 30% female applicants, particularly for Sales and Supply Chain roles.
- Designed inclusive job advertisements, free from gendered language, using gender-neutral titles and descriptions to promote diversity.
- Implemented blind screening by eliminating photographs in CV submissions to reduce potential biases.
- Maintained a merit-based hiring process, promoting fairness and objective criteria while striving for gender diversity.

### Leadership Development

- Required all People Managers to complete the All-Inclusive Leadership e-learning module, focusing on strategies to advance gender equality.
- Rolled out the Inclusive Practices toolkit, comprising nine key strategies, including ensuring equal opportunities for all.

### Performance Management and Rewards/Gender Pay Parity

- Conducted unbiased performance discussions through Inclusive Leadership practices, contributing to higher promotion rates for women employees.
- Incorporated Gender Pay Gap analysis into the annual salary review process, ensuring equitable salary considerations for new hires based on internal benchmarks.

### Employee Relations/Inclusive Culture

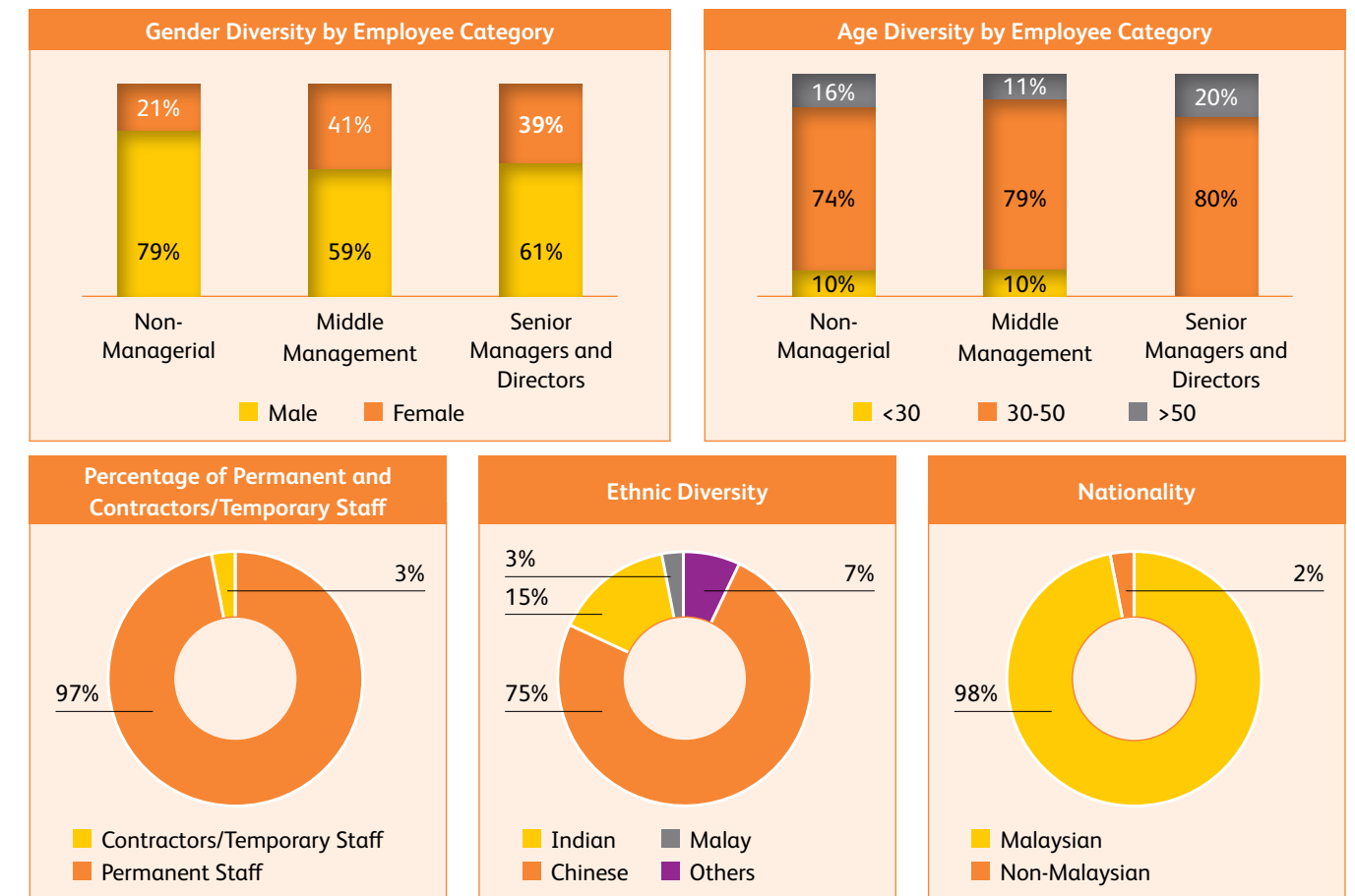
- Updated the Anti-Sexual Harassment policy to strengthen understanding and awareness among employees.
- Delivered a refresher on the Speak Up Policy, reinforcing its importance and accessibility.
- Organised bi-annual feedback sessions, such as listening circles and dialogue forums, to understand women's perspectives on gender equality efforts.
- Guaranteed the inclusion of women in all internal and external events, initiatives and projects to reflect organisational diversity.

## ESG Review

### Workforce Diversity

To improve our workforce diversity, hiring, remuneration and promotion practices are conducted without any discrimination based on race, gender, sexual orientation, religion, national or social origin, age, or disability. Furthermore, our remuneration practices are benchmarked against external market data to guarantee fair compensation for our employees.

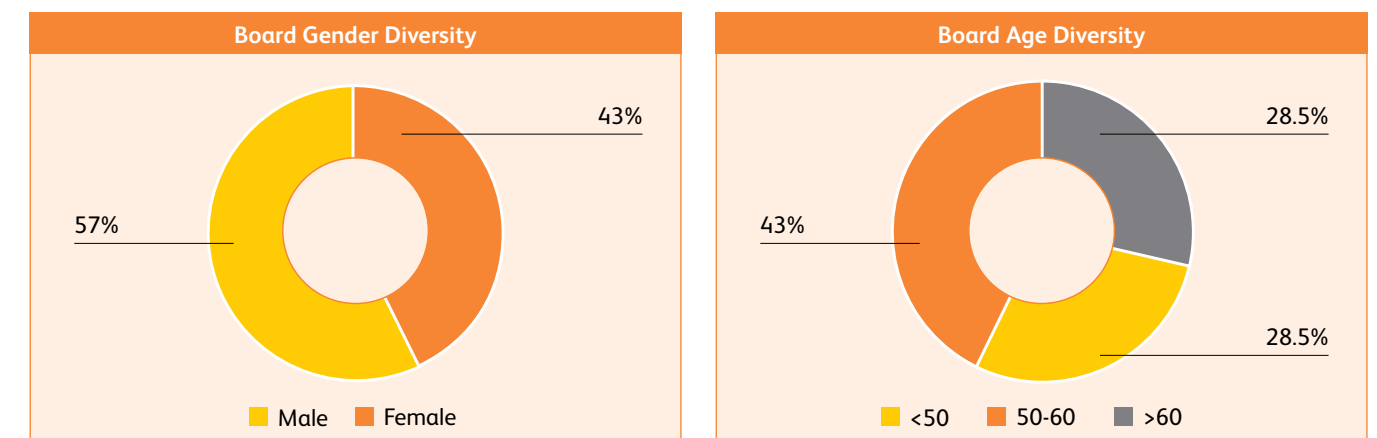
In total, our workforce comprised 526 employees, with a gender ratio of 70:30 between male and female. In terms of age distribution, 9% were under 30 years old, 76% fell within the 30 to 50 range and 15% were above 50 years old. The breakdown also showed a majority of employees in permanent positions, constituting 97% of the workforce.



Notes:

- \* A comprehensive comparison of three years data can be referred to the Performance Data Table on pages 100 and 101.
- Other individuals under the ethnic demographics encompass indigenous people of Sabah and Sarawak, Eurasians and foreign nationals.
- Senior Managers and Directors are exclusive of Board members.

Our Board of Directors exceeded the 30% female representation recommended under the Malaysian Code on Corporate Governance 2021 by the Securities Commission Malaysia, achieving 43%. 43% of the Directors fell within the age range of 50 to 60, while 28.5% were above 60 and 28.5% below 50.





ESG Review

Employee Engagement

We believe that engaging with our employees is key to instilling a culture where all employees feel valued, giving them the opportunity to be agents of positive change. In working towards fostering a more inclusive and diverse workplace, HEINEKEN Global created a global community of DEI ambassadors to deliver its DEI goals and to respond to local contexts and opportunities. In HEINEKEN Malaysia, we have established a DEI Council, supported by the Management Team, to facilitate awareness programmes and initiatives for all people leaders and all employees from across functions and departments. They are empowered to host inclusion sessions to gather the thoughts and experiences of our employees on DEI.

EMPLOYEE CLIMATE SURVEY



We ensure continuous, two-way communication across our organisation through impactful engagement initiatives. Our annual employee climate survey provides insights into organisational culture and the work environment. It includes the Employee Engagement Index, measuring employees' willingness to go beyond their core duties, and the Performance Enablement Index.

In FY2024, we have achieved



Employee Engagement Index Score of **86**



Performance Enablement Index Score of **84**

As a result of our initiatives for the year, zero incidents of discrimination were recorded.

A FAIR AND SAFE WORKPLACE



Our Ambition: We foster a culture of care where employee safety and wellbeing are paramount. We remain focused towards achieving zero workplace accidents and ensuring all employees receive fair compensation and equitable treatment, underpinned by a robust performance assessment framework.

Employee Health, Safety and Wellbeing

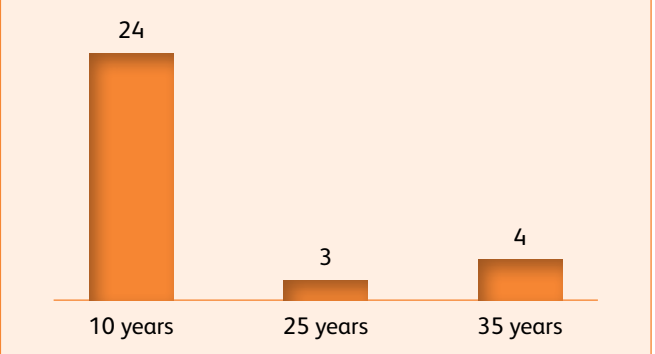
HEINEKEN Malaysia prioritises employee wellbeing by providing comprehensive benefits that support health, financial security and work-life balance, creating a safe and supportive workplace.

Employee Benefits

- Personal accident insurance
- Group term life insurance
- Outpatient and inpatient medical insurance
- Dental and optical benefits

Efforts to support employee wellbeing include providing parental leaves to our employees, where we have recorded a 100% return-to-work rate in FY2024.

Length of Service

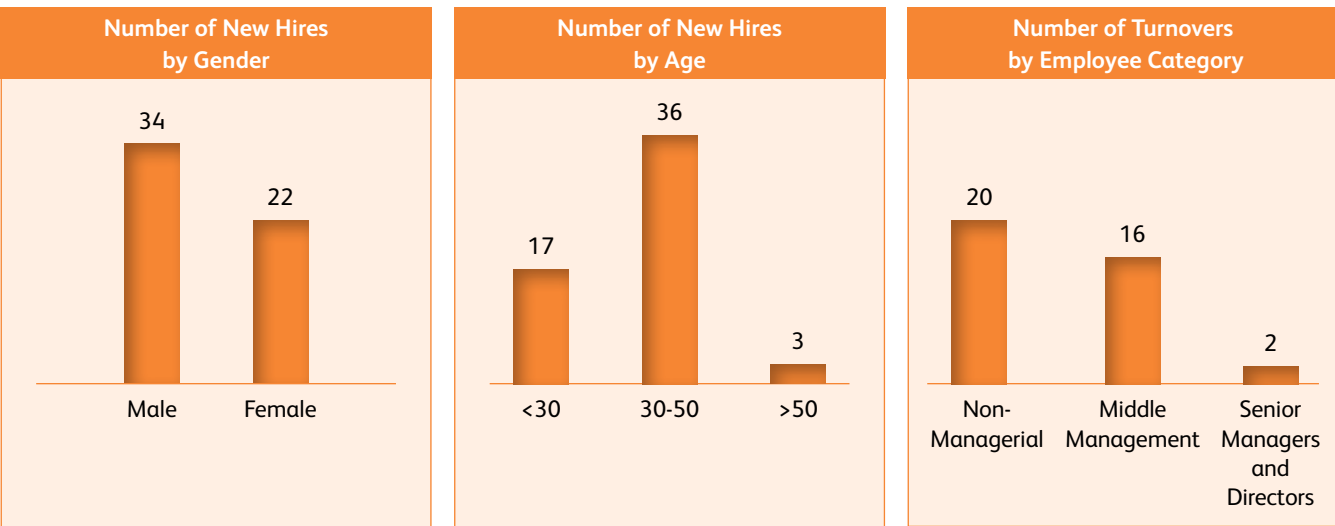


Parental Leave	FY2024
Number of employees entitled to Parental Leave	337
Number of employees that took Parental Leave	9
Number of employees that returned after Parental Leave	9
Return-to-work rate	100%

In terms of performance, evaluations were conducted throughout the year to ensure all employees had opportunities for growth and development. Hence, all employees underwent performance appraisals in FY2024.

In FY2024, the Group welcomed 56 new hires, reflecting our ongoing pursuit of talent acquisition and growth. These new employees contributed to various functions across the organisation, bringing fresh perspectives and skills. During the same period, we recorded a turnover of 38 employees and a turnover rate of 7%, which highlights the need for continued focus on employee retention strategies and fostering a positive work environment.

ESG Review



Note:  
• Senior Managers and Directors are exclusive of Board members.

Human Rights and Labour Standards

We foster an inclusive and fair workplace that upholds dignity and respect for all. In line with the HeiCode which outlines the principles of Caring for People and the Planet, the HEINEKEN Human Rights Policy reinforces our efforts towards non-discrimination, irrespective of race, gender, nationality, age, religion, sexual orientation and disabilities. As of December 2024, 50.4% of our workforce were members of trade unions, reflecting our resolve towards freedom of association and collective bargaining.

Our Human Rights Standards



Health and Safety



No discrimination



No child labour



No forced labour



Rest and leisure



Access to water



Fair wages and income



No harassment and violence



Freedom of association and the right to collective bargaining



Respect for human rights in high-risk contexts

Our recruitment processes are designed to be transparent and free from bias, ensuring all employees are well-informed about their employment conditions and any forthcoming changes to operations or policies. We place particular emphasis on hiring local talent, including individuals from disadvantaged communities, as part of our inclusive recruitment strategy.

We also comply with the Malaysian Minimum Wages Order 2022, which is in line with HEINEKEN Global's 2023 objective of achieving global wage equity where we prioritise equal pay for equal work. To ensure fairness in wage practices, we carried out thorough assessments across all operations in FY2024.



**ZERO**

substantiated labour standards non-compliance issues reported for the past three years.



## ESG Review

### Strengthening Workplace Safety and Compliance

Our operations adhere to the guidelines set by the Department of Safety and Health (DOSH) and comply with the Occupational Safety and Health (Amendment) Act 1994 and the Factories and Machinery Act 1967. Central to our operations is the HeiCode which integrates the HEINEKEN Health and Safety Policy, offering a structured approach to managing health and safety risks.

#### Life Saving Commitments (LSC)

Ensuring a safe working environment is essential for the implementation of LSC, in line with the HEINEKEN Global Safety Standards and Requirements. The critical principles governing high-risk activities are defined by these LSC and apply to both employees and contractors.



# 526

employees trained on health and safety standards in FY2024  
(FY2023: 519)

#### Health and Safety Programme Themes

- Emergency Response and Fire Safety
- Confined Space Safety
- Equipment and Electrical Safety
- Road Safety
- Occupational Safety and Hazard Management
- Chemical and Hazardous Material Safety
- Contractor Safety
- Risk Assessment and Control

#### Life Saving Commitments

We foster a safe environment in the implementation of LSC, guided by the stringent HEINEKEN Global Safety Standards and Requirements. These LSC delineate the fundamental principles governing our operation's highest-risk activities and are applicable to both our dedicated employees and contractors.



## ESG Review

The Life Saving Commitments training (LSC e-learning) further strengthens our safety culture. This initiative achieved a completion rate of 100% among people managers and 98% among targeted employees in FY2024. We also recorded zero instances of non-compliance with the health and safety management system during FY2024.

In FY2024, the Group recorded zero fatalities and three lost-time injuries, meeting our target of zero fatal accidents and maintaining continuous reduction in injury rate.

	FY2022	FY2023	FY2024
Total number of hours worked	960,831	1,062,866	1,070,196
Number of fatalities	0	0	0
Number of lost time accidents per 100 full-time employees	0	2	3
Lost time accident rate	0	0.4	0.5

Notes:

1. The value of 200,000 was used as a standardised value of the total amount of hours that 100 employees work weekly.
2. The number of hours worked, fatalities, lost time accidents and the lost time accident rate covers 100% of our operations.

#### HUMAN CAPITAL DEVELOPMENT

We have an integrated learning platform that provides access to a diverse range of courses to equip employees with critical business skills and insights into digital trends, ensuring they remain adaptable and future-ready in a dynamic industry. The training and development programmes for FY2024 focuses on six themes as outlined below:

#### Types of Training Programmes



Compliance and Regulatory



Ethics and Integrity



Commercial Excellence



Leadership and Management Skills



Environmental Sustainability



Technology and Software



Diversity, Equity and Inclusion

#### Strengthening Board Expertise: Training and Development

Enhancing governance capabilities ensures informed decision-making on critical sustainability matters. Recognising this, Board members attended targeted training programmes to refine their responsibilities, equipping them with the knowledge needed to navigate an evolving regulatory and sustainability landscape. A list of the training programmes attended by some of our Board members can be found below:

- Anti-Bribery and Corruption Compliance: A Practical Guide
- Business, International Relations and the Political Economy
- E-learning on HEINEKEN Responsible Marketing Code 2024
- E-learning on HeiCode 2024
- Mandatory Accreditation Programme Part II - Leading for Impact - Building high-impact boards for long-term growth

#### HEINEKEN Global Graduate Programme 2024

The HEINEKEN Global Graduate Programme 2024 develops graduates for future leadership roles by providing induction and exposure to various functions within the HEINEKEN network. Participants complete three four-month rotations at HEINEKEN Malaysia and a six-month cross-functional placement at another HEINEKEN operating company in the APAC region, preparing them for leadership roles in Commercial, Supply Chain, Finance, People, Corporate Affairs, Legal and Digital and Transformation functions.

#### Short-Term Assignments

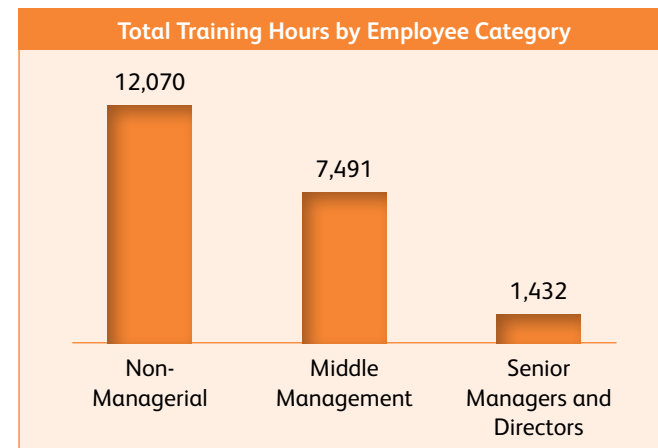
The Short-Term Assignment programme provides local employees with international experience across HEINEKEN's operations in the APAC region, fostering professional growth and expanding networks. In FY2024, five employees successfully completed the short-term assignments, showcasing their creativity and leadership in diverse environments.



## ESG Review

HEINEKEN Malaysia's training and personal development programmes offer employees a broad spectrum of learning opportunities. Leveraging our integrated learning platform, staff were able to access courses focused on both emerging digital trends and cross-functional business skills.

Our employees completed 20,993 hours of training during FY2024, averaging 40 hours (approximately five days) per employee.



Note:

- Senior Managers and Directors are exclusive of Board members.

### Supply Chain Management

HEINEKEN Malaysia ensures that all suppliers strictly adhere to the HEINEKEN Supplier Code. Updated in 2023, this code defines our stance on ethical business conduct, human rights, ethical procurement and environmental care.



Our supplier expectations are outlined in the HEINEKEN Supplier Code and the HEINEKEN General Terms and Conditions for Purchase Orders, both accessible at [www.heinekenmalaysia.com/procurement](http://www.heinekenmalaysia.com/procurement).

By actively engaging local suppliers, we reduce emissions, support environmental preservation and boost local economies. Incorporating this approach minimises transportation impacts while fostering economic growth within local communities.

### SMART Outsourcing

Acknowledging the vital role of third-party vendors, we ensure their right to fair treatment, reasonable working hours and safe working environments. Our SMART Outsourcing programme incorporates an extensive survey of contractors and local workers to identify any gaps in their working conditions. The findings were measured against our fair labour standards, and we partnered with service providers to implement the necessary enhancements. Drawing from these insights, we established an action plan aimed at improving the management of outsourced contracts and fostering better workplace practices.

### Supplier Evaluation

To mitigate risks linked to third-party engagements, HEINEKEN Malaysia implements stringent evaluation measures that include compliance with data protection laws and respect for privacy. We collect and process information such as company details, directors, shareholders, Politically Exposed Persons and Ultimate Beneficial Owners as part of our due diligence process. Where risks are identified, third-party partners are encouraged or directed to undertake remedial actions to address these concerns.

#### Communication

We maintain consistent and transparent communication with third parties by sharing questionnaire invitations, reminders and follow-up correspondence. This includes addressing risk management measures or requesting their acceptance and implementation.

#### Due Diligence Process

- We gather and screen information about the company, key personnel and ownership structure, ensuring compliance with risk assessment standards.
- Third parties may be asked to complete a detailed due diligence questionnaire to identify risks related to bribery, money laundering or sanctions.
- Names are cross-checked against publicly accessible databases that highlight risks involving bribery, sanctions, human rights, negative media and, where applicable, criminal offences or political links.
- Comprehensive reports summarise findings, if any, and assign a risk rating to guide further action.

Our Speak Up Policy provides distributors and suppliers with a secure channel for reporting any suspected misconduct or unethical practices within the Group, enabling them to raise concerns without fear of reprisal.



**100%**

of our suppliers adhered to the HEINEKEN Supplier Code



**96%**

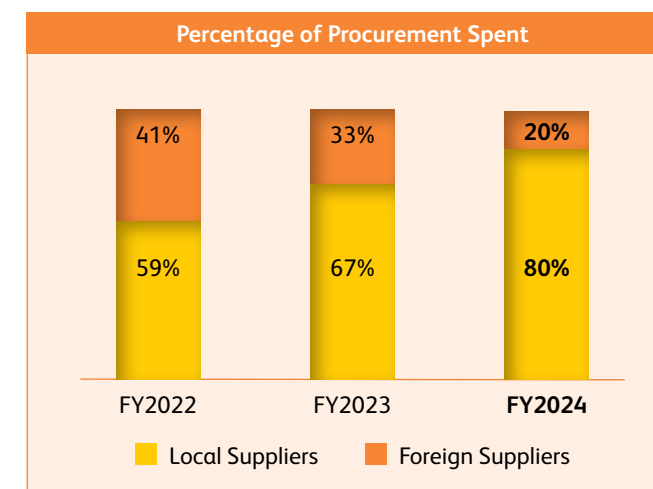
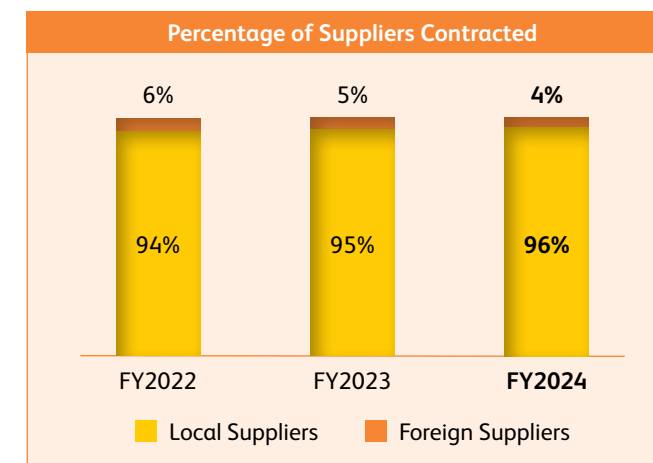
of our engaged suppliers were from local sources



**80%**

Procurement spent on local suppliers increased to

## ESG Review



To uphold the Group's integrity, we conduct annual risk assessments for both our new and existing suppliers, including an evaluation on their social and environmental impacts.

	FY2022	FY2023	FY2024
Number of suppliers assessed for environmental impacts	2	1	1
Number of suppliers assessed for social impacts	0	3	3



### POSITIVE IMPACT IN OUR COMMUNITIES

Our Ambition: The Group aims to deliver at least one positive social impact initiative annually.

### Community Investment and Development

HEINEKEN Malaysia's BaBW 2030 strategy includes community-focused initiatives such as food distribution, watershed restoration and promoting responsible consumption. These efforts strengthen our ties with local communities and demonstrate our focus towards long-term social responsibility, contributing to a positive impact

for the future. HEINEKEN Malaysia remains a key contributor to Malaysia's economic development, both directly and indirectly. Our products generate income for more than 27,000 Malaysian businesses and retailers. As our presence in the brewing sector continues to expand, our contributions to the nation's economic growth and community development will grow accordingly. In FY2024, our tax contributions exceeded RM1.45 billion, underscoring our substantial financial impact. Beyond this, we drive economic activity by directly employing 526 individuals and indirectly supporting over 30,000 jobs.

### Tiger Sin Chew CECC

The Tiger Sin Chew CECC programme demonstrated HEINEKEN Malaysia's ongoing ambition to advance community wellbeing. In FY2024, the initiative raised RM19 million through nine institutions. Since its launch in 1994, this programme has raised RM427 million and made meaningful contributions to the education sector thanks to the generous contributions of our stakeholders.

### HEINEKEN Cares 2024

HEINEKEN Cares continued to strengthen support for employees and local communities in FY2024, focusing on essential needs such as clean water, food security and community resilience. Through a collaboration with Sokong, a digital fundraising platform for NGOs, non-profit organisations and social enterprises, RM220,000 has been allocated across FY2024 to aid underserved communities. This initiative supports four NGOs in delivering food aid and other critical resources to those in need. Our efforts were guided by a carefully crafted narrative developed in alignment with HEINEKEN Malaysia's cross-functional team, reinforcing the organisation's social sustainability position. By working closely with our trade partners and stakeholders, HEINEKEN Cares remains focused on making a meaningful impact in the lives of vulnerable communities as we ensure long-term benefits beyond immediate relief.

In alignment with our ambition to social responsibility, HEINEKEN Malaysia channelled RM2.9 million in external community initiatives in FY2024.



**RM2.9 million**

channelled in Community Projects in FY2024

Project	Number of Beneficiaries
Tiger Sin Chew CECC	Nine institutions
HEINEKEN Cares	1,000 individuals from four projects
W.A.T.E.R Project (Rainwater harvesting beneficiaries)	6,990



ESG Review

Our Progress Against BaBW 2030 Ambitions

Social Sustainability		
<div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div>		
Ambition Areas	Our BaBW Global Ambitions	Our FY2024 Progress
Diversity, Equity and Inclusion	<ul style="list-style-type: none"><li>Gender balance across Senior Management: 30% women by 2025, 40% by 2030</li><li>Continue assessment and action towards achieving equal pay for equal work</li></ul>	<ul style="list-style-type: none"><li>38% of women in Management Team</li></ul>
Fair and Safe Workforce	<ul style="list-style-type: none"><li>Continue to confirm that 100% of our employees earn at least a fair wage</li><li>Create fair living and working standards for third-party employees and Brand Promoters</li><li>Shape a leading safety culture to drive zero fatal accidents and continue reduction in injury rate</li></ul>	<ul style="list-style-type: none"><li>100% assessment completed</li><li>0 fatalities</li></ul>
Community Impact	<ul style="list-style-type: none"><li>A social impact initiative in 100% of our markets every year</li></ul>	<ul style="list-style-type: none"><li>Tiger Sin Chew CECC</li><li>HEINEKEN Cares Community Food Aid programme</li></ul>

Note: A comprehensive set of social data in compliance with Bursa Malaysia's sustainability reporting requirements can be referred to the Performance Data Table on pages 100 and 101.



ESG Review

3 GOOD HEALTH AND WELL-BEING

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

### RESPONSIBLE CONSUMPTION

We promote responsible consumption by empowering consumers to make informed choices. Our marketing practices align with social responsibility, emphasising moderation through clear messaging and initiatives that promote a balanced lifestyle.

Material Sustainability Matters

1

Product Safety, Quality and Hygiene

6

Responsible Marketing and Consumption

List of Ambition Areas

- Always a Choice
- Address Harmful Use
- Make Moderation Cool

Key Highlights

>10 %

of Heineken® media spend on promoting responsible consumption

Distributed over

**RM140,000**

in Grab e-hailing promo codes for consumers through brand and corporate events



## ESG Review



### ALWAYS A CHOICE

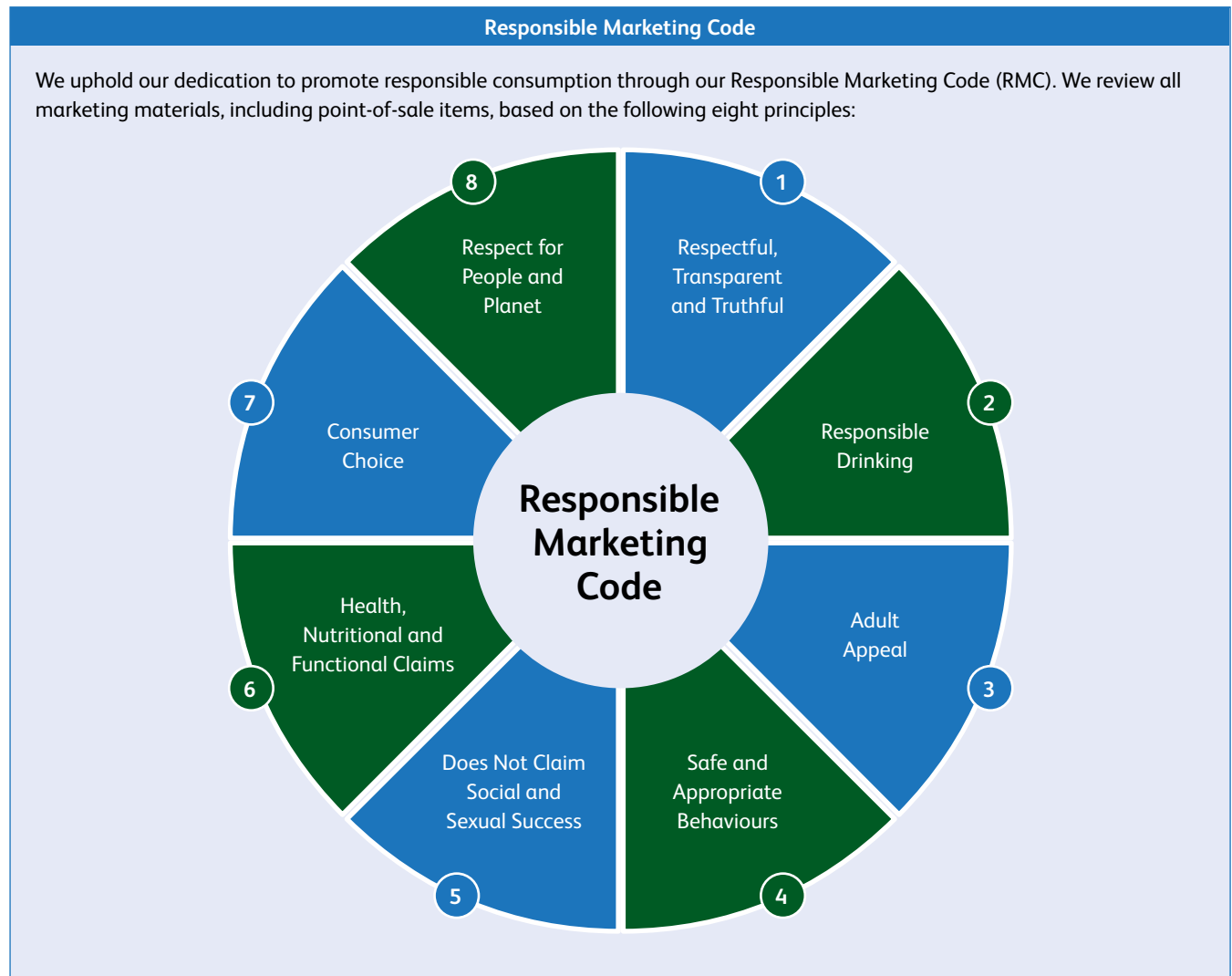
Our Ambition: We continue to innovate by offering a diverse range, including zero-alcohol options. We prioritise clear and transparent product information to empower consumers to make informed choices that align with their preferences and lifestyles.

Everyone should have the option of selecting the right beverage for the right occasion. Our zero-alcohol option, Heineken® 0.0 provides the refreshing fruity notes and soft malty body of beer without the effects of alcohol. This gives consumers a ‘real alternative’ which promotes moderate alcohol consumption and a more balanced lifestyle.

We are focused on providing clear information about our products, making them available on both brand and corporate websites. Information for consumers include Alcohol by Volume (ABV), calories, ingredients, allergens, nutrient information and harm reduction symbols. We are also working towards our goal of providing clear and transparent product information on 100% of our products.

### Product Safety, Quality and Hygiene

In promoting the health and wellbeing of our consumers, we practise stringent adherence to hygiene and safety standards and closely monitor our operations throughout production processes. Our brewery was the first in Malaysia to receive the MS 1480: 2007 Hazard Analysis Critical Control Point (HACCP) Certification from the Ministry of Health in August 2002 and we have also been accredited with the ISO 9001:2015 certification, an international standard for quality management systems, since 2018.



## ESG Review

In FY2024, we reported zero incidents of non-compliance with the RMC in relation to our marketing communications. As the majority of our brands transitioned to the new labelling format in 2023, we have since reported zero instances of non-compliance with the HEINEKEN Global Labelling Policy.

Marketing Material Reviewing Process	
1.	External agency develops marketing material
2.	Reviewed by Brand Team
3.	Verified by Marketing Manager
4.	Signed off by Head of Communications and Sustainability
5.	Signed off by Senior Legal Manager
6.	Signed off by Marketing Director

**ADDRESS HARMFUL USE**

Our Ambition: We aim to reduce harmful alcohol use by promoting responsible consumption, raising awareness and supporting initiatives that encourage moderation and informed choices among consumers.

### Responsible Consumption

HEINEKEN Malaysia remains focused on tackling the harmful use of alcohol. We will continue to cultivate local partnerships to address alcohol harm including topics like the prevention of underage drinking, drink-driving and binge drinking.

We believe awareness is key to emphasise the importance of moderation and responsible consumption. In addition, by cultivating partnerships at the local level, we aim to promote responsible drinking practices, including preventing underage drinking and reducing drink-driving incidents, while discouraging excessive consumption.

### Advocating Responsible Consumption

Since 2012, Heineken N.V. has endorsed the Beer, Wine and Spirits Producers' Commitments to Reduce Harmful Drinking. The ambitions are centred on five key goals designed to encourage responsible consumption, both within the organisation and among external stakeholders.

HEINEKEN Malaysia continues to prioritise responsible consumption and the reduction of harmful consumption behaviours through a range of ongoing initiatives. Over 5,000 Grab e-hailing promo codes were distributed at brand and corporate events in FY2024, encouraging responsible consumption. Beyond this, a year-end campaign promoting responsible consumption during the festive season saw over RM140,000 worth of Grab e-hailing promo codes being distributed to consumers. These efforts have positively impacted numerous communities towards raising awareness on responsible consumption practices.

### Illicit Alcohol Trade

HEINEKEN Malaysia actively participates in efforts to eradicate illicit alcohol sales, collaborating closely with various ministries and agencies under Multi-Agency Task Force, spearheaded by the Ministry of Finance.

**MAKE MODERATION COOL**

Our Ambition: We dedicate 10% of our Heineken® media spend to impactful campaigns that promote responsible consumption, including “Enjoy Responsibly” and “When You Drive, Never Drink” initiatives, encouraging moderate and safe alcohol consumption.

We believe in promoting responsible consumption and annually allocate more than 10% of our Heineken® media budget to support impactful campaigns such as “When You Drive, Never Drink,” launched in 2022 and “Low, Slow, No,” “Boring Phone” and “Player 0.0,” campaigns launched in 2024. This reporting year, we increased this allocation to RM1.5 million.

HEINEKEN Malaysia advocates for responsible alcohol consumption. Our employees are expected to exemplify this by adhering to our strict policy on responsible alcohol consumption. This policy emphasises the enjoyment of our products within the context of a balanced lifestyle. Effective communication ensures all employees understand their responsibilities and any breach of this policy may result in disciplinary action, including termination.





ESG Review

Our Progress Against BaBW 2030 Ambitions

Responsible Consumption		
<div><div>3GOOD HEALTH AND WELL-BEING</div><div>12RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>		
Ambition Areas	Our BaBW Global Ambitions	Our FY2024 Progress
Always a Choice	<ul style="list-style-type: none"><li>A zero-alcohol option for one strategic brand in the majority of our markets (accounting for 90% of our business) by 2025</li><li>Clear and transparent consumer information on 100% of our products by 2024</li></ul>	<ul style="list-style-type: none"><li>Heineken® 0.0 has been available in Malaysia since 2019</li><li>100% fully compliant with the HEINEKEN Global Labelling Policy for all brands</li></ul>
Address Harmful Use	<ul style="list-style-type: none"><li>A partnership to address alcohol-related harm in 100% of markets every year</li></ul>	<ul style="list-style-type: none"><li>Partnership with Grab Malaysia offering Grab e-hailing promo codes to promote responsible consumption</li></ul>
Make Moderation Cool	<ul style="list-style-type: none"><li>10% of Heineken® media spend invested every year in responsible consumption campaigns, reaching 1 billion consumers</li></ul>	<ul style="list-style-type: none"><li>More than 10% of Heineken® media spend invested in responsible consumption campaign</li></ul>



ESG Review



STRATEGIC ADVOCACY

HEINEKEN Malaysia has been actively involved in strategic advocacy efforts centred on ESG principles and water stewardship across 10 prominent platforms in 2024. This involvement underscored our pursuit of sustainable business practices and responsible environmental management.

Among the key events are The Star ESG Summit 2024, the National Climate Governance Summit by Climate Governance Malaysia, and the UNGCMYB Leads FLOWS 2024 Symposium themed “Accelerating Impact for Water Resilience.” These events have been instrumental in raising awareness about water stewardship, responsible corporate governance and climate-conscious decision-making.

The forums provided valuable insights into how companies can better integrate ESG factors into their strategies. This helps them address global challenges such as climate change and resource management. Through these engagement sessions, HEINEKEN Malaysia has reinforced our dedication to creating long-term value not just for our stakeholders but also for the communities and environments in which we operate.





## ESG Review

### RECOGNITIONS

HEINEKEN Malaysia has been honoured with various distinguished awards across the beverage sector, acknowledging our resolve towards product excellence and sustainability. These accolades underscore our continuous efforts to embrace industry standards and drive progress in all aspects of our operations.



#### The Star Positive Impact Awards 2023

HEINEKEN Malaysia won gold in three categories: Water Management and Efficiency, Innovative Partnership and Waste Management.



#### Sustainability & CSR Malaysia Awards 2024

HEINEKEN Malaysia was recognised as Company of the Year (Manufacturing) for the seventh consecutive year.



#### HR Excellence Awards 2024

HEINEKEN Malaysia secured two Gold Awards for Excellence in Retention Strategy and Excellence in Total Rewards Strategy.



#### Malaysian Dutch Business Council Innovation & Sustainability Awards 2024

HEINEKEN Malaysia was honoured for Best Sustainable Built Environment, for its achievements under the Environment pillar of the BaBW strategy.

## ESG Review



#### UN Global Compact Network Malaysia and Brunei Forward Faster Sustainability Awards 2024

HEINEKEN Malaysia triumphed in the Water Resilience category for our Water Balancing efforts and initiatives in promoting Healthy Watersheds at both the river behind our brewery and the Raja Musa Forest Reserve, a key water catchment area. We also received the SDG Reporting Disclosure Recognition, underscoring our resolve towards transparency and sustainability in reporting.



#### Employee Experience Awards 2024 Malaysia

HEINEKEN Malaysia was awarded Bronze in the Best Employee Wellness Strategy category, a testament to our pursuit of fostering a healthy and supportive workplace environment.



#### Asian Experience Awards 2024

Our e-Commerce platform, Drinkies, clinched two awards for Malaysia Service Experience - E-Commerce: For our Drinkies Star Bar and Malaysia Product Experience - E-Commerce: For our Draught Beer Party Package.



#### Great Place to Work Certification

HEINEKEN Malaysia received the Great Place to Work Certification, in recognition of our efforts in fostering an engaged workforce.



ESG Review

Our Climate-related Disclosures

HEINEKEN Global’s BaBW strategy prioritises climate action through proactive mitigation and adaptation. Recognising the impact of climate change on key ingredients such as barley, hops and water, we are enhancing supply chain sourcing, water stewardship and agricultural resilience. Our climate progress, tracked through transparent disclosures aligned with the IFRS standards, targets net zero emissions in production by 2030 and across our value chain by 2040.

Core Elements	Disclosures	Reference
Governance		
The Board’s oversight of climate-related risks and opportunities.	<ul style="list-style-type: none"><li>The Board is responsible for providing oversight on the Group’s sustainability strategy, including its long-term direction, sustainability strategy and overall strategic trajectory.</li><li>As part of its governance and effectiveness assessment, the Board also provides strategic direction on sustainability and climate-related risks and opportunities.</li><li>The Board provides oversight on the setting of targets related to climate-related risks and opportunities by approving the Group’s Annual Sustainability Plan and related targets and policies for risk mitigation.</li><li>The Board monitors progress towards BaBW 2030 goals and relevant climate-related targets quarterly.</li><li>The Group’s sustainability agenda is reviewed by the Board through the assessment of progress on climate-related initiatives and alignment with the BaBW ambition, while sustainability strategies and initiatives are guided by adherence to the Group’s Sustainability Policy.</li></ul>	<div>Sustainability Governance Structure (pages 50 to 51)</div> <div>Corporate Governance Overview Statement (pages 102 to 110)</div>
The Management’s role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"><li>The Management provides oversight of initiatives under the BaBW 2030 strategy, with a focus on environmental sustainability, using climate-related key performance indicators (KPIs).</li><li>The Management is delegated to present periodic progress reports to the Board on efforts to address climate-related risks and opportunities.</li><li>The Management is also responsible for monitoring functional area owners in executing initiatives under each BaBW pillar, ensuring alignment with the 2030 goals, particularly regarding climate-related risks and opportunities.</li><li>The Management stays informed about climate-related risks and opportunities by assessing quarterly updates from the SC, guided by the Global BaBW strategy.</li><li>The Management engages with stakeholders for feedback on climate concerns and conducts periodic materiality assessments to prioritise key climate-related issues impacting both the Group and our stakeholders.</li></ul>	

ESG Review

Core Elements	Disclosures	Reference
Strategy		
Identified climate-related risks and opportunities over the short, medium and long-term.	<p>HEINEKEN Malaysia aligns with HEINEKEN Global’s climate strategy, which includes systematically evaluating climate-related risks and opportunities over different time horizons.</p> <p><b>Short-term (&lt;1 year):</b> Immediate environmental dependencies, impacts and risks requiring urgent action are reviewed quarterly by our Audit &amp; Risk Management Committee, ensuring a prompt strategic response. Some risks are mitigated through short-term financial investments.</p> <p><b>Medium-term (1–5 years):</b> We engage in strategic planning to address environmental risks that may arise, balancing immediate actions with long-term sustainability goals.</p> <p><b>Long-term (&gt;5 years):</b> We incorporate climate-related risks and opportunities into our long-term planning to enhance the resilience of assets and infrastructure, ensuring alignment with sustainability objectives.</p> <p>Detailed descriptions of the identified risks and opportunities are available in the Heineken N.V. Annual Report 2024 <a href="http://www.theheinekencompany.com">www.theheinekencompany.com</a></p>	<div>Risk Management (pages 61 to 63)</div> <div>Heineken N.V. Annual Report 2024 (pages 169 to 172)</div>
Impact of climate-related risks and opportunities on the Group’s businesses, strategy and financial planning.	<p>HEINEKEN Malaysia’s climate impact assessment aligns with the resilience analysis conducted by Heineken N.V.. Due to their continued relevance, the resilience analysis performed by Heineken N.V. in 2023 remains a key reference for HEINEKEN Malaysia.</p> <p>Detailed descriptions of the potential risk and impact are available in the Heineken N.V. Annual Report 2024 <a href="http://www.theheinekencompany.com">www.theheinekencompany.com</a></p>	
Resilience of the Group’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Three key climate-related risks remain unchanged from the previous year due to their ongoing relevance.</p> <ol style="list-style-type: none"><li>The impact of carbon pricing on the value chain and operations.</li><li>Water stress affecting operational resilience.</li><li>Barley yield losses due to changing climate conditions.</li></ol> <p>Heineken N.V. conducts scenario analysis to assess potential risks under different climate scenarios:</p> <ul style="list-style-type: none"><li><b>1.5°C scenario:</b><ul style="list-style-type: none"><li>Increased implementation of carbon pricing and stricter emissions trading schemes to drive decarbonisation.</li><li>Advancements in water management and regulatory restrictions contribute to efficient water use.</li><li>Technological innovations in agriculture impact yield stability.</li></ul></li><li><b>3–4°C scenario:</b><ul style="list-style-type: none"><li>Fragmented and inconsistent carbon pricing schemes.</li><li>Population growth and uneven development intensify global water stress.</li><li>Extreme weather events and warmer winters affect crop yields, increasing brewing costs.</li></ul></li></ul> <p>Detailed analysis of these risks is available in the Heineken N.V. Annual Report 2024 <a href="http://www.theheinekencompany.com">www.theheinekencompany.com</a></p>	



ESG Review

Core Elements	Disclosures	Reference
Risk Management		
Processes for identifying and assessing climate-related risks.	<p>HEINEKEN Malaysia’s Risk Management Framework (RMF) plays a key role in the Group’s operational structure.</p> <ul style="list-style-type: none"><li>To identify critical sustainability risks and opportunities, particularly in relation to the implications of climate change by utilising the Group’s EverGreen strategy. We also evaluate the impact and likelihood of occurrence through these assessments.</li><li>To undertake periodic evaluations by the Management to mitigate the risks identified and ensure strategic alignment.</li><li>To conduct annual materiality reassessments aligning with the RMF, highlighting key issues such as climate change risks and ensuring they are addressed in the overall strategy.</li></ul>	<p>Statement on Risk Management and Internal Control (pages 115 to 121)</p> <p>Risk Management (pages 61 to 63)</p> <p>Materiality Assessment (pages 56 to 57)</p>
Processes for managing climate-related risks.	<p>The Group’s risk management processes are centred around our BaBW strategy. A key focus is on increasing the use of renewable energy to reduce our carbon footprint. Additionally, the development of a Sustainability Policy provides a clear framework for the Group and stakeholders, guiding the integration of sustainability practices across operations.</p>	<p>Net Zero Carbon: Climate Resilience and Energy Management (pages 65 to 69)</p> <p>Sustainability Policy (page 52)</p>
Integration of processes for identifying, assessing and managing climate-related risks into the overall risk management.	<p>HEINEKEN Malaysia conducts an annual risk assessment to evaluate climate-related risks and ensure alignment with the overall RMF. During this process, the Management Team evaluates the adequacy and effectiveness of action plans to appropriately manage the identified climate-related risks.</p>	<p>Risk Management (pages 61 to 63)</p>
Metrics and Targets		
Metrics used to assess climate-related risks and opportunities in line with climate strategy and risk management process.	<p>We evaluate climate-related risks and opportunities in line with our BaBW 2030 goals and broader risk management approach. In line with our sustainability ambition, we have updated our carbon baseline year from 2018 to 2022 to enhance the accuracy of our carbon footprint measurement. Further to this, the quantification approach is applied to evaluate the climate-related risks as outlined in the Heineken N.V. Annual Report 2024.</p>	<p>Our Progress Against BaBW 2030 Ambitions (page 77)</p> <p>Heineken N.V. Annual Report 2024 (page 171)</p>
Disclosure of Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions and the related risks.	<p>The disclosure of our Scope 1 and Scope 2 GHG emissions for FY2024 is based on our 2022 baseline year. In compliance with the Bursa Malaysia’s sustainability reporting requirements, we have continued to track and report on our Scope 3 emissions, specifically those related to employee commute and business travel.</p>	<p>Net Zero Carbon: Total GHG Emissions (pages 67 to 69)</p>
Targets used to manage climate-related risks and opportunities and performance against targets.	<p>We have set targets to achieve net zero carbon emissions in production (Scopes 1 and 2) by 2030 and across our entire value chain by 2040. To track our progress, we have established KPIs that align with our environmental sustainability goals. These KPIs monitor our ongoing environmental performance and provide insight into how we are advancing towards our targets.</p>	<p>Our Progress Against BaBW 2030 Ambitions (page 77)</p>

Bursa Malaysia Sustainability Indicators

The table below contains the common and specific sustainability indicators required by Bursa Malaysia under their Enhanced Sustainability Guide (3<sup>rd</sup> edition), and it is presented in the prescribed format as shown in the Bursa Malaysia’s Illustrative Sustainability Report.

GOVERNANCE

Indicator	Unit	FY2022	FY2023	FY2024
Corporate Governance and Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
▪ Non-Managerial	%	100	100	100
▪ Middle Management	%	100	100	100
▪ Senior Managers and Directors	%	100	100	100
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	100	100	100
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	0
Data Privacy and Cybersecurity				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	0

ENVIRONMENT

Indicator	Unit	FY2022	FY2023	FY2024
Climate Resilience and Energy Management				
Bursa C4(a) Total energy consumption	GJ	178,448	175,726	164,176
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	tCO <sub>2</sub> e	7,810	6,375	5,743
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	tCO <sub>2</sub> e	11,146	10,600	10,543
Scope 2 emissions reduction (through procured electricity from the GET programme)	tCO <sub>2</sub> e	(9,736)	(10,600)	(10,543)
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (business travel and employee commuting)	tCO <sub>2</sub> e	-	1,310	1,130
Waste and Effluent Management				
Bursa C10(a) Total waste generated	Metric tonnes	35,423	32,632	34,317
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	35,423	32,632	34,317
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	0	0	0
Bursa S8(a) Total volume of water (effluent) discharge over the reporting period	m <sup>3</sup>	443,752	370,304	327,086
Water Stewardship				
Bursa C9(a) Total volume of water used	hl of water/hl of beer	3.45	3.42	3.06

Notes:

- FY2022’s emissions expanded to include Scope 1 emissions from production and company-owned vehicles, in addition to Scope 2 emissions from production and office activities.*
- Emissions for FY2023 and FY2024 encompass Scope 1 emissions from production and company-owned vehicles, Scope 2 emissions from production and office operation and the inclusion of Scope 3 emissions from business travel (both land and air).*
- Total GHG emissions data presented in HEINEKEN Malaysia’s Annual Report 2022 is only inclusive of Scopes 1 and 2 for production only.*
- Three years of total GHG emissions data for all operations have been disclosed, applying the Operational Control consolidation method.*



## Bursa Malaysia Sustainability Indicators

### SOCIAL

Indicator	Unit	FY2022	FY2023	FY2024
<b>Employee Health, Safety and Wellbeing</b>				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate (LTIR)	Rate	0	0.4	0.5
Bursa C5(c) Number of employees trained on health and safety standards	Number	-	519	526
<b>Human Rights and Labour Standards</b>				
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
<b>Human Capital Development</b>				
Bursa C6(a) Total hours of training by employee category				
▪ Non-Managerial	Hours	-	10,082	12,070
▪ Middle Management	Hours	-	8,262	7,491
▪ Senior Managers and Directors	Hours	-	1,264	1,432
Bursa C6(c) Total number of employee turnover by employee category				
▪ Non-Managerial	Number	10	14	20
▪ Middle Management	Number	23	17	16
▪ Senior Managers and Directors	Number	3	1	2
<b>Diversity</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Gender group by employee category				
▪ Non-Managerial (Male)	%	80	78	79
▪ Non-Managerial (Female)	%	20	22	21
▪ Middle Management (Male)	%	58	61	59
▪ Middle Management (Female)	%	42	39	41
▪ Senior Managers and Directors (Male)	%	56	57	61
▪ Senior Managers and Directors (Female)	%	44	43	39
Age group by employee category				
▪ Non-Managerial (<30)	%	19	13	10
▪ Non-Managerial (30-50)	%	65	71	74
▪ Non-Managerial (>50)	%	16	16	16
▪ Middle Management (<30)	%	14	12	10
▪ Middle Management (30-50)	%	78	76	79
▪ Middle Management (>50)	%	8	12	11
▪ Senior Managers and Directors (<30)	%	0	0	0
▪ Senior Managers and Directors (30-50)	%	71	77	80
▪ Senior Managers and Directors (>50)	%	29	23	20
Bursa C3(b) Percentage of directors by gender and age				
▪ Male	%	57	57	57
▪ Female	%	43	43	43
▪ <50	%	0	14	28.5
▪ 50-60	%	57	57	43.0
▪ >60	%	43	29	28.5

Note:

- Senior Managers and Directors are exclusive of Board members.

## Bursa Malaysia Sustainability Indicators

Indicator	Unit	FY2022	FY2023	FY2024
Bursa C6(b) Percentage of employees that are contractors or temporary staff				
▪ Permanent	%	93	97	97
▪ Contract	%	7	3	3
<b>Supply Chain Management</b>				
Bursa C7(a) Proportion of spending on local suppliers	%	59	67	80
<b>Community Investment and Development</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	3.1 million	3 million	2.9 million
Bursa C2(b) Total number of beneficiaries of the investment in communities				
Tiger Sin Chew CECC	Number	8 institutions	8 institutions	9 institutions
HEINEKEN Cares	Number	14,500 individuals from 7 projects	5,000 individuals from 6 projects	1,000 individuals from 4 projects
W.A.T.E.R Project	Number	6,700 individuals	6,750 individuals	6,990 individuals

Note:

1. Other individuals under the ethnic demographics encompass the indigenous people of Sabah, Sarawak, Eurasians and foreign nationals.



## Corporate Governance Overview Statement

**The Board of Directors (the Board) of Heineken Malaysia Berhad (HEINEKEN Malaysia or the Company) is committed to upholding good business ethics and corporate governance (CG), as these are crucial for the long-term sustainability and performance of the Company and its subsidiaries (the Group). The Company supports the principles of good governance, and the recommended practices outlined in the Malaysian Code on Corporate Governance (MCCG).**

The Board is pleased to present this statement to provide shareholders and investors with an overview of the CG practices applied by the Company during FY2024. This overview makes reference to the following key CG principles and the recommended practices set out in the MCCG and it should be read together with the Audit & Risk Management Committee Report, Statement on Risk Management and Internal Control, ESG Review and the Corporate Governance Report (CG Report) for FY2024 which are available on the Company's website <https://www.heinekenmalaysia.com/corporate-governance/>

Principle A

Board Leadership and Effectiveness

Principle B

Effective Audit and Risk Management

Principle C

Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

As of the date of this statement, the Company has materially complied with the principles and adopted all recommended practices, including two step-up practices in the MCCG, except for the following:

Principle 1.4

Chairman of the Board should not be a member of the Nomination & Remuneration Committee

Principle 5.2

For Large Companies, the Board comprises a majority independent directors

Principle 8.2

Disclosure on a named basis the top five Senior Management's remuneration in bands of RM50,000

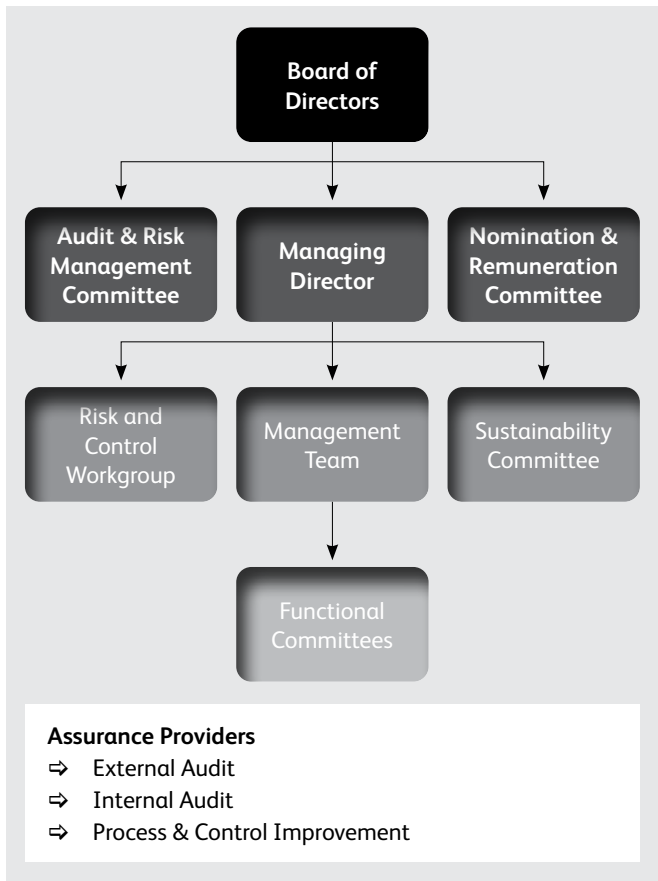
The Company's application of MCCG principles and CG practices, along with explanations for any departures, are detailed in the CG Report 2024.

Principle A

Board Leadership and Effectiveness

### Governance Framework

To ensure orderly and effective discharge of the functions and responsibilities of the Board, the Board has established a governance framework. Within this framework, specific powers are delegated to the appropriate Board Committees as well as the Managing Director and his team. The governance framework is depicted as follows:



## Corporate Governance Overview Statement

### Board Responsibilities

The Board is collectively responsible for defining the Group's strategic direction, overseeing the conduct of businesses and evaluating management effectiveness. It considers the interests of all stakeholders in its decision-making to ensure the Group's objectives of creating long-term sustainable value for the benefit of our stakeholders are met.

The Board is also responsible to establish the corporate values, promote good governance practices, reinforce ethical and professional behaviour and ensure its obligations to shareholders and other stakeholders are fulfilled.

The Board is guided by its Charter which delineates the purpose, composition, key roles and primary responsibilities as well as the internal procedural matters for the Board. The principal responsibilities of the Board are in line with those outlined in the MCCG. The Board Charter serves as a reference for Board members, assisting them in discharging their fiduciary duties as Directors.

The Board is supported by the Audit & Risk Management Committee (ARMC) and the Nomination & Remuneration Committee (NRC), with each entrusted with specific responsibilities and authorities to review relevant matters prior to tabling to the Board for approval. The Chairpersons of these respective Board Committees report to the Board on discussions held and recommendations made.

The roles of the Chairman and the Managing Director are held by separate individuals. The responsibilities of the Chairman are outlined in the Board Charter. The Managing Director, appointed by the Board, is primarily responsible for the daily management of the Group's business and operations, ensuring organisational effectiveness and implementing strategies and policies approved by the Board. The Managing Director is supported by the Management Team, which is assisted by several functional committees that are tasked to oversee key operating areas.

The Board delegates the following responsibilities, with appropriate oversight, to the Management Team for achieving the defined corporate objectives:

- Implementing the approved strategy and operating plans
- Managing the Group's business and operations
- Managing the Group's resources, cash flow and investments
- Assessing risks and opportunities arising from the evolving market environment
- Ensuring compliance with applicable regulatory requirements

The responsibilities and authorities of the Management Team are outlined in the Statement of Authority approved by the Board.

A schedule of key matters is specifically reserved for the Board's consideration and decision-making to ensure that the direction and control of the Group are in its hands. These matters are outlined in the Board Charter approved by the Board.

The Board Charter is available on the Company's website at <https://www.heinekenmalaysia.com/corporate-governance/>

### Board Meetings

The Board meets quarterly to review business and financial performance and discuss operational and industry issues as well as challenges affecting the Group. Additional meetings are scheduled as necessary, to address urgent and important matters. Directors can participate in meetings remotely via a designated virtual meeting platform. To assist Directors and Management in planning for the financial year, meetings of the Board and the Board Committees are scheduled in advance before the start of each new financial year.

In 2024, the Board had five meetings. The Finance Director and the Company Secretary attended every meeting whilst other Management Team members were invited to attend specific sessions to report on their respective areas of responsibility. The attendance of each Director at the Board meetings, was as follows:

Name	Designation	Attendance
Dato' Sri Idris Jala (Chairman)	Independent Non-Executive Director	5/5
Choo Tay Sian, Kenneth	Non-Independent Non-Executive Director	5/5
Seng Yi-Ying	Non-Independent Non-Executive Director	*4/5
Lau Nai Pek	Senior Independent Non-Executive Director	5/5
Chua Carmen	Independent Non-Executive Director	*4/5
Erin Sakinah Atan	Non-Independent Non-Executive Director	5/5
Martijn Rene van Keulen (Appointed on 1 July 2024)	Managing Director	2/2
Roland Bala (Resigned on 1 July 2024)	Managing Director	3/3

\* Absent from one meeting due to other commitment.

During Board Meetings, the Managing Director leads the presentation, providing comprehensive explanation of the Group's strategy and priorities, business performance and other pertinent issues whilst the Finance Director reports on the Group's financial performance and financial-related matters. Other Management Team members provide updates on activities and issues within their responsibility.

Directors are encouraged to actively participate and share their perspectives during deliberations in meetings. They may also pose questions to Management before each Board Meeting for better



## Corporate Governance Overview Statement

preparation. Directors with a direct or deemed interest must abstain from deliberation and voting on the related resolution. Board decisions are made by consensus.

The proceedings of all meetings, including discussed issues, decisions, conclusions, dissenting views and whether any Director abstained from voting or deliberating on a specific matter at the meetings, along with required actions to be taken by responsible parties, are recorded in the minutes by the Company Secretary. Between Board meetings, time-sensitive or administrative matters requiring the Board's decisions or approvals will be addressed via circular resolutions, supported by relevant information and explanations. This procedure is also applicable to the Board Committees.

As a good CG practice, the Independent Directors convened a meeting during FY2024, excluding the Non-Independent Directors and Management. This session provided an opportunity for them to exchange insights and discuss potential enhancements in governance.

### Access to Information

The Board emphasises on provision of timely and high-quality information by Management to enable effective deliberation and decision-making. Prior to each meeting, a structured agenda, along with management reports and proposals, is provided to the Directors at least five days in advance (or no fewer than three days under any circumstances). To enhance meeting efficiency, the agenda is organised according to the priority of the matters or proposals to be discussed, with clear indications to guide the Directors whether the items are for approval, discussion or notation. Additionally, time allocations for each agenda item are specified to ensure the meetings are conducted efficiently.

All Directors have unrestricted access to the Management Team, allowing them to have informal meetings with the team members to discuss significant developments or matters concerning the Group's operations. The Board also has full access to information, as well as the advice and services of the Company Secretary, who is a Chartered Secretary and qualified under the Companies Act 2016. The Company Secretary ensures that Directors receive adequate information and sufficient time to prepare for Board meetings. Additionally, the Company Secretary prepares minutes of meetings promptly and advises the Board on corporate administration and governance matters, including compliance with relevant regulatory requirements.

With the Board's approval, Directors, whether collectively or individually, may seek and obtain independent professional advice at the Company's expense on specific issues to assist them in discharging their duties effectively.

### Directors' Professional Development

Directors recognise the importance of broadening their perspectives and staying updated with market developments and regulatory changes to enhance their ability in discharging

their duties and responsibilities. The Board, through its annual effectiveness evaluation, assessed training needs based on feedback from the Directors. Additionally, Directors may personally identify specific areas where additional training would be beneficial. When necessary, learning sessions on relevant topics pertinent to the Group's business will be organised for the Directors.

All Directors have completed the Mandatory Accreditation Programme (MAP) Part I on CG and Director's roles, duties and liabilities as required under the Bursa Securities' Main Market Listing Requirements (MMLR). Most Directors have also completed the MAP Part II on sustainability, which is another mandatory programme to be completed in 2025.

During FY2024, several Directors attended learning programmes on global macroeconomics trends, governance and risk management practices, business, international relations and the political economy, responsible marketing, anti-bribery and anti-corruption, competition law and team coaching. Additionally, some Board members participated in forums and seminars as speakers and panelists in their areas of expertise.

### Commitment to Integrity and Ethical Conduct

Establishing a culture of integrity and ethical within the organisation is important for preserving the Group's reputation and enhancing stakeholders' confidence. The Board remains committed to upholding exemplary business conduct by implementing adequate policies and procedures. Directors, officers, employees and business partners of the Group are required to observe and maintain high standards of integrity and ethical behaviour in their duties or business dealings, and to comply with relevant regulatory requirements and policies adopted by the Group, including those relating to anti-bribery and anti-corruption.

The Group has adopted the following codes that outline its responsibility to conducting business with integrity and fairness, adherence to laws, promoting sustainability and ensuring responsibility as well as the key principles for ethical and business conduct expected from stakeholders in their dealing with the Group.

#### HEINEKEN Code of Business Conduct (HeiCode)

The HeiCode outlines the core principles and expectations that apply to all individuals within the Group. It addresses various topics, including discrimination, harassment, fraud and corruption. It specifies the standards of conduct and behaviour expected in daily work, both within and outside the Group. The HeiCode covers all aspects of the Group's business operations, organised into four broad categories:

- Caring for People and Planet
- Maintaining Business Integrity
- Protecting our Assets
- Engaging Responsibly

## Corporate Governance Overview Statement

The HeiCode and the underlying policies, communication and training materials are documented and accessible through a Business Conduct Portal for employees. Annually, all employees must complete the following e-learning modules as part of the Company's efforts to enhance awareness and assess their understanding of the respective codes and underlying principles:

- Code of Business Conduct
- Anti-Bribery and Corruption
- Responsible Marketing Code
- Security Awareness
- Fraud Awareness
- Data Privacy
- Competition law
- Life Saving Commitments
- Responsible Consumption

Board members and employees, including Senior Management, are required to annually disclose any potential conflicts of interest between their personal interests and those of the Company or its subsidiaries. This policy ensures decisions within the Group are based on objective business judgement and are not influenced by personal interests or gains.

### HEINEKEN Responsible Marketing Code

The Group has adopted the HEINEKEN Responsible Marketing Code, which governs all commercial communications to ensure adherence to the highest standards of responsible marketing. The Code focuses on promoting moderate drinking, respect and truthfulness in commercial activations. It also includes guidelines for low and no-alcohol business, digital media and self-regulation initiatives. The Group's licence to operate depends on its efforts in marketing its brands responsibly and driving sensible consumption. All marketing materials undergo thorough review against the Code prior to publication.

The Code is updated periodically to reflect developments in the fast-changing world, with the latest update in April 2024.

### HEINEKEN Supplier Code and Distributor Code of Conduct

All business partners are expected to comply with all applicable laws and regulations where they operate and affirm their responsibility to responsible business conduct at all times. They are required to meet the Group's expectations for conducting business responsibly, respecting human rights, ensuring health and safety and protecting the environment as outlined in the HEINEKEN Supplier Code and the Distributor Code of Conduct.

The Group has implemented proactive measures to ensure its business partners uphold our values and dedication to responsible business conduct. The Group has established a due-diligence tool designed to identify, assess and address risks associated with third parties engaged by the Group, including suppliers and distributors. Among the risks evaluated by this tool are bribery and corruption.

### HEINEKEN Speak Up Policy

The HEINEKEN Speak Up Policy provides employees and stakeholders with a standard procedure to confidentially report concerns related to suspected misconduct or unethical practices within the Group, without fear of retaliation. Reports may be submitted to designated trusted representatives appointed by the Company or through an external Speak Up Service, which is available 24/7. The Speak Up Service is managed by an independent third party. All Speak Up reports are assessed by a Global Speak Up Review Team, comprising representatives from Global Business Conduct, Global Process & Control Improvement, Global Audit and Global People. This team determines the admissibility of concerns and identifies whether they should be handled by the Global Integrity Committee or by respective company involved.


The policy has been communicated to employees and business partners, emphasising that reports are treated confidentially and that retaliation is not tolerated.

*The HeiCode and the HEINEKEN Speak Up Policy are available on the Company's website at <https://www.heinekenmalaysia.com/corporate-governance/>.*

### Sustainability Governance


The Board ensures the Company's sustainability strategy aligns with the Group's strategic direction to support its long-term goals. It provides oversight on management of material sustainability risks and opportunities, ensuring ESG factors, including climate-related factors, are integrated into the Group's strategy and risk management.

The Group has adopted the HEINEKEN sustainability strategy Brew a Better World 2030 (BaBW) which outlines measurable and ambitious goals across three pillars: environmental sustainability, social sustainability and responsible consumption. The objectives are to achieve net zero environmental impact, fostering an inclusive, fair and equitable world, and promoting moderation in consumption.




**ENVIRONMENTAL SUSTAINABILITY**

- ⇒ Reach Net Zero Carbon
- ⇒ Maximise Circularity
- ⇒ Towards Healthy Watersheds and Nature



**SOCIAL SUSTAINABILITY**

- ⇒ Diversity, Equity and Inclusion
- ⇒ Fair and Safe Workplace
- ⇒ Community Impact



**RESPONSIBLE CONSUMPTION**

- ⇒ Always a Choice
- ⇒ Address Harmful Use
- ⇒ Make Moderation Cool



## Corporate Governance Overview Statement

The BaBW ambitions and targets align with the benchmarks established by the United Nations Global Compact., aiming to contribute to the United Nations Sustainable Development Goals to protect the planet, ensure prosperity and end poverty. Initiatives within each priority area are driven by relevant functions and departments across the organisation.

Since 2022, the Group has implemented an ESG Framework, aligning the BaBW ambitions with the Group’s overall sustainability strategy and emphasising key components of its sustainability agenda. The Group has also adopted a Sustainability Policy to reinforce its responsibility to integrating sustainability practices throughout its operations and value chain, particularly in the areas of ESG.

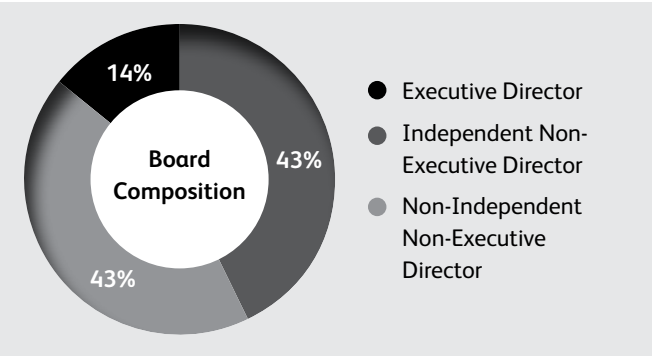
The Board is supported by a management Sustainability Committee responsible for strategically managing the material sustainability matters, including the formulation and implementation of the Group’s sustainability priorities and initiatives. The Sustainability Committee is chaired by the Managing Director, who has been entrusted by the Board to oversee the Group’s sustainability matters. He is supported by a secretariat led by the Corporate Affairs & Legal Director (CAL Director). The committee comprises members of the Management Team who monitor the progress of sustainability performance within their respective pillars. The CAL Director reports to the Managing Director and the Board on a quarterly basis on the progress of the sustainability priorities and initiatives undertaken by the Group.

Additional details regarding the Company’s sustainability strategy are reported in the ESG Review of this Annual Report.

*The Sustainability Policy is available on the Company’s website at <https://www.heinekenmalaysia.com/corporate-governance/>*

### Board Size, Composition and Diversity

As of the date of this statement, the Board is composed of seven Directors. It is chaired by an Independent Non-Executive Chairman and includes a Managing Director along with five Non-Executive Directors. Among these Non-Executive Directors, three, including the Chairman, are Independent Directors, constituting 43% of the Board. The remaining three Non-Executive Directors are Non-Independent Directors.



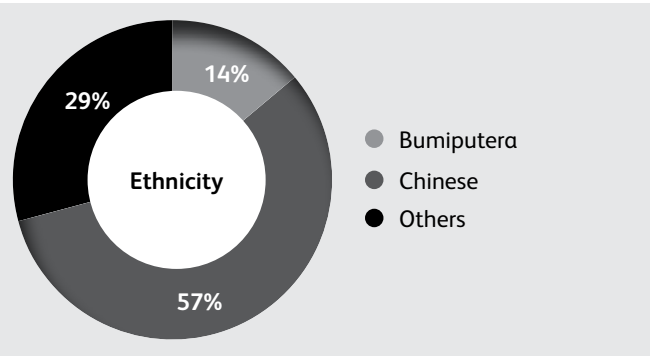
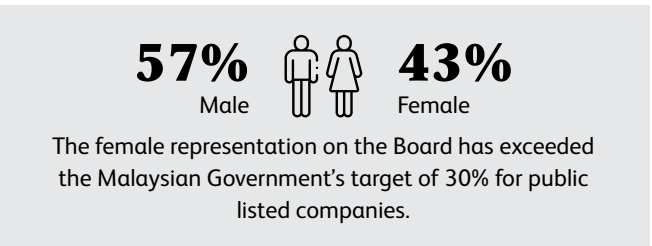
All the Directors are professionals of high calibre and integrity. Collectively, the Board has a diverse set of skills, experience and expertise in various fields including strategy and risk management, business and administration, finance and accounting, media relations and corporate affairs, sustainability and legal which are necessary for the overall effectiveness of the Board and Board Committees.

The primary responsibility of Independent Directors is to safeguard the interests of minority shareholders and other stakeholders. Their role includes providing independent perspectives and advice promoting accountability and balance in Board decisions.

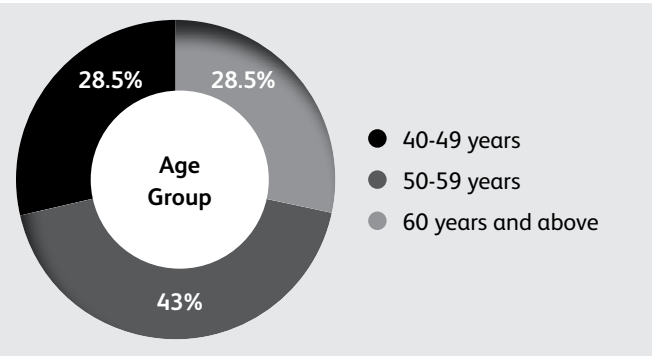
Mr Lau Nai Pek, the ARMC Chairman, has been designated as the Senior Independent Non-Executive Director of the Company. His roles are outlined in the Board Charter.

The Board recognised the recommendation under the MCCG for large companies to have a majority of Independent Non-Executive Directors on the Board. Considering the current shareholding structure, where 51% of the Company’s equity interest is held indirectly by Heineken N.V. through its wholly-owned subsidiary, GAPL Pte Ltd, the Board believes that to fully leverage the experience of the HEINEKEN Group and ensure a focus on long-term value creation, it is in the best interest of the Company and the stakeholders that the Board includes a fair and adequate representation of the major shareholders.

The Group acknowledges the importance of having an inclusive and diverse Board and has continued to maintain a balanced mix of gender, ethnicity and age diversity with sufficient independent elements for effective functioning. The Board considers diversity factors in the selection and appointment process to ensure that members can provide a variety of perspectives, insights and challenges necessary for effective decision-making. The diversity of the Board is depicted as follows:



## Corporate Governance Overview Statement



The Group has adopted the HeiCode and the HEINEKEN Human Rights Policy, which outline the principles of non-discrimination without distinction based on factors such as race, gender, nationality and age. Promoting a culture of diversity and inclusion, along with gender equality across the organisation, will continue to be a priority for the Group.

Regarding the tenure limitation of Independent Directors, the Board is guided by the recommended approach under the MCCG. Shareholders’ approval is sought to retain Independent Directors whose cumulative tenure exceeds the nine-year limit, failing which, they will be re-designated as Non-Independent Directors.

### Appointments to the Board

There is a formal and transparent process for the selection, nomination and appointment of suitable candidates to the Board. The NRC reviews the existing composition of the Board, identifies gaps and determines the selection criteria for new appointments to address these gaps and enhance the Board’s composition. When reviewing and recommending a new Director appointment to the Board, the NRC assesses the suitability of identified candidates based on their profile, professional knowledge and experience, considering the criteria outlined in the Directors’ Fit and Proper Policy. The NRC leverages the Directors’ network of professional and business contacts as well as and external sources, to identify qualified candidates and conduct engagement sessions with shortlisted candidates before making a final recommendation to the Board for approval.

To uphold objectivity and independent judgement in accordance with the best practices of the MCCG, the Board will ensure that no individual is appointed or continues to serve as a Director if the individual is or becomes an active politician. Furthermore, the Board adheres to a cooling-off period of three years before appointing any former audit partners and their affiliates as Independent Directors.

A comprehensive induction programme will be organised for newly appointed Directors to facilitate their understanding of the Group’s business and operations, organisational structure, management functions and the issues and challenges facing both the Group and the industry. Members of the Management Team will present their specific areas of responsibility, providing an overview of the key strategies and priorities within their functions. Additionally, as part of the induction programme, a brewery tour

will be arranged to enhance understanding of the supply chain operations.

*The Directors’ Fit and Proper Policy is available on the Company’s website at <https://www.heinekenmalaysia.com/corporate-governance/>*

### Board Effectiveness Evaluation

The Board, through the NRC, evaluates its collective performance annually by reviewing the effectiveness of the Board’s structure and activities as well as those of the Board Committees. For FY2024, this evaluation was conducted internally with the support of the Company Secretary. This process involved the Board members completing online questionnaires that encompassed various parameters to evaluate the Board’s performance against best practices.

Based on the evaluation, the Board was satisfied with its overall performance and concluded that both the Board as a whole and its Board Committees were effective in discharging their functions and duties, in that:

- The Board and the Board Committees have the required mix of competent members and are well-balanced with appropriate diversity in terms of skills, business experience, knowledge, gender and ethnicity. This diversity contributes to the overall effectiveness of the decision-making process for the Company and the Group. The Board adheres to CG standards and has established policies and processes to discharge its duties and responsibilities.
- The Board is led by a knowledgeable and respected Chairman known for being inclusive and effective. He facilitates open discussions, allowing Directors to express their views and he succinctly summarises their observations. This approach ensures the Board functions cohesively and decisions are made objectively in the best interest of the Company.
- Board members understand their roles and responsibilities in providing strategic oversight of the Group’s business conduct and management. They exhibit comprehensive knowledge of the Group’s business and good insights into external trends and developments. They share a common understanding of the Group’s long-term strategy and goals and maintain oversight of the execution of the strategy and business plan. Board members demonstrate professional independence and impartiality during deliberations at meetings.
- Board members demonstrated a strong dedication to discharging their fiduciary duties where they participate actively in discussions during Board and Board Committees’ meetings. The attendance record of the Board was good, and the Board agenda, meeting reports and minutes of meetings adhered to the standards of good CG.
- The working relationship among the Board members has been positive, characterised by meaningful interactions and mutual respect. There have been professional and constructive debates on wide ranging topics and issues, with valuable insights, guidance and feedback provided to the Management during Board deliberations. Additionally, the Management Team has provided consistent support, enabling the Board to effectively perform its function and duties.



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For FY2025, the Board will maintain its strategic oversight of the Group’s business conduct and performance management, with a focus on the following areas:

- (i) Digital transformation, leveraging new technologies including AI to drive productivity and operational efficiency.
- (ii) Risk management, specifically reputational risks.
- (iii) Sustainability and ESG reporting.
- (iv) Talent Development.

NRC

The NRC is responsible for assisting the Board with Nomination & Remuneration matters. The NRC consists of five Non-Executive Directors, with a majority being Independent Directors including the Chairman.

Name	Designation	Date appointed	Years of service
Dato’ Sri Idris Jala (Chairman)	Independent Non-Executive Director	1 January 2017	8 years +
Choo Tay Sian, Kenneth*	Non-Independent Non-Executive Director	26 October 2020	4 years +
Lau Nai Pek	Senior Independent Non-Executive Director	22 May 2021	3 years +
Chua Carmen	Independent Non-Executive Director	13 May 2023	1 year +
Erin Sakinah Atan*	Non-Independent Non-Executive Director	14 July 2023	1 year +

\* Representing HEINEKEN, major shareholder of the Company.

The roles and responsibilities of the NRC are outlined in its Terms of Reference, available on the Company’s website at <https://www.heinekenmalaysia.com/corporate-governance/>.

The Managing Director and the Company Secretary attend every meeting, whilst the People Director attends by invitation as required by the NRC. The NRC Meeting is normally held before or in conjunction with the Board Meeting. When necessary, decisions are made through circular resolutions. At Board Meeting, the Chairman of the NRC reports to the Board on matters deliberated at the NRC Meeting.

The NRC had one meeting in FY2024 with full attendance. During this meeting, the NRC deliberated on and reported the following matters to the Board:

- Management’s proposals on short-term incentives payment and annual salary review for Group employees.

- Evaluation of Board and Board Committees’ effectiveness and Directors’ performance.
- Recommendation for re-election of retiring Director at the Company’s Annual General Meeting (AGM).

During FY2024, the NRC also considered and recommended the appointment of Mr Martijn Rene van Keulen, nominated by the major shareholder, to succeed Mr Roland Bala as the Managing Director of the Company for the Board’s approval, ensuring a smooth leadership transition.

Remuneration

The remuneration matters of the Group fall under the purview of the NRC. The NRC is guided by the following principles as stipulated in the Company’s Remuneration Policy:

- Remuneration should reflect performance, complexity and responsibility with a view to attract, motivate and retain high-performance individuals whilst enhancing the Company’s value for its shareholders.
- Remuneration practices are benchmarked against external market data using remuneration surveys to ensure fair compensation for staff.
- The process of remuneration management shall be transparent, conducted in good faith and adhere to appropriate levels of confidentiality.

The remuneration of the Management Team including the Managing Director, is determined based on the HEINEKEN Global Senior Management Reward Policy. The remuneration package consists of both fixed and performance-linked elements, along with a long-term incentive plan. Salaries for the Managing Director do not include a commission or a percentage of the Group’s turnover. The Managing Director is not entitled to annual fee nor any meeting allowances for attending Board and Board Committees Meetings. The performance of the Managing Director is evaluated annually, taking into account both corporate and individual performance metrics.

The remuneration for the Non-Executive Directors is determined based on a standard fixed fee with the Chairman of the Board and the Board Committees receiving additional allowance due to their additional responsibilities and commitments. Non-Executive Directors who are members of Board Committees also receive an additional fee. A meeting allowance is provided for attending meetings of the Board and Board Committees. The remuneration package for the Non-Executive Directors is detailed in the CG Report 2024.

The NRC is tasked with reviewing the remuneration package for Non-Executive Directors to ensure it appropriately reflects their experience, level of responsibilities and contributions, and is competitive with market practices. Any proposed changes to the remuneration package will be submitted to the Board for approval.

The Board collectively determines the remuneration of the Non-Executive Directors based on the recommendation of the NRC. Each Non-Executive Directors shall abstain from deliberating and

Corporate Governance Overview Statement

voting on their own remuneration. The fees for Directors, along with any benefits payable to Non-Executive Directors, shall be subject to shareholders’ approval at the AGM.

At the 60<sup>th</sup> AGM held on 16 May 2024, shareholders’ approval was sought for the payment of Directors’ fees and benefits up to RM810,000 for the Non-Executive Directors for FY2024. The total remuneration paid to the Non-Executive Directors of the Company for FY2024 was RM804,600. A detailed breakdown of the remuneration paid to the Non-Executive Directors and the Managing Director (former and present), who served during FY2024, is disclosed in the CG Report 2024.

The Remuneration Policy is available on the Company’s website at <https://www.heinekenmalaysia.com/corporate-governance/>

Principle B

Effective Audit and Risk Management

ARMC

As of the date of this statement, the ARMC consists of three Non-Executive Directors, with a majority being Independent Directors, including the Chairman. The Chairman of the ARMC is not the Chairman of the Board. All members are financially literate, possess relevant expertise and experience, understand the Group’s business and are able to objectively review, analyse, challenge and provide recommendations on matters within the ARMC’s jurisdiction, including the financial reporting process. None of the ARMC members are former audit partners who are required to observe a cooling-off period of at least three years before appointment. Detailed information regarding the composition and responsibilities of the ARMC is outlined in the Audit & Risk Management Committee Report.

The Board, through the NRC, assessed the performance and effectiveness of the ARMC for FY2024 and is satisfied that the ARMC and its members have effectively discharged their functions, duties and responsibilities in accordance with the ARMC’s Terms of Reference.

The Board ensures that the Group’s financial statements comply with the relevant financial reporting standards and applicable legislations and regulations. The Statement by the Directors regarding the preparation of the Group’s financial statements is included in the Financial Statements section of this Annual Report.

Suitability and Independence of External Auditors

The Board, through the ARMC, maintains a professional relationship with the external auditors. The ARMC has a clear authority to communicate directly with external auditors. The ARMC meets the external auditors at least twice a year to review their audit plan, audit findings and the Group’s financial statements. Additionally, the ARMC conducts private meetings with the external auditors twice annually without the presence

of the Managing Director and Management staff to discuss any areas of concerns or confidential matters, as well as audit findings and other observations from the audit process.

The ARMC evaluates the independence and objectivity of the external auditors in performing statutory audit for the Group, as well as prior to the engagement of non-audit services of the external auditors. The external auditors, Deloitte PLT, have confirmed that they comply with the independence requirements set forth in the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (By-Laws) and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code). They have also affirmed that they have fulfilled their ethical responsibilities according to the By-Laws and IESBA Code.

The ARMC also reviews the nature of non-audit services and the associated fees to ensure they do not compromise the auditors’ independence and objectivity. Additionally, the ARMC has in place pre-approved policies and procedures governing the provision of permissible and non-permissible non-audit services to the Group to further ensure that these services do not impair the audit firm’s independence. For FY2024, the external auditors were primarily engaged to perform statutory audit on the Group’s financial statements and review reporting deliverables to Deloitte Netherlands as well as the Company’s Statement on Risk Management and Internal Control. The fees for these services were reported in the Audit & Risk Management Committee Report. The ARMC also reviews the Annual Transparency Report issued by Deloitte PLT.

Risk Management and Internal Control

The Board is also responsible for ensuring the Group has in place an effective risk management and internal control system to manage and mitigate significant risks across the Group and to safeguard stakeholders’ interests and the Group’s assets. The Group adopted the HEINEKEN Risk Management and Internal Control Systems which enable Management to identify, assess, prioritise and manage risks on a continuous and systematic basis. The Board, through the ARMC continually reviews the adequacy, integrity and effectiveness of the risk management and internal control systems to ensure that the same are soundly conceived, in place, effectively administered and regularly monitored.

As an integral part of the risk management and internal control systems, an assessment is also performed under the HEINEKEN Risk and Control Matrix compliance programme on the internal controls surrounding the Group financial reporting process on an annual basis, focusing on transparency, accountability and safeguarding of the Group’s assets. Outcome of the assessment is reported to the ARMC during their quarterly meetings.

The Internal Audit function, which is performed in-house, assists the ARMC and the Management in the effective discharge of their responsibilities in respect of risk management, internal control and governance. It is guided by its Charter and its principal responsibility is to provide independent and objective reviews on



## Corporate Governance Overview Statement

the Group’s internal control system so as to ensure that controls which are instituted are appropriate and can effectively address acceptable risk exposures. The Internal Audit function also ensures that recommendations to improve controls are followed through by Management.

The Internal Audit function, which is led by the Head of Internal Audit, has a clear line of reporting to the ARMC and its performance is reviewed by the ARMC on an annual basis. The ARMC also reviews the internal audit plan including the adequacy of the audit scope, approach, methodology, resources and authority of the Internal Audit function in carrying out its audit activities. It is independent of the operational and management activities they audit. Further information on the Internal Audit function were reported in the Audit & Risk Management Committee Report.

Based on the evaluation carried out by the ARMC on the performance of the Internal Audit function for FY2024, the Internal Audit function was found to be effective and able to function independently in discharging its responsibilities in that it provided value added recommendations that helped strengthen the internal controls within the Group.

The Board is of the view that the overall risk management and internal control systems in place for FY2024 are operating adequately and effectively for the purpose of safeguarding the Group’s assets, as well as shareholders’ investments and the interests of customers, employees and other stakeholders. The key features of the risk management and internal control systems are set out in the Statement on Risk Management and Internal Control.

Principle  
C

Integrity in Corporate Reporting and  
Meaningful Relationship with Stakeholders

### Communication with Stakeholders

The Company recognises the importance of timely and equitable dissemination of material information to shareholders, investors and the public. It consistently maintains an active and proactive communication approach with its shareholders and other stakeholders to foster mutual understanding of each party’s objectives and expectations.

The Company is guided by the disclosure requirements of the Main Market Listing Requirements along with the Corporate Disclosure Guide issued by Bursa Securities, HEINEKEN Media Policy and HEINEKEN Financial Disclosure Guidelines. These guidelines specify the authorised spokespersons responsible for communicating specific information to both internal and external stakeholders. They also provide specific guidance on the disclosure of material information, maintaining confidentiality and dissemination of information.

The Company’s Annual Report serves as a communication tool with the Group’s stakeholders, providing a comprehensive review of the Group’s financial and non-financial performance.

The Company ensures that its annual report is published on a timely basis and made available electronically to shareholders immediately upon publication.

The Company leverages various communication platforms to engage with shareholders and stakeholders. These include announcements via Bursa LINK, publication on the Company’s website, bi-annually results briefings with analysts, fund managers and media, engagements through the Investor Relations function and the Company’s social media. In 2024, the Company conducted several engagement activities with its stakeholders. Details of the engagement activities are reported in the Stakeholder Engagement section within the ESG Review in this Annual Report.

### Conduct of General Meetings

The AGM is a key platform for Directors and Management Team to engage shareholders, providing insights into the Group’s business, governance and performance. Shareholders were notified of the AGM ahead of time, and relevant reports were published via the Company’s and Bursa Malaysia’s website at least 28 clear days prior to the meeting. Shareholders were also given the opportunity to submit pre-meeting questions regarding the AGM agenda via the Tricor’s TIIH Online website.

In 2024, the Company conducted its AGM entirely virtually using the remote participation and voting (RPV) facilities. The AGM was attended by all Board members, the Finance Director, Company Secretary, the External Auditors and shareholders of the Company.

At the AGM, the Managing Director presented a comprehensive review of the Group’s business and financial performance, alongside an overview of the Group’s activities, key challenges, market outlook and strategies and priorities for the ensuring year. Shareholders were provided with the opportunity to submit real-time questions, comments or suggestions for improvement and cast their votes via the RPV facilities. The Chairman, representing the Board, along with the Managing Director, addressed questions submitted in advance by shareholders, including those from the Minority Shareholder Watch Group as well as the real-time questions posed during the meeting. All resolutions outline in the notice of the AGM were voted by poll, and an independent scrutineer was appointed to validate the votes for each resolution. The poll results were announced before the conclusion of the AGM and were subsequently published on the Company’s website and via Bursa LINK on the same day. Additionally, the minutes of AGM, along with the written responses to relevant questions raised were also made available on the Company’s website at [www.heinekenmalaysia.com](http://www.heinekenmalaysia.com).

### LOOKING AHEAD

The Board will continue to uphold strong governance and ethical practices, strengthen sustainability oversight and ensure all material risks are managed effectively to drive sustainable growth and performance for the Group.

This CG Overview Statement was approved by the Board on 11 March 2025.

## Audit & Risk Management Committee Report

The Audit & Risk Management Committee (ARMC) comprises the following three Non-Executive Directors, with a majority being Independent Directors including the Chairman:

Name	Designation	Date appointed	Years of service
Lau Nai Pek (Chairman)	Senior Independent Non-Executive Director	22 May 2021	3 years +
Choo Tay Sian, Kenneth*	Non-Independent Non-Executive Director	26 October 2020	4 years +
Chua Carmen	Independent Non-Executive Director	13 May 2023	1 year +

\* Representing HEINEKEN, major shareholder of the Company.

Mr Lau Nai Pek is a member of the Malaysian Institute of Accountants whilst Mr Choo Tay Sian, Kenneth is a Chartered Accountant and a member of the Institute of Singapore Chartered Accountants. Accordingly, the Company complies with Paragraph 15.09(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia).

The representation of the major shareholder in the ARMC is essential in that it provides an avenue for the major shareholder’s representative to share insights on HEINEKEN Global best practices and learning with the Company. None of the ARMC members were former audit partners who are required to observe a cooling-off period of at least three years before being appointed.

The ARMC discharges its functions according to its Terms of Reference in that it assists the Board in fulfilling its statutory duties and responsibilities by ensuring:

- accurate and timely financial reporting and compliance with applicable financial reporting standards;
- adequate internal control in the systems and processes which enable the Company and its subsidiaries (Group) to operate effectively and efficiently;
- that an effective risk management framework is in place to manage risks impacting the Group;
- that Internal Audit functions effectively. Audits are also performed by external auditors objectively and independently; and
- the Group complies with applicable laws, rules and regulations and has in place an appropriate code of business conduct that covers policies on, among others, bribery, fraud, conflicts of interest and Speak Up on concerns about suspected misconduct within the Group or potential violation of the code.

The Terms of Reference of the ARMC is available on the Company’s website at <https://www.heinekenmalaysia.com/corporate-governance/>.

### ACTIVITIES OF THE ARMC

During the financial year ended 31 December 2024 (FY2024), the ARMC had four meetings with a 100% attendance rate. The Managing Director, the Finance Director and the Head of Internal Audit of the Company normally attend the meetings. When necessary, certain members of the Management Team will be invited to the meetings to assist in clarifying matters raised at the meeting.

The main activities carried out by the ARMC during FY2024 were as follows:

#### Financial Reporting

- Reviewed the quarterly financial reports to Bursa Malaysia based on the Group’s business and financial performance, working capital movements, capital expenditure and cash flow positions as well as its performance outlook and financial performance plan.
- Reviewed the annual audited financial statements of the Group including the pertinent disclosures in the notes to the financial statements.

#### Risk Management and Internal Control

- Reviewed the top 10 risks and emerging risks together with the risk mitigating measures and the progress of mitigating actions on a quarterly basis. Illicit alcohol trade, contraband/ counterfeit products, growing conservatism, increase in excise duty, data privacy, cyber security, weakened consumer sentiment, volatile currency rates and people safety were among the key risk areas deliberated.
- Reviewed the adequacy and effectiveness of the Group’s risk management and internal control systems based on the following assessments performed by Management:
  - (i) business self-assessment under the HEINEKEN Risk and Control Matrix compliance programme which assesses the Group’s internal controls over financial and non-financial reporting; and
  - (ii) control self-assessment which focuses on the implementation and execution of the mandatory standards and procedures under the HEINEKEN Rules that describe the boundaries within which the Group can operate, with the objectives of protecting the Group’s assets and reputation.
- Reviewed the control issues reported in the ServiceNow Integrated Risk Management system (formerly B Wise), an integrated risk management solution used for enterprise and fraud risk assessment, issues and actions management, to ensure all key risks and control issues were effectively addressed in compliance with the Group’s policies and procedures.
- Reviewed the key changes to the HEINEKEN Rules and additional actions required to ensure compliance.
- Reviewed audit observations and recommendations provided by the HEINEKEN Global Audit Team in respect of audits performed on selected operating processes, and implementation of action plans by Management to address the concerns raised.



Audit & Risk Management Committee Report

Internal Audit

- Reviewed the internal audit annual plan including the adequacy of the audit scope, approach, methodology, resources and authority of the Internal Audit function in carrying out its audit activities.
- Reviewed the quarterly internal audit reports which encompassed the audit issues, audit opinion or conclusion, audit recommendations, Management’s responses to these recommendations and improvement actions in internal controls, systems and process efficiency enhancements; and suggested additional improvement opportunities in the said areas.
- Reviewed the progress of the implementation of audit recommendations on a quarterly basis to ensure all key risks and control gaps were addressed.
- Reviewed outcome of ad-hoc investigations/special reviews conducted by the Internal Audit function on matters concerning misconduct and suspicion of fraud or circumvention of internal controls within the Group.
- Reviewed the effectiveness of the audit process, resource requirements for the year and assessed the performance and contributions of the Internal Audit function as well as the competency and performance of the Head of Internal Audit.

External Audit

- Reviewed the external audit plan including the significant accounting and auditing issues and impact of changes in accounting standards applicable to the Group prior to commencement of annual statutory audit by the external auditors.
- Reviewed the external audit findings and observations and the accompanying management reports and representation, focusing particularly on key audit matters and risk items, and key accounting and audit adjustments.
- Held two private sessions with the external auditors without the presence of the Management in conjunction with the ARMC meetings in February 2024 and November 2024. The ARMC enquired about Management’s co-operation with the external auditors, their sharing of information, proficiency and adequacy of resources in the financial reporting function and key areas of concern or issues encountered by the external auditors during their audit. The ARMC was satisfied that there were no areas of concern on the process in the year end audit, full cooperation was extended to the auditors and no information was being withheld from the auditors.
- Obtained written assurance from the external auditors to confirm their independence and objectivity in performing statutory audit. Deloitte PLT have confirmed that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The ARMC was satisfied that they were not likely to create any conflict of interest nor impair the independence and objectivity of the external auditors.
- Evaluated the performance of the external auditors taking into consideration the competencies, the quality of the audit deliverables and the resource capacity of the audit team. The

ARMC was satisfied with the work performed and services provided by Deloitte PLT and recommended to the Board on their re-appointment and remuneration for FY2024. The re-appointment of external auditors was approved at the Company’s Annual General Meeting in May 2024. The ARMC also reviewed the Annual Transparency Report issued by Deloitte PLT.

For FY2024, the fees paid/payable to the external auditors, Deloitte PLT in relation to the audit and non-audit services rendered to the Company and the Group are as follows:

	Company RM’000	Group RM’000
Statutory audit services	155	245
Non-audit services		
(i) Review of reporting deliverables to Deloitte Netherlands	30	30
(ii) Review of the Statement on Risk Management and Internal Control	10	10
	195	285

The ARMC believes that the provision of these services by the external auditors to the Group was fair and reasonable given the scope of the audit and the size of the Group business as well as their knowledge and understanding of the Group operations, and they did not compromise their independence and objectivity.

Related Party Transactions (RPT) and Conflict of Interest

- Reviewed the quarterly recurrent RPT entered into by the Company and the Group to ensure transactions with related parties were carried out within the mandate approved by shareholders; and the announcement to Bursa Malaysia in respect of the deviation between actual transacted value and estimated value provided in the shareholders’ mandate.
- Reviewed the proposed shareholders’ mandate for recurrent RPT to be entered into by the Group for the ensuing year.
- Reviewed the processes that the Company has in place for identifying, evaluating, approving, reporting and monitoring of recurrent RPT based on the assurance from the Internal Audit function.
- Reviewed potential conflict of interest situations based on declaration submitted by Board members, Management Team members and employees, along with the measures taken to mitigate the potential conflicts. No conflict-of-interest situation required ARMC’s attention.

Others

- Reviewed Management’s proposal on dividend distribution for FY2024, taking into consideration the Group’s earnings and cash flow requirements and its solvency position.
- Reviewed Management’s proposal on increase of account receivables factoring capacity, taking into consideration

Audit & Risk Management Committee Report

- the Group’s working capital requirements, debt and equity structure and its cash flow positions.
- Reviewed the status of the material litigation involving the Company and its operating subsidiary which was disclosed under Note 26 of the Group’s Audited Financial Statements.

During FY2024, the ARMC Chairman had two meetings with the external auditors and had separate meetings with the Managing Director, Finance Director and the Head of Internal Audit prior to every scheduled ARMC Meeting.

The ARMC Chairman reports to the Board on matters deliberated and highlighted significant matters for Board’s attention. The ARMC has provided useful recommendations in assisting the Board in making informed decisions and enabling effective functioning of the Board.

The ARMC has unrestricted access to any information pertaining to the Group enabling it to discharge its duties effectively.

INTERNAL AUDIT FUNCTION

The ARMC is supported by the Internal Audit function in discharging its duties and responsibilities. The Internal Audit function is an integral part of the assurance framework and its principal role is to undertake independent and systematic reviews of the Group’s internal control system to provide objective assurance on the adequacy, integrity and effectiveness of the Group’s risk management, internal controls, anti-bribery and anti-corruption, Speak Up and the overall governance processes.

The Internal Audit function is performed in-house and it is headed by Eugene Ding Diew Ping who reports functionally to the ARMC and administratively to the Managing Director. The Internal Audit function does not have any direct operational responsibility or authority over any of the activities it audits, nor has it engaged in any activity that might impair the internal auditor’s judgement. All the internal audit staff had confirmed via an annual declaration that they were free from any relationships or conflict of interests which could impair their objectivity and independence.

The Head of Internal Audit, Eugene Ding Diew Ping, holds a Bachelor’s Degree of Business (Accounting) from the University of Technology Sydney, Australia. He is also a Chartered Accountant of the Malaysian Institute of Accountants and a Chartered Member of the Institute of Internal Auditors Malaysia (IIAM). He has over 20 years of internal audit experience. Currently, he is supported by an Internal Audit Assistant Manager and an Internal Audit Executive. During FY2024, relevant trainings were provided to the internal audit team to enhance their competencies.

The Internal Audit function is guided by an Internal Audit Charter approved by the ARMC. The charter sets out the purpose, scope, responsibility and authority of the function.

The Internal Audit function carried out its activities based on the Internal Audit Plan approved by the ARMC. The Internal Audit Plan is developed based on the risk profiles identified in accordance with the Group’s Risk Management Framework and in

consultation with the Management Team. The ARMC reviews the extent of the audit scope and coverage of the Group’s activities; and the adequacy, competency and the internal audit resources to support the completion of the plan. At the quarterly ARMC meetings, the Head of Internal Audit reports to the ARMC on the progress of internal audit activities and the resource requirements. The report to the ARMC also covers significant risk and control issues, including fraud risks, governance issues and other matters that require the ARMC’s attention.

In carrying out the audit activities, the Internal Audit function has adopted the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the International Internal Audit Standards Board. The internal audit staff adhere to the Code of Ethics adopted by the IIA which sets out, among others, the principles relevant to the profession and practice of internal auditing and the rules of conduct expected of internal auditors.

During FY2024, the Internal Audit function completed 17 audit assignments which included five investigative audits on matters reported via the Speak Up channel and requested by Management. The audits were performed using a risk-based approach followed by root-cause analysis and were consistent with the Group’s established framework in designing, implementing and monitoring of its internal control systems. The audit covered various operational areas within the Group, which included:

- Regional sales offices and distributors’ safety standards
- Procurement process
- Packaging material management process
- Management of spare parts in supply chain
- Employee claims processing
- Controls over consumer redemption of vouchers
- Compliance with the HEINEKEN Brand Promoters Policy
- Recurrent RPT

Findings from the audits were highlighted to Management who are responsible for ensuring that the agreed action plans to address the reported weaknesses are implemented within the required timeline. On a regular basis, the Internal Audit function reviewed the status of implementation of the recommended actions and preventive measures. The audit findings, audit opinion or conclusion and the status of implementation of the action plan were reported to the Risk and Control Workgroup and presented to the ARMC for review at their respective quarterly meetings.

The Internal Audit function also collaborates with the Process & Control Improvement Team to review the Group’s risk management process. Additionally, it provided support to the Safety Team by conducting a pre-audit review of the safety controls outside of production and assisted the Industrial Relations function during domestic inquiries.

The total expenses incurred by the Internal Audit function in discharging its functions and responsibilities for FY2024 amounted to RM971,000 (FY2023: RM832,000). The expenses incurred comprised mostly of salaries and departmental overheads.



## Audit & Risk Management Committee Report

The ARMC had evaluated the performance of the Internal Audit function for FY2024 and was satisfied with the overall performance of the function as it had been effective in performing its duties. The Internal Audit function also provided value added recommendations to the organisation, strengthening its internal controls, improving efficiency of processes whilst enabling cost savings, and was able to function independently.

### EFFECTIVENESS OF ARMC

The Board, via the Nomination & Remuneration Committee, reviewed the composition and performance of the ARMC through its annual Board and Board Committees effectiveness evaluation. Based on the evaluation conducted for FY2024, the Board was of the view that the present composition in the ARMC was appropriate in that the ARMC members possess the appropriate level of expertise and experience. They understand the Group's business well and can objectively review, analyse, challenge and recommend matters deliberated by the ARMC including the financial reporting process. During the year, all members of the ARMC have attended various development and learning programmes to stay informed of the market developments and changes in the statutory and regulatory requirements. The Board agreed that the ARMC had continued to support the Board in matters related to the Group's financial and audit, risk management and internal control. The Board was also satisfied that the ARMC has effectively discharged its functions, duties and responsibilities in accordance with its Terms of Reference in that it had provided useful recommendations to the Board for better decision-making and consequently made Board Meetings more efficient and effective.

This report was approved by the Board on 11 March 2025.

## Statement on Risk Management and Internal Control

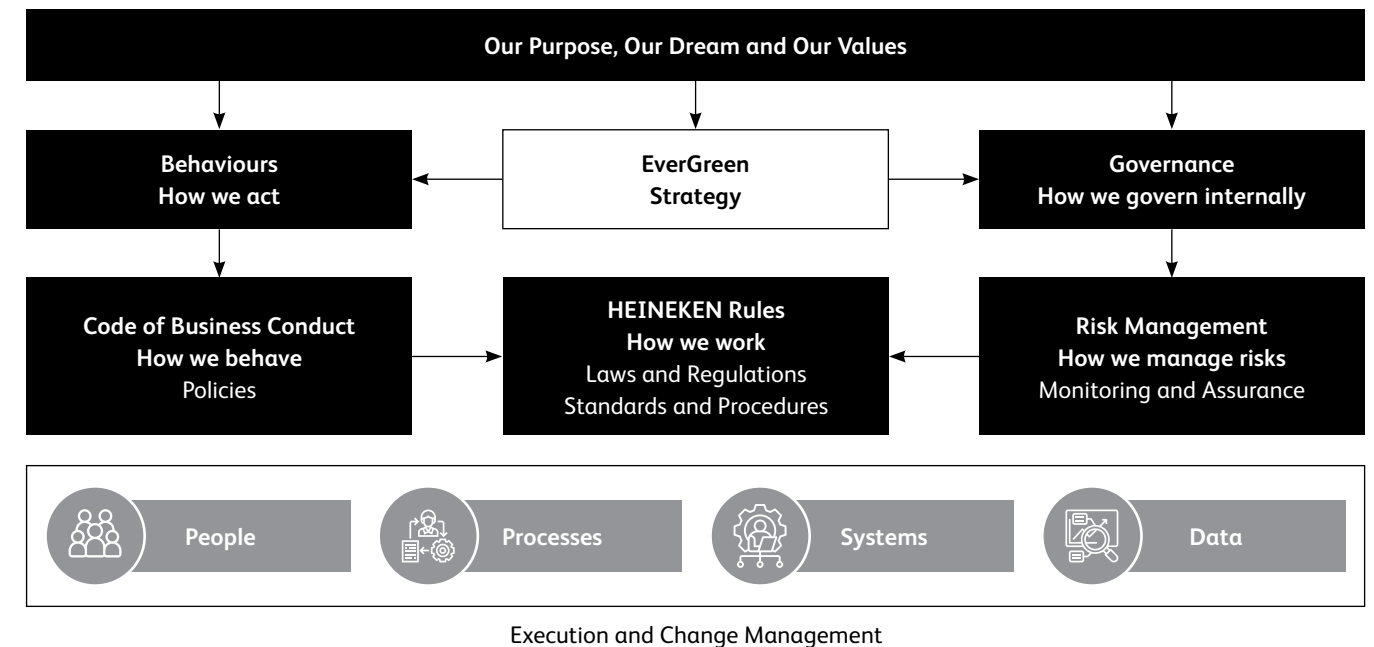
**The Board of Directors (the Board) is pleased to present this Statement on Risk Management and Internal Control, which outlines the nature and key elements of the risk management and internal control systems of Heineken Malaysia Berhad (HEINEKEN Malaysia or the Company) and its subsidiaries (collectively, the Group) for the financial year ended 31 December 2024 (FY2024). This statement is prepared in accordance with the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers which is in line with Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements (MMLR) and Principle B of the Malaysian Code on Corporate Governance (MCCG).**

### BOARD'S RESPONSIBILITY

The Board is responsible and accountable for the Group's systems of risk management and internal control and for reviewing the effectiveness, adequacy and integrity of the system. In this regard, the Board is assisted by the Audit & Risk Management Committee (ARMC), who is responsible to ensure that appropriate methods and procedures are adopted in the risk management and internal control activities and to obtain the level of assurance required by the Board.

### BUSINESS FRAMEWORK

As part of the HEINEKEN Group, the Group has adopted the HEINEKEN Business Framework (the Business Framework) established by Heineken N.V. The Framework articulates the key elements that the Company relies on to operate effectively and deliver long-term value creation whilst protecting its people, assets and reputation.



HEINEKEN's Purpose, Dream and Values underpin the HEINEKEN's EverGreen strategy, enabled by our organisational structure and strong governance. The behaviours provide clear guidance to all employees on how to act and foster a culture of achievement, collaboration and growth, underpinned by a Behaviours Framework that reflects the expected attitude in decision-making.

Continuous Risk Management supports the achievement of business objectives, based on our Risk Assessment Cycle, the HEINEKEN Code of Business Conduct (HeiCode) and the HEINEKEN Rules (HeiRules). As part of the Risk Assessment Cycle, the Management Team reviews and updates the risks faced by the Group on a continuous basis throughout the year. The HeiCode and its underlying policies set out the Group's responsibility to conduct business with integrity and fairness, and respect for the law and our values. The HeiRules articulate how we work and the standards to which we commit. They are a key element for managing the risks faced by our Company and translating our objectives into clear instructions on how to conduct our daily business.

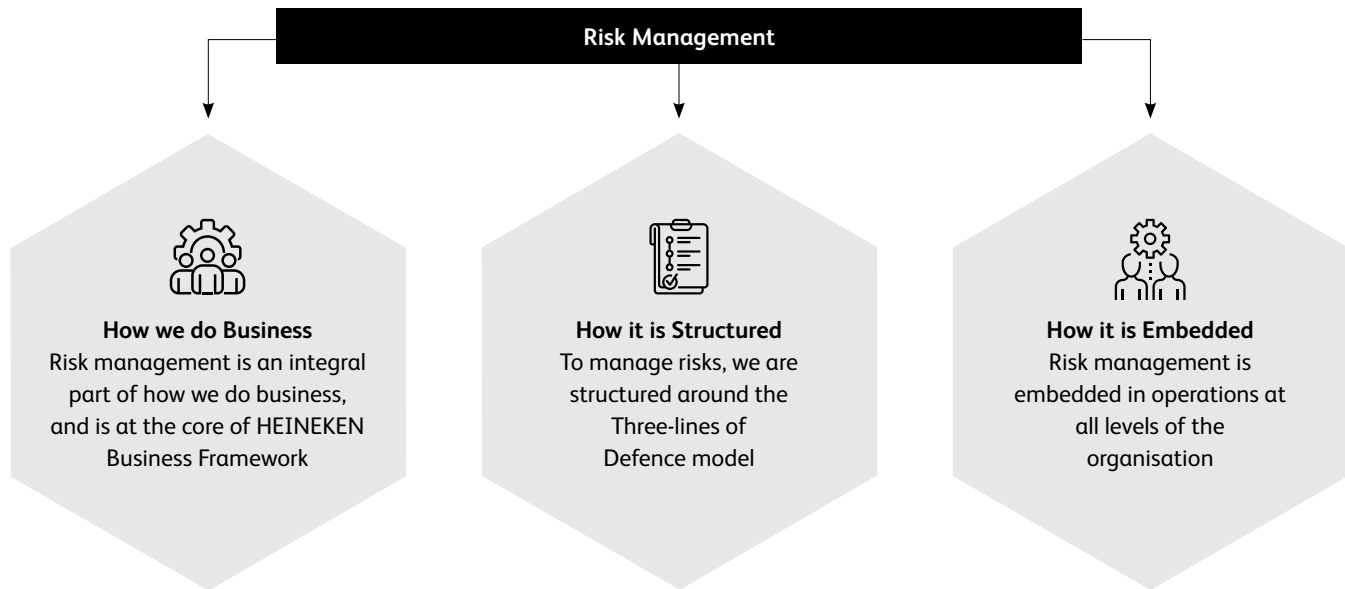
The Group's systems of risk management and internal control, which are based on the Committee on Sponsoring Organisations (COSO) Enterprise Risk Management and Internal Control Reference model, form a fundamental part of the Business Framework.



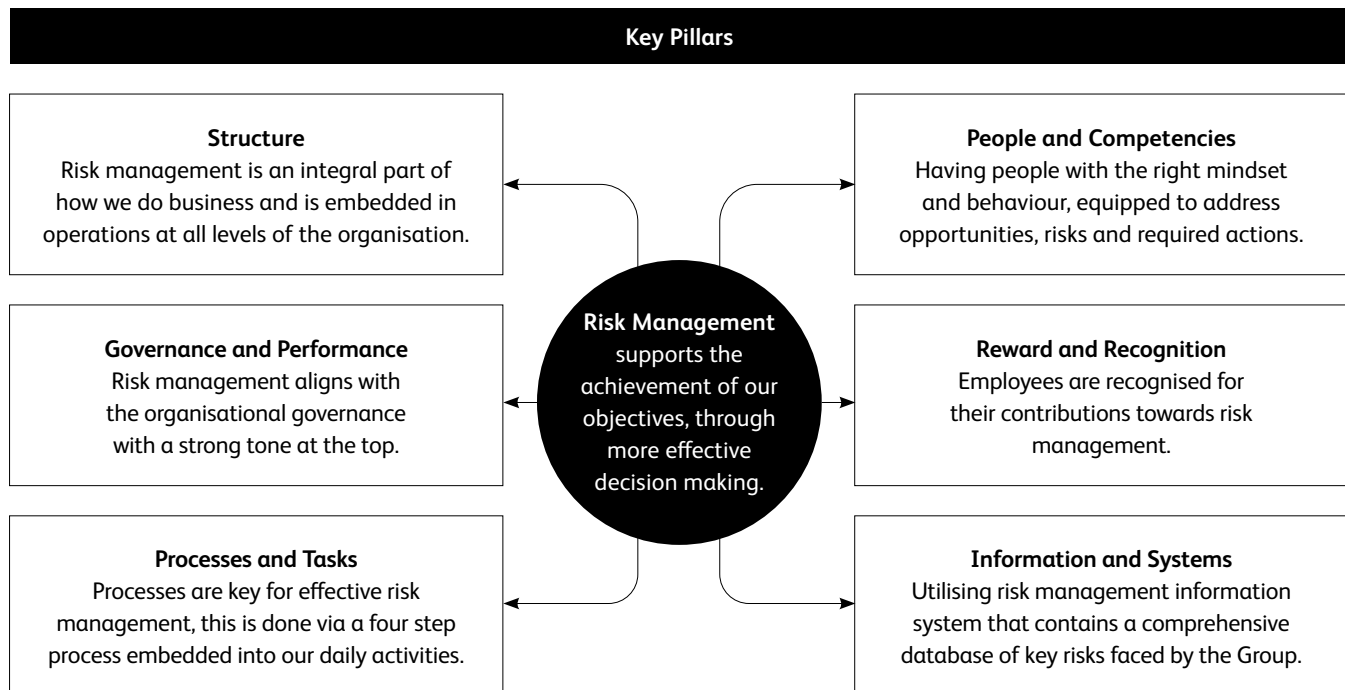
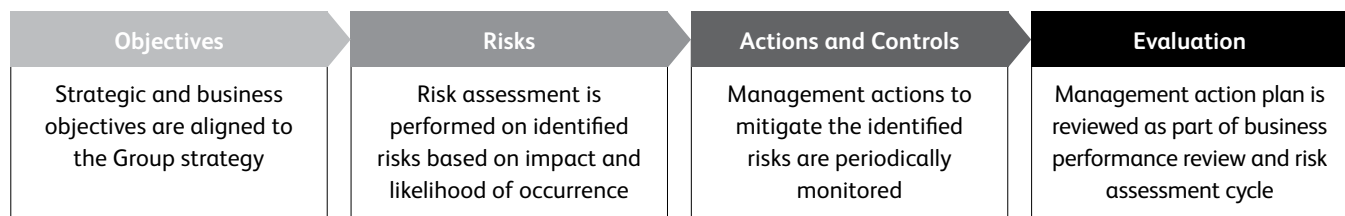
## Statement on Risk Management and Internal Control

### RISK MANAGEMENT

Risks are an essential element when opportunities are assessed and strategies are set. At HEINEKEN Malaysia, risk management is an integral part of doing business, supported by good governance. The Group has adopted the HEINEKEN Risk Management Framework (the Risk Management Framework) which is embedded within the Business Framework. The Risk Management Framework addresses the risks the Group inevitably faces in achieving its strategy. Managing risks in a conscious manner increases the likelihood of delivering our strategies and business objectives. The Group has adopted a proactive approach to ensure risk management is embedded in our processes for effective decision-making which is essential to create and preserve the Group's long-term value.



The Risk Management Framework comprises a four-step process and is supported by six key pillars:

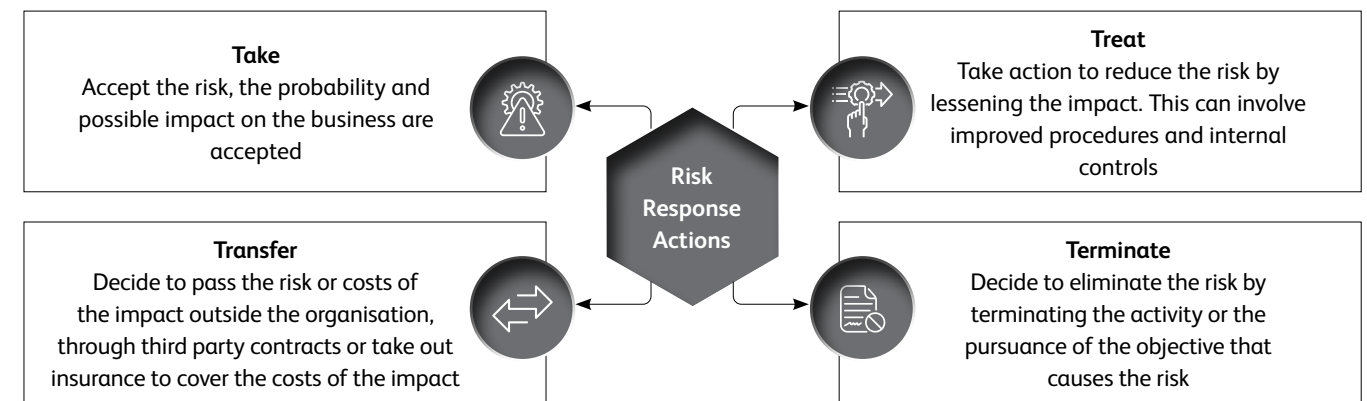


## Statement on Risk Management and Internal Control

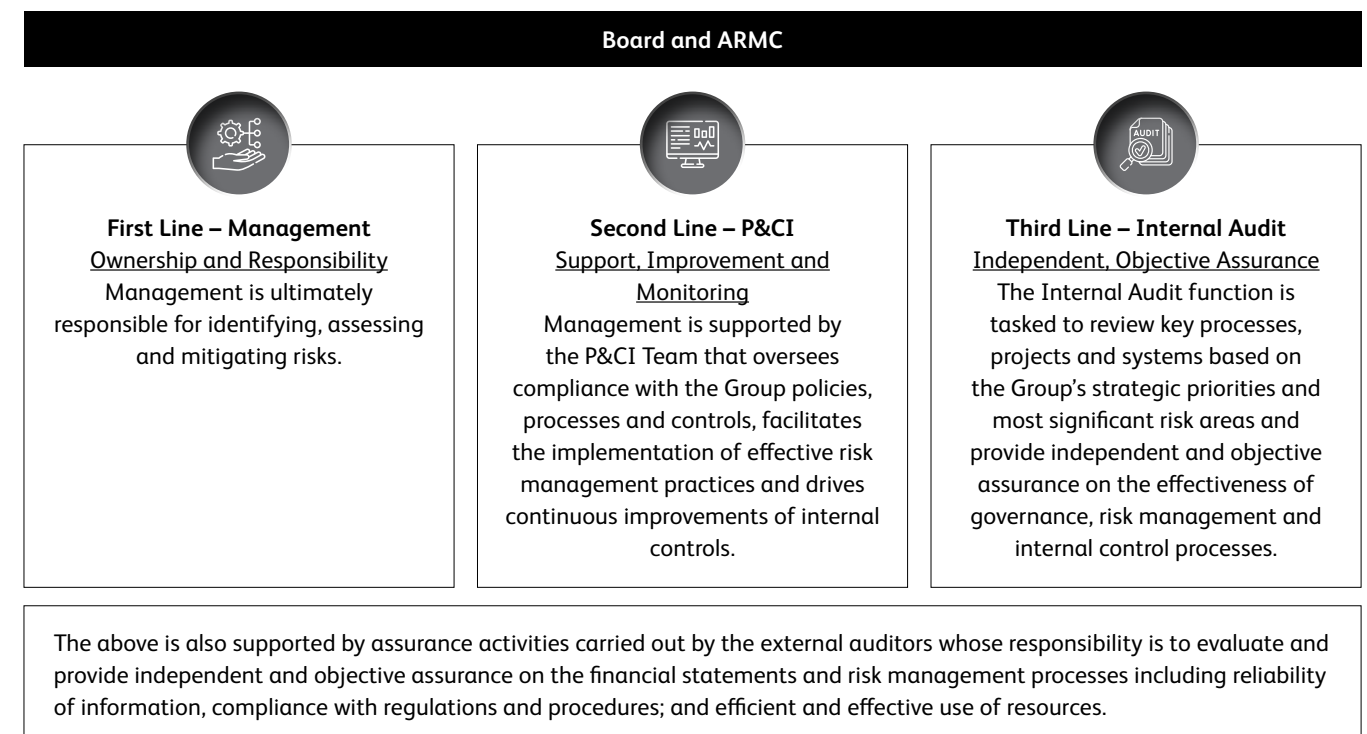
The risk profile of the Group is determined during the risk assessment sessions with the Management Team. This process is facilitated by the Process & Control Improvement (P&CI) Team and is an integral part of the Risk and Control Workgroup (RCW). During each assessment session, members of the Management Team are engaged to identify and review key risk areas within their respective function. They are responsible for ensuring that appropriate and effective mitigation plans are in place to manage the identified risks. The risks landscape, along with the mitigation plans, is assessed and categorised according to the level of impact and likelihood, using the following Risk Management Matrix adopted by the Group:

IMPACT	RISK MANAGEMENT MATRIX				
Major	Medium	Medium	High	High	Major
Significant	Medium	Medium	Medium	High	High
Moderate	Low	Medium	Medium	Medium	High
Minor	Low	Low	Medium	Medium	Medium
Insignificant	Low	Low	Low	Low	Medium
	Nearly Impossible	Unlikely	Possible	Likely	Almost Certain
	Likelihood				

The identified risks will be mapped on a heat map and ranked according to their level of risk and impact; and then presented to the Management Team at the quarterly RCW meeting. In determining the most appropriate responses to address the risks, the following risk mitigation strategy will be applied:



For the managing of risk management activities, the Group applies the “Three-lines of Defence” model as follows:





## Statement on Risk Management and Internal Control

The RCW, which is made up of members of the Management Team and is chaired by the Managing Director, oversees the areas of risk management and internal control of the Group. It meets on a quarterly basis to review the risk management activities and internal control issues raised. Matters deliberated in the RCW meetings are reported to the ARMC. The RCW is supported by the P&CI Team who is tasked to oversee compliance with the Group's Risk Management and Internal Control Systems and drive continuous process improvements.

The P&CI Team, which comprises of a P&CI Manager and a P&CI Executive, is a function within the Finance Department whilst the Internal Audit Department maintains a functional reporting relationship with the ARMC and reports administratively to the Managing Director.

### INTERNAL CONTROLS

As an integral part of the Business Framework, internal control activities are carried out with the aim of providing reasonable assurance as to the accuracy of financial information, non-financial disclosures, the Company's compliance with applicable laws and internal policies and the effectiveness of internal processes.

The internal controls are defined in HeiRules, encompassing all mandatory standards and procedures including financial and non-financial reporting, IT and Tax. On an annual basis, a Control Self-Assessment (CSA) is performed by each function to evaluate the implementation and execution of the mandatory standards and procedures stipulated under the HeiRules. The Group has also adopted the HEINEKEN's Risk and Control Matrix (RACM) compliance programme that focuses on internal controls over financial reporting. The RACM assessment is conducted on key controls surrounding the Group's financial reporting process based on materiality level. It focuses on transparency, accountability and the safeguarding of assets.

The P&CI Team coordinates both CSA and RACM assessments annually. The assessments are performed by competent assessors and the outcome are tested by qualified reviewers. The P&CI Team discusses non-compliance areas and control deficiencies with relevant process owners and documents them in a monitoring tool whilst ensuring remediation action plans are in place. Completed actions are retested to ensure adequate remediation. Any deficiencies identified will be assessed and reported to the RCW and the ARMC during their quarterly meetings.

### INTERNAL AUDIT

The primary role of the Internal Audit function is to undertake independent and systematic reviews of the Group's internal control system so as to provide objective assurance on the adequacy, integrity and effectiveness of the Group's risk management, internal controls, anti-bribery/anti-corruption, Speak Up and the overall governance processes within the Group.

The Internal Audit function has a clear reporting line to the ARMC and its performance is reviewed by the ARMC annually. It is independent of the operational and management activities they audit and have unrestricted access to information, records, physical properties and personnel, in order for it to complete the audit assignments.

Audits are carried out based on the risk-based Annual Audit Plan approved by the ARMC. The audit reports which highlight significant findings and audit recommendations with regards to the effectiveness of governance, risk management and internal control processes, including regulatory compliance such as related party transactions are presented to the RCW and the ARMC at their quarterly meetings.

Details of activities carried out by the Internal Audit function during FY2024 are further disclosed in the Audit & Risk Management Committee Report.

### KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The key elements of the Group's risk management and internal controls system are described below:

#### Authority and Responsibility

- As part of the Risk Management Framework, and in line with the MCCG, the Board has an organisational structure that clearly defined lines of accountability, responsibilities and delegated authority to the Board Committees and the Management, ensuring they discharge their duties effectively. Risk management and internal controls matters are under the purview of the ARMC, chaired by the Senior Independent Director.

## Statement on Risk Management and Internal Control

- There is a schedule of key matters reserved for Board deliberation and decision. The Group practices segregation of duties to ensure that specific tasks or duties within related business processes and related systems are assigned to different employees, preventing unintentional or fraudulent transactions.
- Internal policies and procedures governing the core business processes, along with the limits of authority delegated to appropriate levels of employees, are documented and stored in a document repository portal. These documents are regularly reviewed and updated to reflect changing risks or to address operational deficiencies.
- On behalf of the Management Team, the Managing Director and the Finance Director sign-off a bi-annual Letter of Representation to the Chief Financial Officer of Heineken N.V.. This letter demonstrates management's accountability over financial and non-financial reporting disclosures, financial reporting controls, compliance with the HeiCode and HeiRules and reporting of fraud and irregularities.

### Integrity and Ethical Values

- The Group has adopted the HeiCode which outlines the standards of ethics and responsible business conduct expected from employees at all levels. The HeiCode encompasses all aspects of the Group's business operations, categorised under four broad areas: Caring for People and Planet, Maintaining Business Integrity, Protecting Our Assets and Engaging Responsibly. These areas include responsible alcohol consumption; responsibility to health and safety, human rights and sustainable initiatives, equal opportunities and the prevention of discrimination and harassment, avoidance and disclosure of conflicts of interest, insider trading, management of intellectual property and confidential information, privacy and data protection; fair competition practices, responsible communication, fraud, bribery, offering and acceptance of gifts, entertainment, hospitality and donations, money laundering and sanctions; and business partner governance. Annually, employees are required to disclose to the Company any potential conflicts between their personal interest and those of the Company or its subsidiaries. This ensures decisions within the Group are based on objective business judgement and not influenced by personal interests or gain.
  - The Group has taken proactive actions to ensure that our business partners align with our values and responsible business conduct. Our distributors and suppliers adopt the HEINEKEN Distributor Code of Conduct and the HEINEKEN Supplier Code (the Codes) in running their business, further details on this were set out under 'Other policies' below. A due-diligence tool was implemented to identify, assess and remedy risks associated with third parties engaged by the Group, including suppliers and distributors. Bribery and corruption are among the risks assessed by the tool.
  - The Group also adopted the HEINEKEN Speak Up Policy, which provides employees and stakeholders a standard process to confidentially report concerns related to suspected misconduct or unethical practices within the Group, without fear of retaliation. Reports may be submitted to designated trusted representatives appointed by the Company or through an external Speak Up Service, which is available 24/7. The Speak Up Service is managed by an independent third party. All Speak Up reports are assessed by a Global Speak Up Review Team, comprising representatives from Global Business Conduct, Global Process & Control Improvement, Global Audit and Global People. This team determines the admissibility of concerns and identifies whether they should be handled by
- The Management Team meets monthly to review business performance and to identify, discuss and address operational, financial and key management issues. On a quarterly basis, the Managing Director reports to the Board on key business and operational issues, including strategy, performance, resources and regulatory compliance.
  - The RCW meets quarterly to review risk management and internal control activities, discuss risk mitigation strategies and follow-up on action plans implemented in response to issues raised as a result of reviews, assessments and tests performed by the P&CI Team and the internal/external auditors.
  - Compliance audits for the ISO 9001:2015 Quality Management System and the Hazard Analysis Critical Control Point (HACCP) requirements are conducted according to the frequency determined by the Ministry of Health to ensure adherence to product safety standards.
  - The Group has adopted the HEINEKEN Information Security Maturity Assessment (ISMA) framework as part of its internal controls to protect and detect threats against its information systems. Quarterly ISMA assessments are conducted to evaluate the effectiveness of the Group's information security management system and cyber security risk management measures.
  - The annual planning process involves each function preparing and reviewing their strategies and activity plans, including budgets, prior to the commencement of a new financial year. The annual plan, which embeds the budget, is reviewed by the Management Team and approved by the Board. The Management Team conducts a monthly review of performance and expenditure against the plan to ensure effective execution and spends are managed in line with the strategic and financial objectives of the organisation. Performance gaps or key variances are followed up and addressed by respective functions.
  - Regular stakeholder engagements with employees, investors, analysts, media, trade partners and relevant authorities are conducted to understand stakeholders' needs and collect feedback for continuous improvements.



## Statement on Risk Management and Internal Control

- the Global Integrity Committee or by respective company involved. The policy has been communicated to all employees, emphasising that reports are treated confidentially, and that retaliation is not tolerated. It has also been communicated to distributors and suppliers through engagement sessions and e-learning that focuses on the Codes. This policy is available for reference on the Company's website at <https://www.heinekenmalaysia.com/corporate-governance/>
- Employees are guided by HEINEKEN's Purpose, Dream and Values which are integrated into the Group's policies and procedures, and work culture.

### Employees' Competency and Awareness

- Annually, employees are required to complete the following e-learning modules as part of the Company's efforts to enhance awareness and evaluate their understanding of the respective codes and underlying principles. The People function closely monitors the results from the online assessments.
  - Code of Business Conduct
  - Anti-Bribery and Corruption
  - Responsible Marketing Code
  - Security Awareness
  - Fraud Awareness
  - Data Privacy
  - Competition Law
  - Life Saving Commitments
  - Responsible Consumption

In addition to the e-learning modules, annual briefings were conducted for regional sales employees to ensure they remain updated and to address any questions on challenges or issues encountered in their daily operations.
- Training and development programmes covering health and safety, technical knowledge and leadership are organised for employees to ensure that they are equipped with necessary knowledge/skills and competencies to carry out their responsibilities in achieving the Group's objectives. The Group provides an integrated learning platform where employees can access a wide range of courses, covering areas such as cross functional business skills, digital trends and self-development.
- The Group relies on IT systems to support its operations via data analysis and reports essential for business decision-making. As part of the cyber security awareness measures, mandatory trainings were conducted for all employees through an online learning platform. Additionally, a simulated phishing email exercise was performed during the year to enhance awareness of phishing and its attack methods.
- Briefings are held to update employees on legislative changes that may impact the Group's operations or business practices. These briefings cover updates in food legislation, local council licensing requirements relevant to the beer industry and the new Guidelines on the Marketing and Advertising of Intoxicating Liquor introduced by the Communications and

- Multimedia Content Forum of Malaysia.
- Induction programmes for new joiners are organised to raise awareness and educate them on the Group's approach to risk management and internal control. These programmes also aim to enhance participants' understanding of the Group's risk management and control procedures, as well as their responsibilities in managing risks.

### Other Policies

- The Codes outline the standard for ethical and business conduct expected from distributors and suppliers in their business dealings with the Group. The Codes were communicated to distributors and suppliers through e-learning modules and engagement sessions aimed at raising awareness and assessing their understanding of the principles outlined within the Codes, particularly regarding bribery, fraud and the offering and acceptance of gifts and entertainment.
- The Group's assets are insured against potential incidents that may lead to material financial losses. Additionally, stringent measures are implemented to ensure that major assets within the Group are securely protected.
- The Group has adopted the HEINEKEN Crisis Manual and has a Contingency Plan and an Emergency Preparedness and Response Plan for crisis situations. A Crisis Management Team, consisting of members of the Management Team, is in place to provide leadership and timely decision-making to ensure business operations continue during significant disruption or disaster. The plan addresses scenarios such as fire/explosion, product contamination and IT disaster. During FY2024, an emergency evacuation drill for fire and a chemical leak and a disaster recovery drill focusing on critical systems were conducted. These drills involved comprehensive examination and simulation of potential crisis scenarios to evaluate the organisation's preparedness, resilience and ability to mitigate the damages, ensure people safety and recover essential systems during a crisis.

### BOARD ASSESSMENT

The Board is of the view that, the overall risk management and internal control systems in place for FY2024, and up to the date of approval of this statement, are operating adequately and effectively. This covers all material aspects, based on, the same assurance provided by the Managing Director and the Finance Director, who represent the Management Team of the Company, through the Letter of Representation submitted to Heineken N.V.. During the financial year under review, no material financial or non-financial losses were reported due to weaknesses or inadequacies in internal control. The Board will continue to review the systems and ensure that measures are taken to strengthen the risk management and internal control environment within the Group.

## Statement on Risk Management and Internal Control

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

In compliance with Paragraph 15.23 of the MMLR, the external auditors have reviewed this statement on Risk Management and Internal Control for inclusion in the Annual Report 2024. Their limited assurance review was conducted in accordance with the Audit and Assurance Practice Guide 3 (AAPG3) issued by the Malaysian Institute of Accountants. AAPG3 does not require the external auditors to provide an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems.

Based on the review, the external auditors have reported that nothing has come to their attention that had caused them to believe that this statement is not prepared, in all material respects, in accordance with the disclosures required by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, or is the Statement factually inaccurate.

This statement was approved by the Board on 11 March 2025.



# Financial *Statements*

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## Directors' Report

The directors of **HEINEKEN MALAYSIA BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in the production, packaging, marketing and distribution of beverages, primarily alcoholic, whilst the principal activities of the subsidiaries are as stated in Note 13 to the financial statements.

### RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	Group RM'000	Company RM'000
<b>Profit for the year attributable to:</b>		
Owners of the Company	466,749	481,539

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

### DIVIDENDS

Since the end of the previous financial year, the amount of dividends paid or proposed by the Company are in respect of the following:

- (i) A final ordinary dividend of 88 sen per stock unit under the single tier tax system totalling RM265,846,240 in respect of the financial year ended 31 December 2023 on 25 July 2024; and
- (ii) An interim ordinary dividend of 40 sen per stock unit under the single tier tax system totalling RM120,839,200 in respect of the financial year ended 31 December 2024 on 30 October 2024.

The directors now recommend the declaration of a final ordinary dividend of 115 sen per stock unit under the single tier system totalling RM347,412,700 in respect of the financial year ended 31 December 2024 which if approved by the owners of the Company will be payable on 23 July 2025.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

### ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

### SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.



Directors’ Report

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

- (a) which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; and
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the succeeding financial year.

DIRECTORS

The directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Dato’ Sri Idris Jala  
Choo Tay Sian, Kenneth  
Seng Yi-Ying  
Lau Nai Pek  
Chua Carmen  
Erin Sakinah Atan  
Martijn Rene van Keulen (Appointed on 1 July 2024)  
Roland Bala (Resigned on 1 July 2024)

Directors’ Report

DIRECTORS (CONTINUED)

The directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Renuka A/P V. Indrarajah  
Christiaan Johannes Folkerts  
Martijn Rene van Keulen (Appointed on 1 July 2024)  
Roland Bala (Resigned on 1 July 2024)  
Dato’ Dominic Joseph Puthucheary (Resigned on 30 November 2024)

DIRECTORS’ INTERESTS

None of the directors in office at the end of the financial year held shares or had beneficial interest in the ordinary stock units/shares of the Company or its related corporation during or at the beginning and end of the year.

DIRECTORS’ BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by directors as disclosed below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

	Group		Company	
	2024	2023	2024	2023
	RM’000	RM’000	RM’000	RM’000
Directors:				
Fees	738	598	732	592
Remuneration	3,632	5,583	3,632	5,583
Share-based payment	685	939	685	939
Meeting attendance allowance	55	63	55	63
Estimated monetary value of benefits-in-kind otherwise than in cash	766	428	766	428
	5,876	7,611	5,870	7,605

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains a directors and officers liability insurance for the purposes of Section 289 of the Companies Act, 2016, throughout the year, which provides appropriate insurance cover for the directors and officers of the Group. The amount of insurance premium paid during the financial year amounted to RM47,846.

No indemnity was given to or insurance effected for auditors of the Company and of the Group during the financial year.



## Directors’ Report

### HOLDING CORPORATIONS

The directors regard GAPL Pte. Ltd. (“GAPL”) and Heineken Asia Pacific Pte. Ltd. (“HAPPL”), both corporations incorporated in the Republic of Singapore, as the immediate and intermediate holding corporations.

HAPPL is owned by Heineken N.V., a corporation incorporated in the Netherlands, which in turn is the ultimate holding corporation of the Company.

### AUDITORS’ REMUNERATION

The amount paid/payable as remuneration of the auditors for the financial year ended 31 December is as below:

	Group		Company	
	2024	2023	2024	2023
	RM’000	RM’000	RM’000	RM’000
Statutory audit fees	245	236	155	149
Other services	40	40	40	40

### AUDITORS

The auditors, Deloitte PLT, have expressed that they do not seek re-appointment at the forthcoming annual general meeting.

Signed on behalf of the Board of Directors  
in accordance with a resolution of the directors,

DATO’ SRI IDRIS JALA

MARTIJN RENE VAN KEULEN

Petaling Jaya, Selangor  
11 March 2025

## Independent Auditors’ Report

To the Members of Heineken Malaysia Berhad (Incorporated in Malaysia)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OPINION

We have audited the financial statements of **HEINEKEN MALAYSIA BERHAD**, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 130 to 169.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

#### BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *Revenue recognition - Accruals for promotional allowances and volume rebates*

Accounting for promotional allowances and volume rebates impacts the amounts of revenue recognised during the year. The revenue accounting policies are disclosed in Note 3 to the financial statements. Management judgement is required to estimate the value of promotional allowances and volume rebates. This estimate is considered to be a key audit matter relevant to our audit of the financial statements.

#### Our audit response

Our audit procedures included, amongst others, evaluating controls relating to management’s process for determining the value of promotional allowances and volume rebates. In addition, we performed substantive testing and analytical procedures to test the accuracy and completeness of the underlying calculation of the accruals. These procedures included challenging the appropriateness of management’s assumptions and estimates, and agreeing input data, including volume sold, pricing and allowance data to the underlying agreements entered into with customers. We also compared the actual promotional discounts and rebates incurred against the accrual made in the prior year.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors’ report.



# Independent Auditors’ Report

To the Members of Heineken Malaysia Berhad (Incorporated in Malaysia)

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS’ REPORT THEREON

The directors of the Company are responsible for the other information. The other information comprises the Chairman’s Statement, Five-Year Financial Indicators, Analysis of Group Revenue, Management Discussion and Analysis, Statement on Risk Management and Internal Control, Properties owned by the Group and Directors’ Report (but does not include the financial statements of the Group and of the Company and our auditors’ report thereon) which we obtained prior to the date of this auditors’ report and the Analysis of Stockholdings, Corporate Governance Overview Statement, Audit and Risk Management Committee Report, Statement on Risk Management and Internal Control which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors’ report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information that are expected to be made available to us after the date of this auditors’ report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group’s and the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

## AUDITORS’ RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s and of the Company’s internal control.

# Independent Auditors’ Report

To the Members of Heineken Malaysia Berhad (Incorporated in Malaysia)

## AUDITORS’ RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s or the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are as disclosed in Note 13 to the financial statements.

## OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**DELOITTE PLT (LLP0010145-LCA)**  
**Chartered Accountants (AF 0080)**

**TEOH CHEAP CHEE**  
**Partner - 03472/11/2025 J**  
**Chartered Accountant**

Kuala Lumpur  
11 March 2025



## Statements of Profit or Loss and Other Comprehensive Income

for the Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue		2,796,791	2,637,741	1,667,265	1,478,397
Cost of sales		(1,851,951)	(1,758,969)	(1,616,611)	(1,442,365)
<b>Gross profit</b>		<b>944,840</b>	878,772	<b>50,654</b>	36,032
Other operating income		9,145	11,391	6,581	3,697
Distribution, marketing and selling expenses		(245,793)	(263,951)	(1,062)	(898)
Administrative expenses		(110,660)	(106,084)	(27,910)	(28,785)
Other operating expenses		(1,801)	(1,817)	(1,758)	(1,735)
Dividend income		-	-	441,564	370,344
<b>Results from operating activities</b>		<b>595,731</b>	518,311	<b>468,069</b>	378,655
Finance income	5	1,180	1,154	1,134	1,111
Finance costs	6	(12,608)	(8,585)	(7,376)	(8,185)
<b>Net finance costs</b>		<b>(11,428)</b>	(7,431)	<b>(6,242)</b>	(7,074)
<b>Profit before tax</b>	7	<b>584,303</b>	510,880	<b>461,827</b>	371,581
Income tax (expense)/credit	8	(117,554)	(124,080)	19,712	(28)
<b>Profit/Total comprehensive income for the year attributable to:</b>					
Owners of the Company		466,749	386,800	481,539	371,553
<b>Basic/Diluted earnings per ordinary stock unit (sen)</b>	9	<b>154.5</b>	128.0		

The accompanying Notes form an integral part of the Financial Statements.

## Statements of Financial Position

as at 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Non-current Assets</b>					
Property, plant and equipment	10	582,071	576,464	549,770	544,959
Intangible assets	11	18,360	20,357	16,690	18,083
Right-of-use assets	12	20,041	18,848	11,603	11,665
Investment in subsidiaries	13	-	-	14,344	14,344
Deferred tax assets	14	1,441	1,742	-	-
Other receivables and prepaid expenses	15	1,095	2,663	55	31
<b>Total Non-current Assets</b>		<b>623,008</b>	620,074	<b>592,462</b>	589,082
<b>Current Assets</b>					
Inventories	16	152,098	120,564	69,923	80,309
Current tax assets		22,071	29,912	22,071	22,383
Receivables, deposits and prepaid expenses	15	450,525	433,561	10,009	7,938
Cash and bank balances		32,486	43,318	20,733	38,376
<b>Total Current Assets</b>		<b>657,180</b>	627,355	<b>122,736</b>	149,006
<b>Total Assets</b>		<b>1,280,188</b>	1,247,429	<b>715,198</b>	738,088
<b>Equity</b>					
Share capital	17	151,049	151,049	151,049	151,049
Reserves		388,289	307,623	246,371	151,103
<b>Total Equity Attributable To Owners of The Company</b>		<b>539,338</b>	458,672	<b>397,420</b>	302,152
<b>Non-current Liabilities</b>					
Lease liabilities	19	5,850	5,021	535	530
Deferred tax liabilities	14	15,124	34,567	15,124	35,149
<b>Total Non-current Liabilities</b>		<b>20,974</b>	39,588	<b>15,659</b>	35,679
<b>Current Liabilities</b>					
Borrowings	18	80,000	135,000	80,000	135,000
Trade and other payables	20	632,817	610,263	220,892	264,177
Provision for restructuring	21	-	-	-	-
Lease liabilities	19	4,476	3,906	1,227	1,080
Current tax liabilities		2,583	-	-	-
<b>Total Current Liabilities</b>		<b>719,876</b>	749,169	<b>302,119</b>	400,257
<b>Total Liabilities</b>		<b>740,850</b>	788,757	<b>317,778</b>	435,936
<b>Total Equity and Liabilities</b>		<b>1,280,188</b>	1,247,429	<b>715,198</b>	738,088

The accompanying Notes form an integral part of the Financial Statements.



# Statements of Changes in Equity

for the Year Ended 31 December 2024

	Note	Share capital RM'000	Capital reserve RM'000	Distributable -Retained earnings RM'000	Total RM'000
<b>Group</b>					
<b>As at 1 January 2023</b>		151,049	647	336,757	488,453
Total comprehensive income for the year		-	-	386,800	386,800
Credit to equity for equity-settled share-based payments		-	314	-	314
Dividends	22	-	-	(416,895)	(416,895)
<b>As at 31 December 2023/1 January 2024</b>		<b>151,049</b>	<b>961</b>	<b>306,662</b>	<b>458,672</b>
Total comprehensive income for the year		-	-	466,749	466,749
Credit to equity for equity-settled share-based payments		-	602	-	602
Dividends	22	-	-	(386,685)	(386,685)
<b>As at 31 December 2024</b>		<b>151,049</b>	<b>1,563</b>	<b>386,726</b>	<b>539,338</b>
<b>Company</b>					
<b>As at 1 January 2023</b>		151,049	585	195,685	347,319
Total comprehensive income for the year		-	-	371,553	371,553
Credit to equity for equity-settle share-based payments		-	175	-	175
Dividends	22	-	-	(416,895)	(416,895)
<b>As at 31 December 2023/1 January 2024</b>		<b>151,049</b>	<b>760</b>	<b>150,343</b>	<b>302,152</b>
Total comprehensive income for the year		-	-	481,539	481,539
Credit to equity for equity-settle share-based payments		-	414	-	414
Dividends	22	-	-	(386,685)	(386,685)
<b>As at 31 December 2024</b>		<b>151,049</b>	<b>1,174</b>	<b>245,197</b>	<b>397,420</b>

The accompanying Notes form an integral part of the Financial Statements.

# Statements of Cash Flows

for the Year Ended 31 December 2024

	Note	Group 2024 RM'000	2023 RM'000	Company 2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>					
Profit before tax		584,303	510,880	461,827	371,581
Adjustments for:					
Depreciation of property, plant and equipment	10	80,267	65,343	68,927	54,203
Amortisation of prepaid contractual promotion expenses		5,197	6,959	-	-
Amortisation of intangible assets	11	6,078	5,689	5,474	5,085
Inventories written off/(back)		822	8,180	(442)	3,052
Depreciation of right-of-use assets	12	4,989	3,980	1,677	1,670
Finance costs	6	12,608	8,585	7,376	8,185
Property, plant and equipment written off	10	269	817	259	816
Net unrealised loss on foreign exchange		180	19	190	3
Gain on disposal of right-of-use assets		(7)	-	-	-
Gain on disposal of property, plant and equipment		(131)	(254)	-	(107)
Reversal of provision for restructuring	21	-	(288)	-	(288)
Finance income	5	(1,180)	(1,154)	(1,134)	(1,111)
Dividend income from a subsidiary		-	-	(441,564)	(370,344)
Operating Profit Before Working Capital Changes		693,395	608,756	102,590	72,745
Movement in working capital:					
(Increase)/Decrease in:					
Receivables, deposits and prepaid expenses		(20,593)	159,741	(2,095)	158,053
Inventories		(32,356)	61,940	10,828	(2,735)
Increase/(Decrease) in:					
Trade and other payables		11,048	(86,569)	(54,988)	(15,142)
Cash Generated From Operations		651,494	743,868	56,335	212,921
Income tax paid		(126,271)	(151,182)	-	(4,782)
Interest paid		(12,608)	(8,585)	(7,376)	(8,185)
Net Cash From Operating Activities		512,615	584,101	48,959	199,954



Statements of Cash Flows  
for the Year Ended 31 December 2024

	Note	Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>					
Acquisition of property, plant and equipment	10	(74,247)	(133,581)	(62,070)	(123,444)
Acquisition of intangible assets	11	(4,081)	(5,516)	(4,081)	(5,516)
Interest received		1,180	1,154	1,134	1,111
Proceeds from disposal of property, plant and equipment		162	260	-	107
Dividend received		-	-	441,564	370,344
Net Cash (Used In)/From Investing Activities		(76,986)	(137,683)	376,547	242,602
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>					
Dividends paid	22	(386,685)	(416,895)	(386,685)	(416,895)
Repayment of revolving credit and trade financing - net		(55,000)	(35,000)	(55,000)	(35,000)
Repayment of lease liabilities	29	(4,776)	(3,759)	(1,464)	(1,432)
Net Cash Used In Financing Activities		(446,461)	(455,654)	(443,149)	(453,327)
<b>NET DECREASE IN CASH AND BANK BALANCES</b>					
		(10,832)	(9,236)	(17,643)	(10,771)
<b>CASH AND BANK BALANCES AT BEGINNING OF YEAR</b>					
		43,318	52,554	38,376	49,147
<b>CASH AND BANK BALANCES AT END OF YEAR</b>					
		32,486	43,318	20,733	38,376

The accompanying Notes form an integral part of the Financial Statements.

Notes to the Financial Statements

1. GENERAL INFORMATION

Heineken Malaysia Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The Company is principally engaged in the production, packaging, marketing and distribution of beverages, primarily alcoholic, whilst the principal activities of the subsidiaries are as stated in Note 13.

The registered office and principal place of business of the Company is located at Sungei Way Brewery, Lot 1135, Batu 9, Jalan Klang Lama, 46000 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The financial statements of the Group and of the Company have been authorised by the Board of Directors for issuance on 11 March 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRSs”) and the requirements of the Companies Act, 2016 in Malaysia.

Application of Amendments to MFRS

In the current financial year, the Group and the Company adopted all Amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) and effective for an annual financial period beginning on or after 1 January 2024:

Amendments to MFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to MFRS 101	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to MFRS 101	<i>Non-current Liabilities with Covenants</i>
Amendments to MFRS 7 and MFRS 107	<i>Supplier Finance Arrangement</i>

The adoption of the above amendments to MFRSs did not result in significant changes in the accounting policies of the Group and of the Company and has no significant effect on the financial performance or position of the Group and of the Company.

New Standards and Amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new standards and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group and the Company are as listed below:

MFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>3</sup></i>
MFRS 19	<i>Subsidiaries without Public Accountability: Disclosures<sup>3</sup></i>
Amendments to 121	<i>Lack of Exchangeability<sup>1</sup></i>
Amendments to MFRS 9 and MFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments<sup>2</sup></i>
Amendments to MFRS 10 and MFRS 128	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>4</sup></i>

Annual improvements to MFRS Accounting Standards - Volume 11<sup>2</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2025, with earlier application permitted.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2027, with earlier application permitted.
- <sup>4</sup> Effective date deferred to a date to be determined and announced by MASB, with earlier application permitted.

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these Standards and Amendments will have no material impact on the financial statements of the Group and of the Company in the period of initial application.



Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICIES

Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as disclosed in the summary of material accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of MFRS 16 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 or value-in-use in MFRS 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below:

Basis of Consolidation and Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company. Total comprehensive income of subsidiary is attributed to the owners of the Company.

All intra-group assets and liabilities, equity income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Basis of Consolidation and Subsidiaries (continued)

Subsidiaries

Investment in subsidiaries, which are eliminated on consolidation, are stated at cost less any accumulated impairment losses, if any, in the Company's financial statements.

Revenue Recognition

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied, i.e. when the “control” of the goods or services underlying the particular performance obligation is transferred to the customer. A performance obligation is a promise to transfer a distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group's and the Company's customary business practices.

Revenue is measured at the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as sales taxes or goods and services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties or other similar items, the Group and the Company estimate the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the Group and the Company perform;
- the Group's and the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's and the Company's performance does not create an asset with an alternative use and the Group and the Company have an enforceable right to payment for performance completed to date.

Revenue for performance obligation that is not satisfied over time is recognised at a point in time at which the customer obtains control of the promised goods or services.

(i) Sales of Goods

Revenue is generated by the sale and delivery of products to customers. Revenue is measured based on the consideration specified in a contract with a customer. The products are mostly own-produced finished goods from the Group's brewing activities, but also contain purchased goods from related companies for resale to customers. The Group and the Company recognise revenue at a point in time when they transfer control over a product or service to a customer and satisfy their performance obligation to a customer. Where applicable, rebates and discounts to customers are accounted as net of revenue according to contract. The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

(ii) Dividend Income

Dividend income is recognised in profit or loss on the date that the Company's rights to receive payment is established.



Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is provided for, using the “liability” method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting date. Deferred tax is recognised in profit or loss except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority the Group and the Company intend to settle its current tax assets and liabilities on a net basis.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Group and the Company and the cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to profit or loss in the year in which they are incurred.

Returnable bottles and kegs in circulation are recorded within property, plant and equipment and a corresponding liability is recorded in respect of the obligation to repay the customers’ deposits. Deposits paid by customers for returnable items are reflected in the consolidated statement of financial position within current liabilities.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Capital work-in-progress are not depreciated until the assets are ready for their intended use.

The following annual rates based on the estimated useful lives of the various assets:

Buildings	50 years
Plant and machinery	13 - 20 years
Movable plant	2 - 10 years

Where significant parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately.

At each reporting date, the residual values, useful lives and depreciation method of property, plant and equipment are reviewed, and the effects of any change in estimates are recognised prospectively.

Notes to the Financial Statements

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Property, Plant and Equipment (continued)

Gain or loss arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value.

The cost of inventories is calculated using weighted average method, and includes cost of raw materials, duties where applicable, and other expenses incurred in acquiring inventories and bringing them to their existing location and condition. For finished goods and work-in-progress, cost also includes direct labour and an appropriate proportion of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

Financial Instruments

Financial assets and financial liabilities are recognised in the Group’s statements of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortisation cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.



## Notes to the Financial Statements

### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Financial Assets (continued)

##### *Amortisation cost and effective interest method (continued)*

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss.

##### *Impairment of financial assets*

The Group and the company apply the simplified approach to measure expected credit losses (“ECL”) on trade receivables measured at amortised cost and trade intercompany balances. This entails recognising a lifetime expected loss allowance for all trade receivables. Loss rates are determined based on grouping of receivables sharing the same credit risk characteristics and past due days.

Management assesses the ECL for portfolios of trade receivables based on customer segments, historical information on payment patterns, terms of payment, concentration maturity, and information about the general economic situation in the countries.

No significant changes to estimation techniques or assumptions were made during the reporting period.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

A significant increase in credit risk is presumed if a debtor is more than 180 days past due in making a contractual payment which is based on past payment trends. Credit risk on trade receivables can be reduced through bank guarantees.

For other receivables and non-trade intercompany balances, the Group and the Company apply 3-stage approach to measure ECL which reflect their credit risk and how the loss allowance is determined. The Group and the Company assessed the intercompany receivables as performing category with a low risk of default and a strong capacity to meet contractual cash flows. The basis of measuring ECL are based on 12 months ECL.

## Notes to the Financial Statements

### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Financial Assets (continued)

##### *Impairment of financial assets (continued)*

Groupings of instruments for ECL measured on collective basis

- (i) Collective assessment
  - To measure ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.
- (ii) Individual assessment
  - Trade receivables that are in default or credit impaired are assessed individually.

##### *Derecognition of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

#### Financial Liabilities

##### *Financial liabilities*

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

##### *Financial liabilities measured subsequently at amortised cost*

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

##### *Foreign exchange gains and losses*

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.



## Notes to the Financial Statements

### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Financial Liabilities (continued)

##### Foreign exchange gains and losses (continued)

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

#### Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably.

#### Statements of Cash Flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

### 4. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY

#### (i) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, which are described in Note 3 above, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

#### (ii) Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities of the Group and of the Company within the next financial year except as discussed below.

##### Accruals for promotional discounts and volume rebates

Significant management judgment is required relative to the consideration of the Group's ability to estimate the promotional allowances and volume rebates, which impact revenue recognition. In making the estimates, the Group refers to the terms agreed with the customers and relies on the historical and current sales information to determine the accruals for promotional discounts and rebates as at the end of the reporting period.

##### Recognition of deferred tax assets

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and unused tax credits can be utilised. This involves judgement regarding the future financial performance of the Group in which the deferred tax assets have been recognised.

##### Allowance for obsolete and slow moving inventories

The Group and the Company review the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow moving items. In addition, the Group and the Company conduct physical counts on inventories on a periodic basis in order to determine whether an allowance is required to be made.

## Notes to the Financial Statements

### 4. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONTINUED)

#### (ii) Key sources of estimation uncertainty (continued)

##### Returnable packaging deposits

The Group collects deposits from customers on returnable packaging materials such as bottles, kegs, crates and cylinders. Management estimates the returnable packaging materials being circulated in the market and the expected return from customers. The estimate is based on circulation time and losses of returnable packaging materials in the market.

##### Contingent liabilities

Contingent liabilities are recognised when a possible obligation pending on whether some uncertain future events occurs, or a present obligation but payment is not probable or the amount cannot be measured reliably. Significant management estimate is required to determine likelihood of the obligations to be realised by the Group.

### 5. FINANCE INCOME

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income received from deposits placed with licensed banks	1,180	1,154	1,134	1,111

### 6. FINANCE COSTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expenses of financial liabilities that are not at fair value through profit or loss:				
Revolving credit and trade financing	7,283	8,086	7,283	8,086
Factoring	4,773	160	-	-
Lease liabilities	552	339	93	99
Recognised in profit or loss	12,608	8,585	7,376	8,185



## Notes to the Financial Statements

## 7. PROFIT BEFORE TAX

Profit before tax is arrived at after the following:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>After charging:</b>				
Personnel expenses (including key management personnel):				
Wages, salaries and others	108,360	100,802	35,898	33,151
Contributions to state plans	16,834	15,106	5,119	4,479
Depreciation of property, plant and equipment (Note 10)	80,267	65,343	68,927	54,203
Amortisation of prepaid contractual promotion expenses	5,197	6,959	-	-
Amortisation of intangible assets (Note 11)	6,078	5,689	5,474	5,085
Inventories written off	822	8,180	-	3,052
Depreciation of right-of-use assets (Note 12)	4,989	3,980	1,677	1,670
Rental expense on buildings	6,401	7,483	528	802
Property, plant and equipment written off	269	817	259	816
Hire of equipment	1,570	2,700	852	1,012
Net unrealised loss on foreign exchange	180	19	190	3
Auditors' remuneration:				
Statutory audit	245	236	155	149
Other services	40	40	40	40
<b>And after crediting:</b>				
Dividend income from unquoted subsidiary	-	-	441,564	370,344
Net realised gain on foreign exchange	4,421	1,451	4,221	1,510
Reversal of provision for restructuring (Note 21)	-	288	-	288
Gain on disposal of property, plant and equipment	131	254	-	107
Gain on disposal of right-of-use assets	7	-	-	-
Inventories written back	-	-	442	-

## Notes to the Financial Statements

## 8. INCOME TAX EXPENSE/(CREDIT)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Estimated tax payable:				
Current year	136,859	122,867	273	231
(Over)/Under provision in prior years	(163)	449	40	150
	136,696	123,316	313	381
Deferred tax (Note 14):				
Current year	(18,965)	1,115	(19,772)	686
Overprovision in prior years	(177)	(351)	(253)	(1,039)
	(19,142)	764	(20,025)	(353)
	117,554	124,080	(19,712)	28

A reconciliation of income tax expense applicable to profit before tax at the applicable statutory income tax rate to the income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit before tax	584,303	510,880	461,827	371,581
Tax at statutory tax rate of 24% (2023: 24%)	140,233	122,611	110,838	89,179
Tax effects of:				
Expenses not deductible for tax purposes	2,643	1,618	620	903
Recognition of deferred tax arising from reinvestment allowances	(24,982)	(247)	(24,982)	(247)
(Over)/Under provision in prior years:				
Current tax	(163)	449	40	150
Deferred tax	(177)	(351)	(253)	(1,039)
Tax exempt dividend	-	-	(105,975)	(88,918)
	117,554	124,080	(19,712)	28



## Notes to the Financial Statements

### 9. EARNINGS PER ORDINARY STOCK UNIT

#### Basic earnings per ordinary stock unit

The calculation of basic earnings per ordinary stock unit at 31 December 2024 was based on the profit attributable to the holders of ordinary stock units of RM466,749,000 (2023: RM386,800,000) and the number of ordinary stock units outstanding of 302,098,000 (2023: 302,098,000).

	Group	
	2024	2023
Issued ordinary stock unit ('000)	302,098	302,098
Basic earnings per ordinary stock unit (sen)	154.5	128.0

There were no diluted earnings per ordinary stock unit for the Group as at 31 December 2024.

### 10. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Movable plant RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Cost</b>						
At 1 January 2023	4,037	106,796	498,531	376,942	155,663	1,141,969
Additions	-	149	4,282	51,331	81,559	137,321
Write offs	-	(35)	(10,115)	(18,251)	-	(28,401)
Disposals	-	-	(84)	(2,723)	-	(2,807)
Reclassifications	-	739	111,046	5,366	(117,151)	-
At 31 December 2023/ 1 January 2024	4,037	107,649	603,660	412,665	120,071	1,248,082
Additions	-	1,031	7,039	30,729	47,375	86,174
Write offs	-	(112)	(3,357)	(15,816)	-	(19,285)
Disposals	-	-	-	(1,687)	-	(1,687)
Reclassifications	-	2,765	137,623	16,640	(157,028)	-
At 31 December 2024	4,037	111,333	744,965	442,531	10,418	1,313,284

## Notes to the Financial Statements

### 10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Movable plant RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Accumulated Depreciation</b>						
At 1 January 2023	-	67,828	331,206	237,626	-	636,660
Charge for the year	-	2,746	20,704	41,893	-	65,343
Write offs	-	(35)	(9,863)	(17,686)	-	(27,584)
Disposals	-	-	(84)	(2,717)	-	(2,801)
At 31 December 2023/ 1 January 2024	-	70,539	341,963	259,116	-	671,618
Charge for the year	-	2,555	25,975	51,737	-	80,267
Write offs	-	(57)	(3,347)	(15,612)	-	(19,016)
Disposals	-	-	-	(1,656)	-	(1,656)
At 31 December 2024	-	73,037	364,591	293,585	-	731,213

<b>Carrying amounts</b>						
At 31 December 2024	4,037	38,296	380,374	148,946	10,418	582,071
At 31 December 2023	4,037	37,110	261,697	153,549	120,071	576,464

Company	Buildings RM'000	Plant and machinery RM'000	Movable plant RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Cost</b>					
At 1 January 2023	98,385	498,531	283,885	155,149	1,035,950
Additions	149	4,282	48,767	73,986	127,184
Write offs	(35)	(10,115)	(17,208)	-	(27,358)
Disposals	-	(84)	(1,441)	-	(1,525)
Reclassifications	482	111,046	3,046	(114,574)	-
At 31 December 2023/1 January 2024	98,981	603,660	317,049	114,561	1,134,251
Additions	1,027	7,039	23,764	42,167	73,997
Write offs	(112)	(3,357)	(14,024)	-	(17,493)
Reclassifications	2,765	137,623	6,917	(147,305)	-
At 31 December 2024	102,661	744,965	333,706	9,423	1,190,755



## Notes to the Financial Statements

## 10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Buildings RM'000	Plant and machinery RM'000	Movable plant RM'000	Capital work-in- progress RM'000	Total RM'000
<b>Accumulated Depreciation</b>					
At 1 January 2023	60,542	331,206	171,408	-	563,156
Charge for the year	2,208	20,704	31,291	-	54,203
Write offs	(35)	(9,863)	(16,644)	-	(26,542)
Disposals	-	(84)	(1,441)	-	(1,525)
At 31 December 2023/ 1 January 2024	62,715	341,963	184,614	-	589,292
Charge for the year	1,986	25,975	40,966	-	68,927
Write offs	(57)	(3,347)	(13,830)	-	(17,234)
At 31 December 2024	64,644	364,591	211,750	-	640,985
<b>Carrying amounts</b>					
At 31 December 2024	38,017	380,374	121,956	9,423	549,770
At 31 December 2023	36,266	261,697	132,435	114,561	544,959

During the financial year, the Group and the Company acquired property, plant and equipment as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash payments	74,247	133,581	62,070	123,444
Other payables	11,927	3,740	11,927	3,740
Total additions	86,174	137,321	73,997	127,184

## 11. INTANGIBLE ASSETS

Group	Computer software RM'000	Capital work-in- progress RM'000	Total RM'000
<b>Cost</b>			
At 1 January 2023	100,678	5,930	106,608
Additions	55	5,461	5,516
Write offs	(2,392)	-	(2,392)
Reclassifications	9,242	(9,242)	-
At 31 December 2023/1 January 2024	107,583	2,149	109,732
Additions	153	3,928	4,081
Write offs	(1,283)	-	(1,283)
Reclassifications	5,893	(5,893)	-
At 31 December 2024	112,346	184	112,530

## Notes to the Financial Statements

## 11. INTANGIBLE ASSETS (CONTINUED)

Group	Computer software RM'000	Capital work-in- progress RM'000	Total RM'000
<b>Amortisation</b>			
At 1 January 2023	86,078	-	86,078
Amortisation for the year	5,689	-	5,689
Write offs	(2,392)	-	(2,392)
At 31 December 2023/1 January 2024	89,375	-	89,375
Amortisation for the year	6,078	-	6,078
Write offs	(1,283)	-	(1,283)
At 31 December 2024	94,170	-	94,170
<b>Carrying Amounts</b>			
At 31 December 2024	18,176	184	18,360
At 31 December 2023	18,208	2,149	20,357

## Company

## Cost

At 1 January 2023	97,433	5,931	103,364
Additions	55	5,461	5,516
Write offs	(2,392)	-	(2,392)
Reclassifications	9,242	(9,242)	-
At 31 December 2023/1 January 2024	104,338	2,150	106,488
Additions	153	3,928	4,081
Write offs	(1,283)	-	(1,283)
Reclassifications	5,893	(5,893)	-
At 31 December 2024	109,101	185	109,286

## Amortisation

At 1 January 2023	85,712	-	85,712
Amortisation for the year	5,085	-	5,085
Write offs	(2,392)	-	(2,392)
At 31 December 2023/1 January 2024	88,405	-	88,405
Amortisation for the year	5,474	-	5,474
Write offs	(1,283)	-	(1,283)
At 31 December 2024	92,596	-	92,596

## Carrying Amounts

At 31 December 2024	16,505	185	16,690
At 31 December 2023	15,933	2,150	18,083



## Notes to the Financial Statements

## 12. RIGHT-OF-USE ASSETS

Group	Long term leasehold land RM'000	Building RM'000	Motor vehicles RM'000	Total RM'000
<b>Cost</b>				
At 1 January 2023	11,426	5,529	10,451	27,406
Additions	-	1,461	5,276	6,737
Disposals	-	(2,964)	(115)	(3,079)
At 31 December 2023/1 January 2024	<b>11,426</b>	<b>4,026</b>	<b>15,612</b>	<b>31,064</b>
Additions	-	<b>1,384</b>	<b>4,877</b>	<b>6,261</b>
Disposals	-	-	<b>(1,983)</b>	<b>(1,983)</b>
At 31 December 2024	<b>11,426</b>	<b>5,410</b>	<b>18,506</b>	<b>35,342</b>
<b>Accumulated Depreciation</b>				
At 1 January 2023	1,020	4,899	5,396	11,315
Depreciation for the year	255	1,126	2,599	3,980
Disposals	-	(2,964)	(115)	(3,079)
At 31 December 2023/1 January 2024	<b>1,275</b>	<b>3,061</b>	<b>7,880</b>	<b>12,216</b>
Depreciation for the year	<b>255</b>	<b>1,073</b>	<b>3,661</b>	<b>4,989</b>
Disposals	-	-	<b>(1,904)</b>	<b>(1,904)</b>
At 31 December 2024	<b>1,530</b>	<b>4,134</b>	<b>9,637</b>	<b>15,301</b>
<b>Carrying Amounts</b>				
At 31 December 2024	<b>9,896</b>	<b>1,276</b>	<b>8,869</b>	<b>20,041</b>
At 31 December 2023	10,151	965	7,732	18,848
<b>Company</b>				
<b>Cost</b>				
At 1 January 2023	11,426	2,179	4,997	18,602
Additions	-	59	145	204
Disposals	-	(2,238)	-	(2,238)
At 31 December 2023/1 January 2024	<b>11,426</b>	-	<b>5,142</b>	<b>16,568</b>
Additions	-	<b>686</b>	<b>953</b>	<b>1,639</b>
Disposals	-	-	<b>(999)</b>	<b>(999)</b>
At 31 December 2024	<b>11,426</b>	<b>686</b>	<b>5,096</b>	<b>17,208</b>

## Notes to the Financial Statements

## 12. RIGHT-OF-USE ASSETS (CONTINUED)

Company	Long term leasehold land RM'000	Building RM'000	Motor vehicles RM'000	Total RM'000
<b>Accumulated Depreciation</b>				
At 1 January 2023	1,020	2,029	2,422	5,471
Depreciation for the year	255	209	1,206	1,670
Disposals	-	(2,238)	-	(2,238)
At 31 December 2023/1 January 2024	<b>1,275</b>	-	<b>3,628</b>	<b>4,903</b>
Depreciation for the year	<b>255</b>	<b>237</b>	<b>1,185</b>	<b>1,677</b>
Disposals	-	-	<b>(975)</b>	<b>(975)</b>
At 31 December 2024	<b>1,530</b>	<b>237</b>	<b>3,838</b>	<b>5,605</b>
<b>Carrying Amounts</b>				
At 31 December 2024	<b>9,896</b>	<b>449</b>	<b>1,258</b>	<b>11,603</b>
At 31 December 2023	10,151	-	1,514	11,665

## 13. INVESTMENT IN SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
Unquoted shares, at cost	<b>14,344</b>	14,344

Details of the subsidiaries are as follows:

Name of entity	Country of incorporation	Proportion of ownership interest and voting power		Principal activities
		2024 %	2023 %	
Heineken Marketing Malaysia Sdn. Bhd.	Malaysia	<b>100</b>	100	Marketing and distribution of beverages primarily alcoholic in Malaysia
Ramaha Corporation (M) Sdn. Bhd.*	Malaysia	<b>100</b>	100	Property holding and land development
Heineken East Malaysia Sdn. Bhd.*	Malaysia	<b>100</b>	100	Dormant

\* Elected to be exempted from audit under Practice Directive No.3/2017 issued by the Companies Commission of Malaysia.



## Notes to the Financial Statements

## 14. DEFERRED TAX ASSETS/(LIABILITIES)

The deferred tax amounts, determined after appropriate offsetting, are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Deferred tax assets	1,441	1,742	-	-
Deferred tax liabilities	(15,124)	(34,567)	(15,124)	(35,149)
	(13,683)	(32,825)	(15,124)	(35,149)
<b>Assets</b>				
Inventories	1,988	2,338	789	1,335
Receivables, deposits and prepaid expenses	377	491	-	-
Trade and other payables	3,209	3,382	3,065	2,429
Unused reinvestment allowances	29,515	4,533	29,515	4,533
Unused capital allowances	16,902	10,547	16,902	10,547
Lease liabilities	2,479	2,142	423	386
Tax assets	54,470	23,433	50,694	19,230
Set off of tax	(53,029)	(21,691)	(50,694)	(19,230)
	1,441	1,742	-	-
<b>Liabilities</b>				
Property, plant and equipment	(65,718)	(54,169)	(65,408)	(54,014)
Right-of-use assets	(2,435)	(2,089)	(410)	(365)
Tax liabilities	(68,153)	(56,258)	(65,818)	(54,379)
Set off of tax	53,029	21,691	50,694	19,230
	(15,124)	(34,567)	(15,124)	(35,149)
<b>Net</b>				
Property, plant and equipment	(65,718)	(54,169)	(65,408)	(54,014)
Inventories	1,988	2,338	789	1,335
Receivables, deposits and prepaid expenses	377	491	-	-
Trade and other payables	3,209	3,382	3,065	2,429
Unused reinvestment allowances	29,515	4,533	29,515	4,533
Unused capital allowances	16,902	10,547	16,902	10,547
Right-of-use assets and lease liabilities	44	53	13	21
Tax liabilities	(13,683)	(32,825)	(15,124)	(35,149)

## Notes to the Financial Statements

## 14. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

Movement in temporary differences during the year:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
At beginning of year	(32,825)	(32,061)	(35,149)	(35,502)
Recognised in profit or loss (Note 8):				
Property, plant and equipment	(11,549)	(10,629)	(11,394)	(10,578)
Inventories	(350)	(656)	(546)	549
Receivables, deposits and prepaid expenses	(114)	1	-	-
Trade and other payables	(173)	(986)	636	(1,132)
Unused reinvestment allowances	24,982	965	24,982	965
Unused capital allowances	6,355	10,547	6,355	10,547
Right-of-use assets and lease liabilities	(9)	(6)	(8)	2
	19,142	(764)	20,025	353
At end of year	(13,683)	(32,825)	(15,124)	(35,149)

## 15. RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
Other receivables	162	55	55	31
Prepaid expenses	933	2,608	-	-
	1,095	2,663	55	31
<b>Current</b>				
<b>Trade</b>				
Trade receivables	438,622	424,351	-	-
Less: Impairment losses [Note 28.4(a)]	(1,573)	(2,041)	-	-
	437,049	422,310	-	-
Amount due from related parties	17	-	17	-
	437,066	422,310	17	-
<b>Non-trade</b>				
Amount due from intermediate holding corporation	860	5	783	-
Amount due from ultimate holding corporation	54	-	-	-
Amount due from related parties	1,450	633	885	214
Amount due from a subsidiary	-	-	4,043	4,043
Deposits	4,257	4,009	2,900	2,821
Other receivables	813	1,119	574	536
Prepaid expenses	6,025	5,485	807	324
	13,459	11,251	9,992	7,938
	450,525	433,561	10,009	7,938

## Notes to the Financial Statements

### 15. RECEIVABLES, DEPOSITS AND PREPAID EXPENSES (CONTINUED)

#### (a) Trade receivables

Included in trade receivables is a portfolio of receivables which are subject to factoring arrangement. Under this arrangement, the Group will transfer the relevant trade receivables to a bank in exchange for cash with no recourse to the Group subsequent to the transfer.

#### (b) Amounts due from related parties, intermediate holding corporation, ultimate holding corporation and subsidiaries

The non-trade amounts due from ultimate holding corporation, intermediate holding corporation, related parties and a subsidiary are unsecured, interest-free and repayable on demand.

#### (c) Other receivables

Included in other receivables are staff loans of the Group and of the Company amounting to RM210,000 (2023: RM95,000) and RM73,000 (2023: RM50,000) respectively of which RM162,000 (2023: RM55,000) and RM55,000 (2023: RM31,000) are repayable after the next 12 months for the Group and the Company respectively.

#### (d) Prepaid expenses

Included in prepayments of the Group are upfront payments for contracts with on-trade retailers of RM6,150,945 (2023: RM7,769,235) of which RM932,661 (2023: RM2,608,448) are to be amortised over a period of more than 12 months but not exceeding 36 months. The upfront payments are made to the on-trade retailers to carry out promotional activities over the period specified in the contract. The amount is amortised to profit or loss based on actual volumes sold by the on-trade retailers as stipulated in the contract.

### 16. INVENTORIES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Raw materials	24,416	35,712	24,416	35,712
Work-in-progress	11,174	12,975	11,174	12,975
Finished goods	84,758	47,730	9,796	13,127
Packaging materials	12,887	10,684	12,887	10,684
Engineering stores and spares	18,863	13,463	11,650	7,811
	152,098	120,564	69,923	80,309
Recognised in profit or loss:				
Inventories recognised as cost of sales	1,575,697	1,507,363	1,457,246	1,302,552

The Group has written off inventories of RM822,000 (2023: RM8,180,000). The Company has written back provision made for inventories of RM442,000 (2023: Written off of RM3,052,000). In prior year, the inventories written off arose mainly from global delay in sea freight shipment on imported brands.

## Notes to the Financial Statements

### 17. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2024	2023	2024	2023
	('000)	('000)	RM'000	RM'000
Issued and fully paid up shares with no par value classified as equity instrument:				
Ordinary stock units	302,098	302,098	151,049	151,049

The holders of ordinary stock units are entitled to receive dividends as declared from time to time, and are entitled to one vote per ordinary stock unit at meetings of the Company.

### 18. BORROWINGS

	Group and Company	
	2024	2023
	RM'000	RM'000
Current		
Revolving credit and trade financing (unsecured)	80,000	135,000

Revolving credit and trade financing as at 31 December 2024 consist of the following:

	Tenure (weeks)	Interest rate (per annum)	Maturity date	Nominal value (RM'000)
Revolving credit	8	3.63%	24 January 2025	30,000
Revolving credit	4	3.56%	31 January 2025	50,000

Revolving credit and trade financing as at 31 December 2023 consist of the following:

	Tenure (weeks)	Interest rate (per annum)	Maturity date	Nominal value (RM'000)
Revolving credit	4	3.54%	4 January 2024	45,000
Trade financing	9	3.80%	5 February 2024	90,000

The principal and interest are repayable in full upon maturity.



## Notes to the Financial Statements

## 19. LEASE LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Non-current	5,850	5,021	535	530
Current	4,476	3,906	1,227	1,080
	10,326	8,927	1,762	1,610
Minimum lease payments:				
Not later than 1 year	5,020	4,328	1,298	1,127
Later than 1 year but not later than 5 years	6,290	5,537	558	538
	11,310	9,865	1,856	1,665
Less: Unexpired finance charges	(984)	(938)	(94)	(55)
	10,326	8,927	1,762	1,610
Present value of lease liabilities:				
Not later than 1 year	4,476	3,906	1,227	1,080
Later than 1 year but not later than 5 years	5,850	5,021	535	530
	10,326	8,927	1,762	1,610

The Group and the Company discounted the lease liabilities by using the Group's and the Company's incremental borrowing rates of 3.42% - 7.49% (2023: 3.42% - 6.97%).

During the year, the Group and the Company recognised RM7,970,802 (2023: RM10,183,206) and RM1,380,906 (2023: RM1,813,589) respectively of short-term leases and leases of low value assets on a straight-line basis as expenses.

## 20. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Trade</b>				
Amount due to intermediate holding corporation	12,465	9,817	286	619
Amount due to related parties	12,056	20,265	8,096	16,356
Trade payables	173,911	175,583	92,632	114,259
	198,432	205,665	101,014	131,234
<b>Non-trades</b>				
Amount due to intermediate holding corporation	-	213	-	213
Amount due to related parties	5,680	5,176	5,680	5,176
Amount due to a subsidiary	-	-	34,523	36,887
Returnable packaging deposits	33,323	31,674	770	355
Other payables	51,345	56,941	47,442	52,918
Derivative financial liabilities	1	-	1	-
Accrued expenses	344,036	310,594	31,462	37,394
	434,385	404,598	119,878	132,943
	632,817	610,263	220,892	264,177

## Notes to the Financial Statements

## 20. TRADE AND OTHER PAYABLES (CONTINUED)

## (a) Amount due to related parties, intermediate holding corporation and a subsidiary

The trade amount due to related parties and intermediate holding corporation are subject to normal trade terms.

The non-trade amounts due to related parties, intermediate holding corporation and a subsidiary are unsecured, interest-free and repayable on demand.

## (b) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from 90 to 150 days (2023: 90 to 150 days).

## (c) Other payables

Included in others payables are amount due to suppliers for acquisition of property, plant, and equipment, sales tax payable and payroll.

## (d) Accrued expenses

Included in accrued expenses of the Group are accruals for promotional expenses of RM274,279,000 (2023: RM246,686,000).

## (e) Derivative financial liabilities

The Group's and the Company's derivatives comprise solely foreign exchange forward contracts incepted to hedge its currency exposures arising from short term borrowings in United States Dollar ("USD"). In the previous financial year, foreign exchange forward contracts were entered into with licensed banks. The foreign exchange forward contracts generally had a maturity period between 1 to 2 months.

Details of the Group's and of the Company's derivative financial instruments are outlined below:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Fair value of remeasured foreign forward exchange contracts	1	-	1	-

## 21. PROVISION FOR RESTRUCTURING

On 28 October 2020, Heineken N.V., the ultimate holding corporation, announced a review of the effectiveness and efficiency of the organisations at Head Office, regional offices and each of its local operations as a part of its strategic review. Subsequently on 16 December 2020, the Group and the Company announced the restructuring exercise to the employees.

The provision relates to redundancy costs incurred. The Group and the Company have completed the restructuring exercise in the financial year 2023.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
At beginning of year	-	288	-	288
Reversal of provision	-	(288)	-	(288)
At end of year	-	-	-	-

## Notes to the Financial Statements

### 22. DIVIDENDS

Dividends recognised by the Group and the Company are:

	Sen per stock unit	Total amount RM'000	Date of payment
<b>31 December 2024</b>			
Interim 2024 ordinary	40	120,839	30 October 2024
Final 2023 ordinary	88	265,846	25 July 2024
Total amount		<u>386,685</u>	
<b>31 December 2023</b>			
Interim 2023 ordinary	40	120,839	10 November 2023
Final 2022 ordinary	98	296,056	20 July 2023
Total amount		<u>416,895</u>	

The directors now recommend the declaration of a final ordinary dividend of 115 sen per stock unit under the single tier tax system totalling RM347,412,700 in respect of the financial year ended 31 December 2024 which, if approved by the owners of the Company, will be payable on 23 July 2025.

### 23. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include the directors of the Company and subsidiaries and certain members of senior management of the Group and the Company. Their compensation are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Directors:				
Fees	738	598	732	592
Remuneration	3,632	5,583	3,632	5,583
Share-based payment	685	939	685	939
Meeting attendance allowance	55	63	55	63
Estimated monetary value of benefits-in-kind otherwise than in cash	766	428	766	428
	<b>5,876</b>	7,611	<b>5,870</b>	7,605
Other key management personnel:				
Short term employee benefits	9,483	10,173	6,854	6,492
Share-based payment	600	801	448	602
	<b>15,959</b>	18,585	<b>13,172</b>	14,699

Other key management personnel comprise persons other than the directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

## Notes to the Financial Statements

### 24. OPERATING SEGMENTS

The Group's business is focussed only in malt liquor brewing including production, packaging, marketing and distribution of its products, principally in Malaysia. In the current financial year, less than 1% of the total sales is exported, mainly to Asian countries. As such, only one reportable segment analysis is prepared. The Managing Director of the Company (the chief operating decision maker) reviews internal management reports at least on a monthly basis.

Performance is measured based on segment profit, as included in the internal management reports that are reviewed by the Managing Director of the Company. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate within this industry.

#### Segment assets and liabilities

Segment assets and liabilities information is neither included in the internal management reports nor provided regularly to the Managing Director of the Company. Hence, no disclosure is made on segment assets and liabilities.

#### Segment capital expenditure

Segment capital expenditure is the total costs incurred during the financial year to acquire property, plant and equipment, right-of-use assets and intangible assets.

	Group 2024 RM'000	2023 RM'000
Total additions to property, plant and equipment, right-of-use assets and intangible assets	<b>96,516</b>	149,574
<b>Segment profit</b>		
<i>Included in the measure of segment profits are:</i>		
Revenue from external customers	<b>2,796,791</b>	2,637,741
Depreciation and amortisation	<b>(91,334)</b>	(75,012)
<i>Not included in the measure of segment profit but provided to the Managing Director of the Company:</i>		
Net finance costs	<b>(11,428)</b>	(7,431)

Reconciliation of reportable segment revenue, profit and other material items.

	Group 2024 RM'000	2023 RM'000
<b>Net finance costs</b>		
Finance income	<b>1,180</b>	1,154
Finance costs	<b>(12,608)</b>	(8,585)
Consolidated net finance costs	<b>(11,428)</b>	(7,431)

No reconciliation is performed for reportable segment profit, revenue, depreciation and amortisation to consolidated figures as there are no differences.



## Notes to the Financial Statements

### 25. CAPITAL COMMITMENTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Capital expenditure commitments</b>				
Property, plant and equipment:				
Authorised and contracted for within one year	10,208	20,445	8,357	20,324

### 26. CONTINGENT LIABILITY – UNSECURED

- (i) On 13 April 2021, the Company and its wholly-owned subsidiary, Heineken Marketing Malaysia Sdn. Bhd (“Companies”), had received a Writ of Summons dated 2 April 2021 and Statement of Claim dated 29 March 2021 filed by Thirteen Wings Sdn Bhd, Ashwin Kumar Kandiah (trading under Sivam Kandiah Enterprise, Ashwin Kandiah Enterprise and Skan Ventures), Astrike Sdn Bhd, Axcend Sdn Bhd, Turbo Booze Sdn Bhd and Hops Sdn Bhd (“Plaintiffs”) under Kuala Lumpur High Court Civil Suit No. WA-22NCVC-221-04/2021 (“Suit”) in respect of a dispute regarding the purchase and supply of the Company’s products. The Plaintiffs are claiming among others that the Companies had failed to honour an alleged contract and are seeking for, among others, specific performance of an alleged contract, in the alternative, damages for breach of contract in the liquidated sum of RM26,520,000; and various consequential orders and declarations relating to various contract terms. The Companies had disputed the claims and filed their defence accordingly on 20 May 2021.
- (ii) On 6 December 2021, the Companies received another Writ of Summons and Statement of Claim filed by the Plaintiffs under Kuala Lumpur High Court Civil Suit No. WA-22NCVC-781-12/2021 (“Claim”). The Claim is related to the Suit filed in April 2021 as they arose from the same series of transactions, dealings and disputes between the Plaintiffs and the Companies. The Plaintiffs claimed that the Companies have breached the contract between the Plaintiffs and Heineken Marketing Malaysia Sdn Bhd relating to the company’s products (“Contract”) and they are claiming, among others, the liquidated sum of RM58,225,545. As the Claim and the Suit are inter-related, the Plaintiffs have pleaded that they will be applying to have the Claim and the Suit consolidated and/or heard together.

The directors are of the opinion that they have a strong defence against the Suit, which is frivolous and vexatious and the Claim, which is unwarranted, premature and vexatious. Correspondingly, the Companies had on 10 January 2022 filed their defence and counterclaim against the Plaintiffs in respect of Plaintiffs’ breaches of the Contract and are claiming, among others, a sum of RM36,984,914. The trial for the first suit and the second suit commenced on 19 November 2024 and continued on 6 March 2025. The next hearing is scheduled for 13 March 2025, 19 August 2025 and 20 August 2025.

### 27. RELATED PARTIES

#### Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the directors of the Group, and certain members of senior management of the Group.

The Group has related party relationships with its holding corporations, related corporations, subsidiaries and key management personnel.

The directors regard GAPL Pte. Ltd. (“GAPL”) and Heineken Asia Pacific Pte. Ltd. (“HAPPL”), both corporations incorporated in the Republic of Singapore, as the immediate and intermediate holding corporations.

## Notes to the Financial Statements

### 27. RELATED PARTIES (CONTINUED)

#### Identity of related parties (continued)

HAPPL is owned by Heineken N.V., a corporation incorporated in the Netherlands, which in turn is the ultimate holding corporation of the Company.

#### Significant related party transactions

Significant related party transactions of the Group and the Company other than those disclosed elsewhere in the financial statements are shown below. The balances related to the below transactions are shown in Notes 15 and 20.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Intermediate holding corporation</b>				
<i>Heineken Asia Pacific Pte. Ltd.</i>				
Royalties paid and payable	(44,747)	(39,963)	-	-
<b>Subsidiary</b>				
<i>Heineken Marketing Malaysia Sdn. Bhd.</i>				
Dividend income	-	-	441,564	370,344
Sale of products	-	-	1,663,651	1,478,352
Management service fee received and receivable	-	-	55,787	50,533
<b>Related corporations</b>				
<i>Related corporations of Heineken N.V.</i>				
Sales of products	3,613	44	3,613	44
Purchase of goods	(27,478)	(28,099)	(27,478)	(28,099)
Royalties paid and payable	(14,146)	(13,059)	-	-
Marketing and technical fees paid and payable	(38,143)	(39,119)	(35,207)	(36,084)

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

The Group’s objectives when managing capital is to maintain a strong capital base and safeguard the Group’s ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as results from operating activities divided by total equity attributable to owners of the Company. The Board of Directors also monitors the level of dividends to owners of the Company.

The Group monitors and maintains a balanced level of total equity to ensure the Group has adequate capital to support its future development and the payment of dividends to owners of the Company. There was no change in the Group’s approach to capital management during the financial year.

Under the requirements of Bursa Malaysia Practice Note 17, the Company is required to maintain a consolidated shareholders’ equity equal to or not less than 25 percent of the share capital and such shareholders’ equity is not less than RM40 million. The Company has complied with this requirement.

## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

#### 28.1 Material Accounting Policies

Details of the material accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in Note 3.

#### 28.2 Categories of Financial Instruments

Group	2024 RM'000	2023 RM'000
<b>Financial assets</b>		
At amortised cost:		
Receivables and deposits	444,662	428,131
Cash and bank balances	32,486	43,318
<b>Financial liabilities</b>		
At fair value:		
Trade and other payables - derivative financial liabilities	1	-
At amortised cost:		
Trade and other payables - others	632,817	610,263
Borrowings	80,000	135,000
Lease liabilities	10,326	8,927
<b>Company</b>	<b>2024 RM'000</b>	<b>2023 RM'000</b>
<b>Financial assets</b>		
At amortised cost:		
Receivables and deposits	9,257	7,645
Cash and bank balances	20,733	38,376
<b>Financial liabilities</b>		
At fair value:		
Trade and other payables - derivative financial liabilities	1	-
At amortised cost:		
Trade and other payables - others	220,892	264,177
Borrowings	80,000	135,000
Lease liabilities	1,762	1,610

#### 28.3 Financial Risk Management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Market risk
- Liquidity risk

## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

#### 28.4 Credit Risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade receivables. The Company's exposure to credit risk arises principally from trade amount subsidiaries and advances to subsidiaries.

##### (a) Receivables

*Risk management objectives, policies and processes for managing the risk*

Management has credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group requires collateral to be pledged by most of its customers to cover a percentage of the credit limit granted to them.

The Group has factoring arrangement in place and will transfer the relevant trade receivables to a bank in exchange for cash with no recourse to the Group subsequent to the transfer.

New customers are subject to the credit evaluation process and existing customers' risk profiles are reviewed regularly with a view to setting appropriate terms of trade and credit limits. Where appropriate, further transactions are suspended and legal actions are taken to attempt recoveries and mitigate losses. Financial guarantees from certain customers may be obtained.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk from receivables is represented by the carrying amounts in the statement of financial position.

The Group has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. Due to the nature of the industry, a significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor credit quality of the receivables. Any receivables having significant balances past due, which are deemed to have higher credit risk, are monitored individually.

The Group has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Under these policies all customers requiring credit are reviewed and new customers are analysed individually for creditworthiness before payment and delivery terms and conditions are offered. This review can include external ratings, where available, and in some cases bank references. Credit limits are determined for each customer and are reviewed regularly.

The Group has a policy in place in respect of compliance with Anti-Money Laundering Laws. The Group considers it important to know with whom business is done and from whom payments are received.

The Group establishes allowances on trade receivables using an expected credit losses model. These allowances cover specific loss components that relate to individual exposures, and a collective loss component established for groups of similar customers. The collective loss allowance is determined based on historical data of payment statistics and updated periodically to incorporate forward looking information.

At the end of the reporting period, the Group has a concentration of credit risk in the form of trade debtors from 3 (2023: 3) main customers, representing approximately 57% (2023: 53%) of the Group's trade receivables.



## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

#### 28.4 Credit Risk (continued)

##### (a) Receivables (continued)

*Exposure to credit risk, credit quality and collateral (continued)*

The carrying amounts of collateral for trade receivables as at the end of reporting period were:

	Group Carrying amounts	
	2024	2023
	RM'000	RM'000
<b>Type of collateral</b>		
Bank guarantees	63,940	65,270
Properties charged	51,972	51,067
Quoted shares pledged	1,554	1,554
	<b>117,466</b>	<b>117,891</b>

##### *Impairment losses*

The Group applies the MFRS 9 simplified approach to measuring expected credit losses (“ECL”) which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 60 days.

The Group uses an allowance matrix to measure ECLs of trade receivables for all segments. Consistent with the debt recovery process, invoices which are past due more than 180 days will be considered as credit impaired. The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at the end of the reporting period which are grouped together as they are expected to have similar risk nature:

2024 Group	Not past due RM'000	Trade receivables - days past due			Total RM'000
		1 - 30 days RM'000	31 - 180 days RM'000	More than 180 days RM'000	
Expected credit loss rate	0%	0%	0%	100%	
Estimated total gross carrying amount at default	400,342	33,351	3,356	1,573	438,622
Lifetime ECL					(1,573)
					<b>437,049</b>

## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

#### 28.4 Credit Risk (continued)

##### (a) Receivables (continued)

*Impairment losses (continued)*

2023 Group	Not past due RM'000	Trade receivables - days past due			Total RM'000
		1 - 30 days RM'000	31 - 180 days RM'000	More than 180 days RM'000	
Expected credit loss rate	0%	0%	0%	100%	
Estimated total gross carrying amount at default	404,929	16,683	698	2,041	424,351
Lifetime ECL				(2,041)	(2,041)
					<b>422,310</b>

The movements in the allowance for impairment losses of receivables during the financial year were:

	Group	
	2024	2023
	RM'000	RM'000
At beginning of year	2,041	2,041
Write offs	(468)	-
At end of year	<b>1,573</b>	<b>2,041</b>

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

##### (b) Amount due from subsidiaries, intermediate holding corporation and related parties

*Risk management objectives, policies and processes for managing the risk*

The Group and the Company undertake trade and non-trade transactions with the intermediate holding corporation and related parties. The Company also provides unsecured advances to subsidiaries. The Group and the Company monitor their results regularly.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Advances are only provided to subsidiaries which are wholly owned by the Company.

*Impairment losses*

As at the end of the reporting period, there was no indication that the intercompany balances are not recoverable.

## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

#### 28.5 Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's financial position or cash flows.

##### (a) Foreign currency risk

The Group is exposed to foreign currency risk through normal trading activities on sales and purchases that are denominated in currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Singapore Dollar ("SGD"), Euro Dollar ("EURO") and Great Britain Pound ("GBP").

*Risk management objectives, policies and processes for managing the risk*

The Group uses forward exchange contracts to hedge its foreign currency risk. The outstanding forward exchange contracts as at the end of reporting period are disclosed in Note 20 (e).

*Exposure to foreign currency risk*

The Group's exposure to foreign currency (a currency which is other than the respective functional currencies of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

Group	Denominated in			
	USD	SGD	EURO	GBP
	RM'000	RM'000	RM'000	RM'000
<b>2024</b>				
Trade payables	(5,735)	(354)	(17,162)	(151)
<b>2023</b>				
Trade payables	(3,391)	(6,424)	(28,702)	-

A foreign currency risk arising from Group's operations is not material, sensitivity analysis is not presented.

##### (b) Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

*Risk management objectives, policies and processes for managing the risk*

The Group does not have a formal policy in place for managing the risk arising from interest rate. The fluctuation of interest rate is however monitored closely by the Group.

## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

#### 28.5 Market Risk (continued)

##### (b) Interest rate risk (continued)

*Exposure to interest rate risk*

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of reporting period was:

	Group and Company	
	2024	2023
	RM'000	RM'000
<b>Fixed rate instruments</b>		
Borrowings	80,000	135,000

*Interest rate risk sensitivity analysis*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of reporting period would not affect profit or loss.

#### 28.6 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its trade and other payables and borrowings.

The Group maintains a level of cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. It is not expected that the cash flows included in the maturity analysis could occur significant earlier, on at significant different amounts.

##### Maturity analysis

The table below summaries the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount	Contractual interest rate	Contractual cash flows	Under 1 year	Between 1 and 2 years	Between 2 and 5 years
	RM'000		RM'000	RM'000	RM'000	RM'000
<b>As at 31 December 2024</b>						
Borrowings						
- Revolving credit and trade financing	80,000	3.56% to 3.63%	80,325	80,325	-	-
Trade and other payables	632,817	-	632,817	632,817	-	-
Lease liabilities	10,326	3.42% to 7.49%	11,310	5,020	3,221	3,069
	<b>723,143</b>		<b>724,452</b>	<b>718,162</b>	<b>3,221</b>	<b>3,069</b>



## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

#### 28.6 Liquidity risk (continued)

##### Maturity analysis (continued)

Group	Carrying amount RM'000	Contractual interest rate	Contractual cash flows RM'000	Under 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000
<b>As at 31 December 2023</b>						
Borrowings						
- Revolving credit and trade financing	135,000	3.54% to 3.80%	135,693	135,693	-	-
Trade and other payables	610,263	-	610,263	610,263	-	-
Lease liabilities	8,927	3.42% to 6.97%	9,865	4,328	2,371	3,166
	<u>754,190</u>		<u>755,821</u>	<u>750,284</u>	<u>2,371</u>	<u>3,166</u>

##### Company

<b>As at 31 December 2024</b>						
Borrowings						
- Revolving credit and trade financing	80,000	3.56% to 3.63%	80,325	80,325	-	-
Trade and other payables	220,892	-	220,892	220,892	-	-
Lease liabilities	1,762	3.42% to 7.49%	1,856	1,298	436	122
	<u>302,654</u>		<u>303,073</u>	<u>302,515</u>	<u>436</u>	<u>122</u>

##### As at 31 December 2023

Borrowings						
- Revolving credit and trade financing	135,000	3.54% to 3.80%	135,693	135,693	-	-
Trade and other payables	264,177	-	264,177	264,177	-	-
Provision for restructuring	-	-	-	-	-	-
Lease liabilities	1,610	3.42% to 6.97%	1,665	1,127	538	-
	<u>400,787</u>		<u>401,535</u>	<u>400,997</u>	<u>538</u>	<u>-</u>

## Notes to the Financial Statements

### 28. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

#### 28.7 Fair values

The carrying amounts of cash and bank balances, short term receivables and payables, short term borrowings and lease liabilities reasonably approximate their fair values due to the relatively short term nature of these financial instruments or exposed to floating interest rates.

The fair value of the Group's foreign exchange forward contracts at the end of the reporting period as disclosed in Note 20(e) is determined by reference to the differences between the contract rates and quoted forward exchange rates of contract with similar quantum and maturity profile at the end of the reporting period. The fair value is categorised as Level 2 in the fair value hierarchy and classified as financial liabilities at fair value through profit or loss.

### 29. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details the reconciliation of the opening and closing amounts in the statements of financial position for each liability for which cash flows have been, or would be, classified as financing activities in the statements of cash flows:

	Note	As at 1.1.2024 RM'000	Non-cash changes Addition RM'000	← Cash Flows → Drawdown RM'000	Repayment RM'000	As at 31.12.2024 RM'000
<b>Group</b>						
Borrowings	18	135,000	-	2,525,000	(2,580,000)	80,000
Lease liabilities	19	8,927	6,175	-	(4,776)	10,326
<b>Company</b>						
Borrowings	18	135,000	-	2,525,000	(2,580,000)	80,000
Lease liabilities	19	1,610	1,616	-	(1,464)	1,762

	Note	As at 1.1.2023 RM'000	Non-cash changes Addition RM'000	← Cash Flows → Drawdown RM'000	Repayment RM'000	As at 31.12.2023 RM'000
<b>Group</b>						
Borrowings	18	170,000	-	2,252,000	(2,287,000)	135,000
Lease liabilities	19	5,949	6,737	-	(3,759)	8,927
<b>Company</b>						
Borrowings	18	170,000	-	2,252,000	(2,287,000)	135,000
Lease liabilities	19	2,838	204	-	(1,432)	1,610

## Statement by Directors

The directors of **HEINEKEN MALAYSIA BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance and the cash flows of the Group and of the Company for the year ended on that date.

Signed on behalf of the Board of Directors  
in accordance with a resolution of the directors,

DATO’ SRI IDRIS JALA

MARTIJN RENE VAN KEULEN

Petaling Jaya, Selangor  
11 March 2025

## Declaration by the Officer Primarily Responsible for the Financial Management of the Company

I, **CHRISTIAAN JOHANNES FOLKERTS**, the officer primarily responsible for the financial management of **HEINEKEN MALAYSIA BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

CHRISTIAAN JOHANNES FOLKERTS

Subscribed and solemnly declared by the  
abovenamed **CHRISTIAAN JOHANNES FOLKERTS**  
at **PETALING JAYA, SELANGOR**  
this 11<sup>th</sup> day of March 2025.

Before me,

PESURUHAN JAYA SUMPAH MALAYSIA  
B459  
GUNALAN A/L MUNUSAMY  
1.1.2025 - 31.12.2027  
NO. 13, (TINGKAT 1) JALAN 52/10, PJ NEW TOWN, 46200 PETALING JAYA, SELANGOR

COMMISSIONER FOR OATHS

## Other Information

### PROPERTIES HELD BY THE GROUP

Address	Land area (acres)	Existing use	Tenure	Approximate age of building (years)	Net book value as of 31 December 2024 RM’000	Date of acquisition/ revaluation*
Lot 1135, Batu 9 Jalan Klang Lama 46000 Petaling Jaya Selangor	20.84	Office building and factory	Leasehold expiring 23 September 2063	58	43,468	30 September 1984*
120, Air Keroh Industrial Estate 75450 Melaka	1.07	Office building and store	Leasehold expiring 13 January 2080	42	220	30 September 1984*
Lot 123, Semambu Industrial Site 25350 Kuantan Pahang	0.52	Office building and store	Leasehold expiring 5 March 2046	42	147	30 September 1984*
Lot 1136, Batu 9 Jalan Klang Lama 46000 Petaling Jaya Selangor	2.88	Storage	Freehold	Not applicable	4,037	31 December 1991
					47,872	

\* The revaluation of properties was carried out primarily for the purpose of bonus issue in 1984.

### UTILISATION OF PROCEEDS

There was no corporate proposal undertaken by Heineken Malaysia Berhad to raise proceeds during the financial year ended 31 December 2024.

### MATERIAL CONTRACTS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by Heineken Malaysia Berhad and/or its subsidiaries involving the interest of Directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2024 or entered into since the end of the previous financial year.

### CONFLICT OF INTEREST/CONVICTION OF OFFENCES/SANCTIONS/PENALTIES

None of the members of the Board and the Management Team has any:

- family relationship with any Director and/or major shareholder of Heineken Malaysia Berhad.
- conflict of interest in any business arrangement involving Heineken Malaysia Berhad.
- convictions for any offences, other than traffic offences, within the past 5 years.
- public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2024.



## Analysis of Stockholdings

As of 6 March 2025

Share Capital	: RM151,049,000
Number of Issued Shares	: 302,098,000 ordinary stock units
Class of Shares	: Ordinary stock unit
Voting Rights	: One vote per ordinary stock unit

Size of Holdings	No. of Stockholders	%	No. of Stock Units	%
1 – 99	1,085	8.57	7,752	0.00
100 – 1,000	6,257	49.43	3,636,924	1.20
1,001 – 10,000	4,196	33.15	15,516,327	5.14
10,001 – 100,000	952	7.52	26,927,070	8.91
100,001 – 15,104,899	167	1.32	101,940,027	33.75
15,104,900 and above	1	0.01	154,069,900	51.00
<b>Total</b>	<b>12,658</b>	<b>100.00</b>	<b>302,098,000</b>	<b>100.00</b>

### SUBSTANTIAL STOCKHOLDERS AS PER REGISTER OF SUBSTANTIAL STOCKHOLDERS

Name	Direct No. of Stock Units	%	Indirect No. of Stock Units	%
GAPL Pte Ltd	154,069,900	51.00	-	-

### DIRECTORS’ INTEREST

According to the Register of Directors’ Shareholdings, none of the Directors (including the spouses or children of the Directors who themselves are not Directors of the Company) holding office as of 6 March 2025 had any interest in the ordinary stock units of the Company or its related corporations.

### 30 LARGEST STOCKHOLDERS AS PER RECORD OF DEPOSITORS

Name	No. of Stock Units	%
1. GAPL Pte Ltd	154,069,900	51.00
2. Citigroup Nominees (Tempatan) Sdn Bhd - Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	6,996,780	2.32
3. UOB Kay Hian Nominees (Asing) Sdn Bhd - Exempt AN for UOB Kay Hian Pte Ltd (A/C Clients)	3,951,138	1.31
4. Cartaban Nominees (Asing) Sdn Bhd - The Bank of New York Mellon for Virtus KAR International Small-Mid Cap Fund	3,793,700	1.25
5. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad for Hong Leong Value Fund	3,166,600	1.05
6. Citigroup Nominees (Tempatan) Sdn Bhd - Exempt AN for AIA Bhd	2,259,400	0.75
7. CIMB Group Nominees (Asing) Sdn Bhd - Exempt AN for DBS Bank Ltd (SFS)	2,223,300	0.74
8. Tai Tak Estates Sdn Bhd	2,156,000	0.71
9. HSBC Nominees (Asing) Sdn Bhd - JPMCB NA for Vanguard Total International Stock Index Fund	2,078,484	0.69
10. Key Development Sdn Berhad	2,037,000	0.67
11. ChinChoo Investment Sdn Berhad	1,865,000	0.62

## Analysis of Stockholdings

As of 6 March 2025

Name	No. of Stock Units	%
12. Cartaban Nominees (Asing) Sdn Bhd - The Bank of New York Mellon for Virtus KAR Emerging Markets Small-CAP Fund	1,806,300	0.60
13. Cartaban Nominees (Tempatan) Sdn Bhd - PAMB for Prulink Equity Fund	1,791,300	0.59
14. DB (Malaysia) Nominee (Asing) Sdn Bhd - SSBT Fund JNDP for JNL Multi-Manager Emerging Markets Equity Fund	1,743,400	0.58
15. Citigroup Nominees (Asing) Sdn Bhd - Exempt AN for Citibank New York (Norges Bank 19)	1,670,300	0.55
16. Hong Leong Assurance Berhad - As Beneficial Owner (Life PAR)	1,611,900	0.53
17. Ho Han Seng	1,600,000	0.53
18. Cartaban Nominees (Asing) Sdn Bhd - The Bank of New York Mellon for Florida Retirement System	1,586,000	0.52
19. HSBC Nominees (Asing) Sdn Bhd - JPMCB NA for Vanguard Emerging Markets Stock Index Fund	1,550,673	0.51
20. DB (Malaysia) Nominee (Asing) Sdn Bhd - Exempt AN for State Street Bank & Trust Company (West CLT OD67)	1,547,000	0.51
21. DB (Malaysia) Nominee (Asing) Sdn Bhd - SSBT Fund KG67 for Invesco EQV International Small Company Fund	1,416,900	0.47
22. Citigroup Nominees (Asing) Sdn Bhd - CBLDN for Pohjola Bank PLC (Client AC-EUR)	1,322,100	0.44
23. Kam Loong Mining Sdn Bhd	1,320,000	0.44
24. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad for Hong Leong Balanced Fund	1,300,000	0.43
25. Cartaban Nominees (Tempatan) Sdn Bhd - Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	1,299,900	0.43
26. Gan Teng Siew Realty Sdn Berhad	1,277,000	0.42
27. DB (Malaysia) Nominee (Asing) Sdn Bhd - SSBT Fund KG33 for Invesco EQV Asia Pacific Equity Fund	1,237,400	0.41
28. HLB Nominees (Asing) Sdn Bhd - Tan Eng Chin Holdings (Pte.) Limited (CUST.SIN 40555)	1,150,000	0.38
29. Cartaban Nominees (Asing) Sdn Bhd - BBH (Lux) SCA for Fidelity Funds Asena	1,138,300	0.38
30. Citigroup Nominees (Tempatan) Sdn Bhd - Great Eastern Life Assurance (Malaysia) Berhad (PAR 1 ACB Fund)	1,076,400	0.36
<b>Total</b>	<b>212,042,175</b>	<b>70.19</b>

## Statement of 2024 Volumetric Water Benefits



501 Avis Drive  
Ann Arbor, MI 48108  
734.332.1200  
www.limno.com

### Statement of Confirmation of 2024 Volumetric Water Benefits of Water Stewardship Projects Implemented by HEINEKEN Malaysia

LimnoTech conducted an independent third-party quantification of volumetric water benefits of project activities implemented by HEINEKEN Malaysia to achieve its water balancing goal.

Industry standard methodologies, consistent with the Volumetric Water Benefit Accounting (VWBA) framework published by the World Resources Institute were applied to quantify the water balance benefits of these water stewardship projects.

The 2024 volumetric water benefits were confirmed for 4 different project activities as shown below.

Project	Benefit (HL)
Sungei Way River Rehabilitation	3,890,000
Rainwater Harvesting System	75,700
Peatland Reforestation	127,500
Clay Dyke Implementation	1,361,020
<b>TOTAL</b>	<b>5,454,220</b>

The 2024 water balancing target for HEINEKEN Malaysia is 2,607,609 HL. Therefore, the 2024 water balance achievement is **209%** of the target.

Sincerely,  
LimnoTech

Pranesh Selvendiran  
Sr. Project Engineer

March 6, 2025

## Statement of External Assurance

### Independent Assurance Statement

Relating to Heineken Malaysia Berhad's Sustainability Statement (ESG Review) in the Group's Annual Report 2024

#### Terms of Engagement

Rapid Genesis Sdn. Bhd. has been engaged by Heineken Malaysia Berhad to provide an independent, limited assurance review of selected key performance indicators (KPIs), hereafter referred to as 'Selected Information', as outlined below in HEINEKEN Malaysia Berhad's Sustainability Statement (ESG Review) in the Group's Annual Report 2024. These indicators have been prepared in accordance with HEINEKEN Malaysia's reporting criteria (referred to as 'HEINEKEN Reporting Criteria'). The engagement was carried out by a multidisciplinary team with expertise in environmental, social and governance matters relevant to sustainability reporting.

Governance			
Material Matters	GRI Standards	Sub-Topic	Selected KPIs
Regulatory Compliance	GRI 2: General Disclosures	-	Sustainability Statement 2024
Ethical Business Conduct	GRI 205: Anti-corruption	Anti-Corruption	<ul style="list-style-type: none"><li>Operations assessed for risks related to corruption</li><li>Anti-Corruption and Bribery training and communication</li><li>Composition of the highest governance body</li></ul>
Data Privacy and Cybersecurity	GRI 418: Customer Privacy	Data Privacy	Data Privacy and Security
Risk Management	GRI 201: Economic Performance	Economic Performance	Economic Performance
Environment			
Climate Resilience and Energy Efficiency	GRI 302: Energy GRI 305: Emissions	Scope 1, 2 and 3 emissions	<ul style="list-style-type: none"><li>Scope 1: Direct</li><li>Scope 2: Indirect</li><li>Scope 3:<ul style="list-style-type: none"><li>Employee commuting</li><li>Business travel (Land)</li><li>Business travel (Air)</li></ul></li></ul>
		Solar Energy	<ul style="list-style-type: none"><li>Reduction in procured electricity</li><li>GHG emissions offset</li></ul>
		Energy Consumption	<ul style="list-style-type: none"><li>Total energy usage (within and outside of organisation)</li><li>Energy intensity</li><li>Reduction of energy consumption</li><li>Reduction in energy requirements of products and services</li></ul>
Water Stewardship	GRI 303: Water and Effluent	Water Consumption	<ul style="list-style-type: none"><li>Total water consumption</li><li>Water efficiency</li><li>Water circularity</li><li>Total wastewater discharged</li><li>Water balancing</li></ul>
Waste and Effluent Management	GRI 306: Waste	Organic and Inorganic Waste	<ul style="list-style-type: none"><li>Total waste generated</li><li>Total waste directed to disposal</li><li>Total waste diverted from disposal</li><li>Organic and inorganic waste management</li></ul>
Resource Use	GRI 301: Materials	Material Return Rate	<ul style="list-style-type: none"><li>Material return rate</li><li>Materials used by weight or volume</li><li>Recycled input materials used</li></ul>
		Prem Collar (also in GRI 306)	<ul style="list-style-type: none"><li>Material sustainability</li><li>Investment in equipment</li><li>Reduction in plastic use for packaging</li></ul>



Statement of External Assurance

Social Sustainability			
Material Matters	GRI Standards	Sub-Topic	Selected KPIs
Diversity	GRI 405: Diversity and Equal Opportunity	Workforce Diversity	<ul style="list-style-type: none"><li>Workforce Breakdown</li><li>Workforce Diversity by Race</li><li>Employees that are contractors of temporary staff</li><li>Employee Engagement</li></ul>
Employee Health, Safety and Wellbeing	GRI 403: Occupational Health and Safety	Safety and Health	<ul style="list-style-type: none"><li>Training on Health and Safety Standards</li><li>Additional Health and Training programmes for FY2024</li><li>All GRI 403 indicators</li></ul>
Human Rights and Labour Standards	GRI 401: Employment GRI 404: Training and Education	Human Rights and Labour Standards	<ul style="list-style-type: none"><li>Total number of employees new hires by employee category, age and gender</li><li>Total number of employee turnover by employee category</li><li>Length of service</li><li>Human Rights Violation</li><li>Parental Leave</li><li>Benefits provided to full time employees</li></ul>
Human Capital Development	GRI 404: Training and Education	Training and Development	<ul style="list-style-type: none"><li>Total training spend</li><li>Total hours of training by employee category</li><li>Average hours of training per employee</li><li>Employee Training and Development Programmes in FY2024</li><li>Graduate and Internship Programmes</li><li>Short Term Assignment</li></ul>
Community Investment and Development	GRI 201: Economic Performance GRI 413: Local Communities	Community	<ul style="list-style-type: none"><li>SPARK Foundation</li><li>Education – English Enrichment Training Programmes (EETP)</li><li>Environment – W.A.T.E.R Project</li><li>HEINEKEN Cares</li><li>Grab e-hailing code investment</li><li>Tiger Sin Chew CECC</li></ul>
Supply Chain Management	GRI 204: Procurement	Supply Chain	<ul style="list-style-type: none"><li>Proportion of spending on local suppliers</li><li>Supply Chain Performance</li><li>Green Fridges</li><li>Supplier Code</li><li>Supplier Screening</li><li>Supplier Assessment</li></ul>
Responsible Consumption			
Product Safety, Quality and Hygiene	GRI 416: Customer Health and Safety	Responsible Drinking	Responsible Drinking
Responsible Marketing and Consumption	GRI 417: Marketing and Labelling	Responsible Drinking	Product Responsibility
IFRS S2			
Climate Change	IFRS S2	N/A	Climate-related disclosures

Statement of External Assurance

Scope of Coverage

The scope of our engagement includes data review of the ‘Selected Information’ within Heineken Malaysia’s organisational boundaries:

- Organisational boundary: HEINEKEN Malaysia Bhd and Heineken Marketing Malaysia Sdn. Bhd.
- Control approach: Operational Control and Finance Control
- Period: 1 January 2024 to 31 December 2024.

Reporting Criteria

HEINEKEN Malaysia’s Reporting Criteria include:

- Bursa Malaysia Main Market Listing Requirements on Sustainability Reporting.
- Bursa Malaysia’s Sustainability Reporting Guide (3<sup>rd</sup> Edition)
- FTSE4Good Bursa Malaysia (F4GMB) Index.
- The Global Reporting Initiative (GRI) Sustainability Reporting Standards 2021.
- United Nations Sustainable Development Goals (UNSDG).
- International Financial Reporting Standards Climate-related Disclosures (IFRS S2).

Management’s Responsibility

HEINEKEN Malaysia’s management is responsible for:

- Selecting, preparing and presenting the selected KPIs in accordance with HEINEKEN Malaysia’s reporting criteria.
- Identifying stakeholders, stakeholder requirements, material issues and responsibilities related to sustainability performance.
- Designing, implementing and maintaining internal controls to ensure the accuracy of the ‘Sustainability Statement’ and that it is free from material misstatement, whether due to fraud or error.
- Determining the appropriateness of measurement and reporting criteria based on the intended users of the ‘Selected Information’ and ensuring those criteria are publicly accessible.

Rapid Genesis’ Responsibility

Our responsibility is to provide a limited assurance conclusion on the selected KPIs based on the procedures performed and the evidence gathered. This engagement was conducted in accordance with International Standard for Assurance Engagement (ISAE) 3410: Assurance Engagements on Greenhouse Gas Statements for Environment component and ISAE 3000: Assurance Engagements other than Audits or Reviews of Historical Financial Information for both the Social and Governance components.

A limited assurance engagement in accordance with ISAE 3000 (Revised) and ISAE 3410 involves assessing the suitability of HEINEKEN Malaysia’s reporting criteria, evaluating the risk of material misstatements and responding to those risks as necessary. The procedures we performed, based on professional judgement, included inquiries, process observations, document inspection, analytical procedures, evaluation of quantification methods and reconciliation with underlying records.

Our Independence and Quality Control

Rapid Genesis implements and maintains a robust quality management system that aligns with the requirements of ISO 9001:2015, fulfilling the standards of the International Standard on Quality Management 1. Furthermore, our practitioners adhere to the Professional Requirements that meets the demand of the Code of Ethics for Professional Accountants established by the International Ethics Standards Board for Accountants (IESBA). We at our level best comply with ethical requirements and plan and perform the verification to obtain a limited assurance conclusion based on the work undertaken and evidence provided.

Assurance Activities

Assurance activities that were carried out included but not limited to:

- Document Review
  - RGSB reviewed HEINEKEN Malaysia’s sustainability statement, relevant policies and internal documentation to understand the context and methodology applied in compiling the performance data.
- Interviews and Discussions
  - RGSB conducted interviews with key personnel responsible for sustainability reporting and data collection.
  - RGSB sought clarification regarding specific data collection methods and any assumptions made during the reporting process.
- Data Testing and Verification
  - RGSB performed sample-based testing to verify the accuracy of the reported data. This included validating the underlying records, reports and systems used to generate the reported figures.
  - Calculations were performed to ensure that reported energy consumption, GHG emissions, water usage, waste generation and other performance data were consistent with the reporting standards and methodologies outlined in the GRI indicators.
  - For GHG emissions indicators (Scope 1, Scope 2 and partial Scope 3), RGSB verified that emission factors and calculation methods complied with recognised standards.
- Review of Internal Controls
  - RGSB assessed the internal control systems via sample-based approach to ensure that the data presented in the sustainability report was complete, accurate and consistent.
  - This review included evaluating the processes for tracking employee training hours, injury reports, diversity metrics, anti-corruption training and procurement spend with local suppliers.
- Review of Policies and Procedures
  - RGSB reviewed HEINEKEN Malaysia’s policies on ethics, anti-corruption, health and safety and sustainability to assess how effectively these policies were communicated to employees, suppliers and other stakeholders.

Statement of External Assurance

Limited Assurance Conclusion

Based on our examination of the data and evidence provided by HEINEKEN Malaysia, we have no reason to believe that the Selected Information for the year ended 2024 has not been prepared, in all material respects, in accordance with HEINEKEN Malaysia’s Reporting Criteria.

Other Matters

No additional assurance procedures were performed on the previous sustainability report for the 2025 external assurance review. Information from prior reporting periods has not been subject to assurance procedures. Our report does not cover disclosures beyond the ‘Selected Information’ in HEINEKEN’s Sustainability Statement 2024. The maintenance of HEINEKEN Malaysia’s website is the responsibility of HEINEKEN Malaysia’s management. We did not assess these matters and accept no responsibility for changes to the information since the report’s publication on their website.

Restriction of Liability

Our work is intended solely to provide a limited assurance conclusion on the selected KPIs to the management of HEINEKEN Malaysia. We do not accept or assume liability to any other parties for our work, this report, or the conclusion reached.

Rapid Genesis Sdn Bhd



Tang Kok Mun  
Lead Consultant  
14 March 2025



Bursa Malaysia Sustainability Reporting Index

Bursa Malaysia’s Common Material Matters	Indicators	Location (Page)
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category	Corporate Governance and Anti-Corruption (61)
	Percentage of operations assessed for corruption-related risks	Corporate Governance and Anti-Corruption (61)
	Confirmed incidents of corruption and action taken	Corporate Governance and Anti-Corruption (61)
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	Community Investment and Development (87)
	Total number of beneficiaries of the investment in communities	Community Investment and Development (87)
Diversity	Percentage of employees by gender and age group, for each employee category	Diversity (81)
	Percentage of directors by gender and age group	Diversity (81)
Energy management	Total energy consumption	Climate Resilience and Energy Efficiency (66 to 67)
Health and safety	Number of work-related fatalities	Human Rights and Labour Standards (85)
	Lost time incident rate	Human Rights and Labour Standards (85)
	Number of employees trained on health and safety standards	Human Rights and Labour Standards (85)
Labour practices and standards	Total hours of training by employee category	Human Capital Development (86)
	Percentage of employees that are contractors or temporary staff	Diversity (81)
	Total number of employee turnover by employee category	Employee Health, Safety and Wellbeing (83)
	Number of substantiated complaints concerning human rights violations	Human Rights and Labour Standards (83)
Supply chain management	Proportion of spending on local suppliers	Supply Chain Management (87)
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Cybersecurity (63)
Water	Total volume of water used	Water Stewardship (73)
Waste management	Total waste generated, and a breakdown of the following: (i) total waste diverted from disposal (ii) total waste directed to disposal	Waste and Effluent Management (69)
Emissions management	Scope 1 emissions in tonnes of CO <sub>2</sub> e	Climate Resilience and Energy Efficiency (68)
	Scope 2 emissions in tonnes of CO <sub>2</sub> e	Climate Resilience and Energy Efficiency (69)
	Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Climate Resilience and Energy Efficiency (69)



## GRI Standards 2021 Content Index

### GRI CONTENT INDEX

Statement of use	HEINEKEN Malaysia has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)
GRI 2: General Disclosures 2021	2-1 Organisational details	3, 47
	2-2 Entities included in the organisation's sustainability reporting	47
	2-3 Reporting period, frequency and contact point	47
	2-5 External assurance	47, 175 to 178
	2-6 Activities, value chain and other business relationships	3, 16 to 17, 30 to 45
	2-7 Employees	81 to 83
	2-8 Workers who are not employees	81
	2-9 Governance structure and composition	50, 108 to 109
	2-10 Nomination and selection of the highest governance body	110
	2-11 Chair of the highest governance body	102 to 103
	2-12 Role of the highest governance body in overseeing the management of impacts	51, 106
	2-13 Delegation of responsibility for managing impacts	50 to 51, 103
	2-14 Role of the highest governance body in sustainability reporting	51
	2-16 Communication of critical concerns	105, 122 to 123
	2-17 Collective knowledge of the highest governance body	87
	2-18 Evaluation of the performance of the highest governance body	108
	2-19 Remuneration policies	108 to 109
	2-20 Process to determine remuneration	108 to 109
	2-22 Statement on sustainable development strategy	46 to 53
	2-23 Policy commitments	52
	2-24 Embedding policy commitments	52, 61, 104 to 105
	2-25 Processes to remediate negative impacts	61
	2-26 Mechanisms for seeking advice and raising concerns	61
	2-27 Compliance with laws and regulations	61
	2-28 Membership associations	56
	2-29 Approach to stakeholder engagement	54 to 56
	2-30 Collective bargaining agreements	54 to 55
GRI 3: Material Topics 2021	3-1 Process to determine material topics	56
	3-2 List of material topics	57
	3-3 Management of material topics	Throughout the ESG Review 46 to 104
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	96 to 98
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	87
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	61
	205-2 Communication and training about anti-corruption policies and procedures	61
	205-3 Confirmed incidents of corruption and actions taken	61

## GRI Standards 2021 Content Index

GRI STANDARD	DISCLOSURE	LOCATION (Page)
GRI 301: Materials 2016	301-1 Materials used by weight or volume	71
	301-2 Recycled input materials used	71
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	66 to 67
	302-2 Energy consumption outside of the organisation	66 to 67
	302-3 Energy intensity	67
	302-4 Reduction of energy consumption	66 to 67
	302-5 Reductions in energy requirements of products and services	66 to 67
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	72 to 76
	303-2 Management of water discharge-related impacts	72 to 76
	303-4 Water discharge	73
	303-5 Water consumption	73
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	68
	305-2 Energy indirect (Scope 2) GHG emissions	68 to 69
	305-3 Other indirect (Scope 3) GHG emissions	68 to 69
	305-4 GHG emissions intensity	68
	305-5 Reduction of GHG emissions	68
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	69
	306-2 Management of significant waste-related impacts	69 to 70
	306-3 Waste generated	69 to 70
	306-4 Waste diverted from disposal	69 to 70
	306-5 Waste directed to disposal	69 to 70
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	83
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	82
	401-3 Parental leave	82
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	84 to 85
	403-2 Hazard identification, risk assessment and incident investigation	84
	403-3 Occupational health services	84 to 85
	403-4 Worker participation, consultation and communication on occupational health and safety	84 to 85
	403-5 Worker training on occupational health and safety	84
	403-6 Promotion of worker health	84
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	84 to 85
	403-8 Workers covered by an occupational health and safety management system	84 to 85
	403-9 Work-related injuries	85
	403-10 Work-related ill health	85
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	86
	404-2 Programmes for upgrading employee skills and transition assistance programmes	85
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	81
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	83

GRI Standards 2021 Content Index

GRI STANDARD	DISCLOSURE	LOCATION (Page)
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	83
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	83
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	83
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programmes	87
	413-2 Operations with significant actual and potential negative impacts on local communities	87
GRI 417: Marketing and Labelling 2016	417-2 Incidents of non-compliance concerning product and service information and labelling	91
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	63

UN GLOBAL COMPACT INDEX

Global Compact Principle	Location (Page)
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;	Human Rights and Labour Standards (83) Supply Chain Management (87)
Principle 2: make sure that they are not complicit in human rights abuses.	Human Rights and Labour Standards (83) Supply Chain Management (87)
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Human Rights and Labour Standards (83)
Principle 4: the elimination of all forms of forced and compulsory labour;	Human Rights and Labour Standards (83) Supply Chain Management (87)
Principle 5: the effective abolition of child labour;	Human Rights and Labour Standards (83)
Principle 6: the elimination of discrimination in respect of employment and occupation.	Diversity (81) Human Rights and Labour Standards (83)
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Climate Resilience and Energy Management (64 to 69) Waste and Effluent Management (69 to 71)
Principle 8: undertake initiatives to promote greater environmental responsibility; and	Resource Use (71) Towards Healthy Watersheds (72)
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Corporate Governance and Anti-Corruption (61) Risk Management (62)

Group Directory

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## Notice of 61<sup>st</sup> Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 61<sup>st</sup> Annual General Meeting (61<sup>st</sup> AGM) of Heineken Malaysia Berhad (the Company) will be held at Grand Summit (Level M1), Connexion @ The Vertical, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on **Wednesday, 7 May 2025 at 9.30 a.m.** for the following purposes:

### AGENDA

#### Ordinary Business

- |   |  |
|---|--|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 and the Reports of the Directors and Auditors thereon.   | <b>Please refer to Note 2</b>                                |
| 2. To approve the payment of a single tier final dividend of 115 sen per stock unit in respect of the financial year ended 31 December 2024.  | <b>Ordinary Resolution 1</b>                                 |
| 3. To re-elect the following Directors who retire by rotation pursuant to Clause 84 of the Company's Constitution as Directors of the Company:<br>(i) Mr Choo Tay Sian, Kenneth<br>(ii) Ms Seng Yi-Ying | <b>Ordinary Resolution 2</b><br><b>Ordinary Resolution 3</b> |
| 4. To re-elect Mr Martijn Rene van Keulen who retires pursuant to Clause 91 of the Company's Constitution as a Director of the Company.   | <b>Ordinary Resolution 4</b>                                 |
| 5. To approve the payment of Directors' fees and benefits up to an aggregate amount of RM810,000 for the Non-Executive Directors of the Company for the financial year ending 31 December 2025.         | <b>Ordinary Resolution 5</b>                                 |
| 6. To appoint KPMG PLT as Auditors of the Company, to replace Deloitte PLT, who are not seeking re-appointment at the 61 <sup>st</sup> AGM, and to authorise the Directors to fix their remuneration.   | <b>Ordinary Resolution 6</b>                                 |

#### Special Business

To consider and, if deemed fit, to pass the following resolutions:

- |   |                              |
|---|------------------------------|
| 7. Proposed Continuance in Office as Independent Non-Executive Director<br><br>"That approval be and is hereby given to Dato' Sri Idris Jala, whose tenure will reach a cumulative term of 9 years on 1 January 2026, to continue in office as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting."   | <b>Ordinary Resolution 7</b> |
| 8. Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed Shareholders' Mandate)<br><br>"That, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into any of the recurrent transactions of a revenue or trading nature with the HEINEKEN Group of Companies and persons connected with them as set out in the Circular to Shareholders dated 8 April 2025, which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiaries on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:<br><br>(i) the conclusion of the next Annual General Meeting of the Company at which time it will lapse, unless by a resolution passed at a general meeting, the authority conferred by this resolution is renewed; or<br>(ii) the expiration of the period within which the next Annual General Meeting of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (the Act) (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or<br>(iii) revoked or varied by resolution passed by the shareholders at a general meeting, | <b>Ordinary Resolution 8</b> |

whichever is earlier;

## Notice of 61<sup>st</sup> Annual General Meeting

And that the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate."

9. To consider any other business of which due notice has been given in accordance with the Act and the Company's Constitution.

### NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

Subject to the approval of Stockholders, a single tier final dividend of 115 sen per stock unit in respect of the financial year ended 31 December 2024 will be paid on 23 July 2025 to Stockholders registered at the close of business on 25 June 2025.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (a) shares deposited into the Depositor's securities account before 12.30 pm on 23 June 2025 in respect of shares which are exempted from mandatory deposit;
- (b) shares transferred into the Depositor's securities account before 4.30 pm on 25 June 2025 in respect of ordinary transfers; and
- (c) shares bought on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

Ng Sow Hoong  
Company Secretary  
MAICSA 7027552  
SSM PC No. 202008000593  
Petaling Jaya, Selangor  
8 April 2025

### NOTES

#### 1. Entitlement to attend 61<sup>st</sup> AGM and Appointment of Proxy

- 1.1 For the purpose of determining a member who shall be entitled to attend the 61<sup>st</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at **28 April 2025** in accordance with the Company's Constitution and Section 34 of the Securities Industry (Central Depositories) Act 1991. Only a depositor whose name appears on the Record of Depositors as at **28 April 2025** shall be entitled to attend the said AGM or appoint proxies to attend and/or vote on his/her behalf at the said AGM.
- 1.2 A member entitled to attend and vote at the meeting may appoint more than one (1) proxy to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, the member shall specify the proportion of the member's shareholding to be represented by each proxy.
- 1.3 Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depository) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (Omnibus Account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. Where an exempt authorised nominee appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the Form of Proxy. An exempt authorised nominee with more than one (1) securities account must submit a separate Form of Proxy for each securities account.
- 1.4 If the appointer is a corporation, the Form of Proxy must be executed under its Common Seal or signed by an officer or attorney duly authorised. Any alteration to the Form of Proxy must be initialed.
- 1.5 Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.

## Notice of 61<sup>st</sup> Annual General Meeting

- 1.6 The Form of Proxy can be submitted through either one (1) of the following avenues no later than **Tuesday, 6 May 2025** at **9.30 a.m.** or in the event of any adjournment, no later than twenty-four (24) hours before the time appointed for the adjourned meeting:

**(a) Lodgement of Form of Proxy in hardcopy**

To be deposited at Tricor's Office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively at the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR

**(b) Electronic lodgement of Form of Proxy**

The Form of Proxy can be lodged electronically via TIIH Online website at <https://tiih.online>. Kindly refer to the Administrative Guide for the 61<sup>st</sup> AGM on the procedures for electronic lodgement of Form of Proxy via TIIH Online website.

- 1.7 Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at Tricor's Office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively at the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia no later than 24 hours before the time appointed for holding the 61<sup>st</sup> AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

- 1.8 For a corporate member who has appointed a representative, please deposit the **ORIGINAL/DULY CERTIFIED** certificate of appointment at Tricor's Office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively at the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia no later than 24 hours before the time appointed for holding the 61<sup>st</sup> AGM or adjourned general meeting. The certificate of appointment should be executed in the following manner:

- (a) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance to the constitution of the corporate member.
- (b) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:
- at least two (2) authorised officers, of whom one shall be a director; or
  - any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

- 1.9 Pursuant to the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad, all the resolutions set out in this notice will be put to vote by way of poll.

### 2. Agenda 1 : Audited Financial Statements

The audited financial statements for the financial year ended 31 December 2024 are laid in accordance with Section 340(1) of the Act for discussion only. They do not require shareholders' approval and hence, will not be put forward for voting.

### 3. Ordinary Resolutions 2 to 4 : Re-election of Retiring Directors

Clause 84 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at each AGM of the Company and all Directors shall retire from office at least once every 3 years but shall be eligible for re-election. Pursuant to this, Mr Choo Tay Sian, Kenneth and Ms Seng Yi-Ying are due for retirement by rotation and they have offered themselves for re-election at the 61<sup>st</sup> AGM.

Clause 91 of the Company's Constitution provides that any new Director appointed by the Board during the year shall hold office only until the next AGM and shall be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting. Mr Martijn Rene van Keulen who was appointed on 1 July 2024 is to stand for re-election at the 61<sup>st</sup> AGM pursuant to this Clause.

## Notice of 61<sup>st</sup> Annual General Meeting

Leveraging the annual Board and Directors Effectiveness Evaluation, the Nomination & Remuneration Committee (NRC) had on 12 February 2025, reviewed the performance and contributions of the above retiring Directors. Based on the evaluation, the Board agreed that they have discharged their duties and responsibilities effectively and had provided valuable contributions to the leadership of the Board; and accordingly recommended that the aforesaid retiring Directors be re-elected at the 61<sup>st</sup> AGM of the Company. All Directors standing for re-election have abstained from deliberations and decisions on their own eligibility to stand for re-election at the NRC and/or Board Meetings and they will continue to abstain from deliberations and decisions on their own eligibility to stand for re-election at the 61<sup>st</sup> AGM of the Company.

The profile of the Directors standing for re-election is set out in the Directors' Profile in the Annual Report 2024.

### 4. Ordinary Resolution 5 : Payment of Directors' Fees and Benefits

At the 60<sup>th</sup> AGM of the Company held on 16 May 2024, shareholders approved the payment of Directors' fee and benefits up to an amount of RM810,000 to the Non-Executive Directors of the Company for the financial year ended 31 December 2024. Details of the payment of the Directors' fees and benefits for the said financial year are disclosed under the Corporate Governance Report for the financial year ended 31 December 2024 which is available on the Company's website <https://www.heinekenmalaysia.com/corporate-governance/>.

There is no proposed revision to the existing Directors' Remuneration Package which was last approved by shareholders on 16 May 2024. The Directors' fees payable to the Non-Executive Directors for the financial year ending 31 December 2025 are calculated based on the current composition of the Board and the Board Committees and the number of meetings scheduled for the Board and Board Committees whilst the benefits are mainly the provision of car and petrol card for the use of the Independent Non-Executive Chairman.

The proposed motion, if passed, will facilitate the payment to Non-Executive Directors of the Company during the financial year. In the event the proposed amount is insufficient (due to enlarged Board size), approval will be sought at the next AGM for the shortfall. Non-Executive Directors who are shareholders of the Company shall abstain from voting on this motion at the 61<sup>st</sup> AGM.

### 5. Ordinary Resolution 6 : Appointment of Auditors

Deloitte PLT have served as the Auditors of the Company since April 2017. They were re-appointed at the 60<sup>th</sup> AGM held on 16 May 2024 to hold office until the conclusion of the 61<sup>st</sup> AGM. Deloitte PLT have indicated that they do not seek re-appointment as Auditors of the Company.

The Company received a letter dated 8 January 2025 from its major shareholder, GAPL Pte Ltd, nominating KPMG PLT as the Auditors of the Company. A copy of this letter is set out in the Annual Report 2024. GAPL Pte Ltd is indirectly owned by Heineken N.V. which has appointed KPMG Accountants N.V. as external auditors for the financial year 2025. Both KPMG Accountants N.V. and KPMG PLT are part of the global KPMG network affiliated with KPMG International Limited.

As an operating company of the HEINEKEN Group, it is recommended that KPMG PLT be appointed as Auditors of the Company. This proposed change aims to facilitate the efficient flow of information within the auditing entities of the HEINEKEN Group, thereby minimising non-value-added work for auditors. More importantly, it will help optimise the Company's business resources and costs. If approved, KPMG PLT will serve as the appointed Auditors until the conclusion of the next AGM of the Company.

### 6. Ordinary Resolution 7 : Proposed Continuance in Office as Independent Non-Executive Director

The Board, through the NRC, evaluated the contributions and independence of Dato' Sri Idris Jala, whose tenure is expected to reach nine years on 1 January 2026. Based on the evaluation, the Board recommended that he continues to serve as an Independent Non-Executive Director of the Company on the basis that he possesses the following attributes necessary for discharging his duties and responsibilities:

- He has met the criteria of an Independent Director as prescribed under the MMLR.
- He is an inclusive and effective Chairman, highly respected by the Directors and Management for his extensive knowledge, experience and dynamism. During Board and NRC meetings, he demonstrated strong leadership by fostering open and constructive discussions, providing objective views and contributing to informed and balanced decision-making.
- He provides insights into his experiences and best practices for driving leadership transformation and strategic oversight, whilst ensuring good corporate governance and enhancing performance management.
- He performs his role as Board Chairman with due care and diligence, carrying out his professional duties as an Independent Non-Executive Director in the interest of the Company and shareholders. He abstains from participating in deliberation or decision-making on matters where a conflict of interest may arise.



## Notice of 61<sup>st</sup> Annual General Meeting

Dato’ Sri Idris Jala has abstained from deliberations and decisions on this matter at the NRC and/or Board Meetings and he will continue to abstain from deliberations and decisions at the 61<sup>st</sup> AGM of the Company. The profile of Dato’ Sri Idris Jala is set out in the Directors’ Profile in the Annual Report 2024.

7. **Ordinary Resolution 8 : Proposed Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

Ordinary Resolution 8, if passed, will allow the Company and/or its subsidiaries to enter into the recurrent related party transactions in the ordinary course of business and the need to convene separate general meetings each time such recurrent related party transactions occur would be eliminated. This will save administrative time, inconvenience and expenses associated with holding such meetings, without compromising the Group’s corporate objectives or adversely impacting its business opportunities. The Shareholders’ Mandate is subject to renewal on an annual basis.

Further information on the Proposed Shareholders’ Mandate is set out in the Circular to Shareholders of the Company dated 8 April 2025.

## Administrative Guide

### 61<sup>st</sup> Annual General Meeting

Date	Time	Venue	Mode of Meeting
Wednesday 7 May 2025	9.30 a.m.	Grand Summit (Level M1), Connexion @ The Vertical, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia	Physical

#### Entitlement to Attend and Vote

Only a depositor whose name appears on the Record of Depositors as at **28 April 2025** shall be entitled to attend the said Annual General Meeting (AGM) or appoint proxies to attend and/or vote on his/her behalf at the said AGM.

Registration will commence at 7.30 a.m. and will remain open until 10.00 a.m. or such time as may be determined by the Chairman of the meeting. Members and proxies are encouraged to come early to facilitate registration.

For verification purpose, members and proxies are required to produce their original identity card (I/C) or passport (for foreigners) at the registration counter. Only original I/C or passport will be accepted for the purpose of identity verification. Please ensure that you collect your I/C or passport thereafter.

No person will be allowed to register on behalf of another person even with the original I/C or passport of that other person.

Upon verification and registration, please sign on the attendance list and an identification wristband will be provided at the registration counter.

If you are attending the meeting as a shareholder as well as proxy, you will be registered once and will only be given one (1) identification wristband.

The identification wristband has a passcode printed on it, which will be required for electronic voting purposes.

No person will be allowed to enter the meeting hall without wearing the identification wristband. There will be no replacement of lost or misplaced identification wristband.

A help desk will be available for any other enquiries/assistance/revocation of proxy’s appointment.

#### Appointment of Proxy/Proxies

A member entitled to attend and vote at the meeting may appoint more than one (1) proxy to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, the member shall specify the proportion of the member’s shareholding to be represented by each proxy.

Members who wish to appoint a proxy/proxies to attend and vote at the 61<sup>st</sup> AGM are required to complete, execute and submit the Forms of Proxy through either one of the following avenues no later than **Tuesday, 6 May 2025 at 9.30 a.m.** or in the event of any adjournment, no later than twenty-four (24) hours before the time appointed for the adjourned meeting:

(a) **Lodgement of Form of Proxy in hardcopy**

To be deposited at Tricor’s Office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively at the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR

## Administrative Guide

61<sup>st</sup> Annual General Meeting

(b) **Electronic lodgement of Form of Proxy**

The Form of Proxy can be lodged electronically via **TIIH Online** website at <https://tiih.online> by following the procedures below:

Procedures for Electronic Lodgement of Form of Proxy	
i. Steps for Individual Members	
Register as a user with TIIH Online (For first time registration only)	<ul style="list-style-type: none"><li>Using your computer, access the website at <a href="https://tiih.online">https://tiih.online</a> and register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance.</li><li>If you are already a user with TIIH Online, you are not required to register again.</li></ul>
Proceed with submission of Form of Proxy	<ul style="list-style-type: none"><li>After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password.</li><li>Select the corporate event “<b>HEIM 61<sup>ST</sup> AGM - Submission of Proxy Form</b>”.</li><li>Read and agree to the Terms and Conditions and confirm the Declaration.</li><li>Insert your CDS account number and indicate the number of shares for your proxy/proxies to vote on your behalf.</li><li>Appoint your proxy/proxies or Chairman of the meeting and insert the required details of your proxy/proxies.</li><li>Indicate your voting instructions FOR or AGAINST, otherwise your proxy/proxies will decide your vote on your behalf.</li><li>Review and confirm your proxy/proxies appointment.</li><li>Print e-Form of Proxy for your record.</li></ul>
ii. Steps for Corporation or Institutional Members	
Register as a user with TIIH Online (For first time registration only)	<ul style="list-style-type: none"><li>Access TIIH Online at <a href="https://tiih.online">https://tiih.online</a>.</li><li>Under e-Services, the authorised or nominated representative of the corporation or institutional member selects “<b>Create Account by Representative of Corporate Holder</b>”.</li><li>Complete the registration form and upload the required documents.</li><li>Registration will be verified, and you will be notified by email within one (1) to two (2) working days.</li><li>Proceed to activate your account with the temporary password given in the email and re-set your own password.</li></ul> <p><i>(Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)</i></p>
Proceed with submission of Form of Proxy	<ul style="list-style-type: none"><li>Login to TIIH Online at <a href="https://tiih.online">https://tiih.online</a>.</li><li>Select the corporate event: “<b>HEIM 61<sup>ST</sup> AGM – Submission of Proxy Form</b>”.</li><li>Read and agree to the Terms and Conditions and confirm the Declaration.</li><li>Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein.</li><li>Prepare the file for the appointment of proxy(ies) by inserting the required data.</li><li>Proceed to upload the duly completed proxy appointment file.</li><li>Select “Submit” to complete your submission.</li><li>Print the confirmation report of your submission for your record</li></ul>

**Appointment of Corporate Representatives/Power of Attorney**

Corporate representatives of corporate members must deposit their original or duly certified certificate of appointment of corporate representative at Tricor’s Office as provided above no later than **Tuesday, 6 May 2025 at 9.30 a.m.** to attend and vote at the 61<sup>st</sup> AGM.

Attorneys appointed by power of attorney are to deposit their power of attorney at Tricor’s Office as provided above no later than **Tuesday, 6 May 2025 at 9.30 a.m.** to attend and vote at the 61<sup>st</sup> AGM.

## Administrative Guide

61<sup>st</sup> Annual General Meeting

**Poll Voting**

Voting at the 61<sup>st</sup> AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator to conduct the poll by way of electronic voting (e-voting) and an independent scrutineer will be appointed to verify the poll results.

E-voting for each of the resolutions as set out in the 61<sup>st</sup> AGM Notice will take place only upon the conclusion of the deliberations of all the businesses transacted at the meeting. Attendees at the meeting will be briefed and guided by the Poll Administrator before the commencement of the voting process.

Upon completion of the voting session for the 61<sup>st</sup> AGM, the independent scrutineers will verify the poll results followed by the Chairman’s declaration on whether the resolutions are duly passed.

**Annual Report 2024 and Circular to Shareholders**

The Company’s Annual Report 2024 and Circular to Shareholders are available for download from our Company’s website at <https://www.heinekenmalaysia.com/annual-reports.html> or Bursa Malaysia’s website at <https://www.bursamalaysia.com/market/>.

**Innovation Products for Home Sampling**

There will be no product sampling before or after the meeting. However, innovation products will be distributed to members or proxies for home sampling upon registration subject to the following conditions:

- Each registered member or proxy who is present shall be given one (1) sampling pack only upon registration.
- For a member who appoints more than one (1) proxy, one (1) sampling pack will only be given to the first proxy stated in the Form of Proxy.
- If you are a proxy representing more than one (1) member, you shall receive one (1) sampling pack only.
- If you are a member and also appointed as proxy by another member, you shall receive one (1) sampling pack only.
- If the proxy/proxies has/have obtained the sampling pack earlier, member(s) who decided to attend will not be given any sampling pack.

**Parking**

Redemption of free parking will be provided at the help desk for members/proxies attending the 61<sup>st</sup> AGM physically who park their vehicles at the car parks within the Connexion premises. The Company will not provide cash reimbursements for parking charges incurred by members/proxies who park their vehicles at the car parks of other buildings or use the valet parking service within the Connexion premises.

**Meeting Enquiry**

Members are reminded to check the Company’s website for announcements of any changes to the 61<sup>st</sup> AGM arrangements. For any enquiry in relation to the 61<sup>st</sup> AGM, please contact the following during office hours on Monday to Friday from 8.30 a.m. to 5.30 p.m. (excluding public holidays):

**Share Registrar – Tricor Investor & Issuing House Services Sdn Bhd**

General +603 2783 9299  
Fax +603-2783 9222  
Email [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)



Letter of Nomination of Auditors



8 January 2025

The Board of Directors  
Heineken Malaysia Berhad  
Sungei Way Brewery  
Lot 1135, Batu 9, Jalan Klang Lama  
46000 Petaling Jaya  
Selangor, Malaysia

Dear Sirs,

NOMINATION OF AUDITORS

We, GAPL Pte Ltd, being a major shareholder of Heineken Malaysia Berhad (“HEINEKEN Malaysia”), hereby give notice that we wish to nominate the following external auditors as the Auditors of HEINEKEN Malaysia:

KPMG PLT (LLP0010081-LCA & AF 0758)  
Chartered Accountants  
Level 10, KPMG Tower  
8 First Avenue, Bandar Utama  
47800 Petaling Jaya  
Selangor, Malaysia

Yours faithfully

Choo Tay Sian, Kenneth  
Director



FORM OF PROXY  
61<sup>st</sup> Annual General Meeting

No. of Stock Units held:
CDS Account No.: (For Nominees Account Only)
Contact No.:

I/We \_\_\_\_\_  
(Full Name as per NRIC/Passport/Certificate of Incorporation)

NRIC/Passport/Company No. \_\_\_\_\_

of \_\_\_\_\_  
(Full address)

being a member or members of HEINEKEN MALAYSIA BERHAD, hereby appoint:

Name :	Proportion of Stockholding	
	No. of Stock Unit	%
NRIC/Passport No. :		
Address :		

and/or failing him/her,

Name :	Proportion of Stockholding	
	No. of Stock Unit	%
NRIC/Passport No. :		
Address :		

(Note : to put on a separate sheet where there are more than two (2) proxies)

or failing him/her, THE CHAIRMAN OF THE MEETING as my/our proxy/proxies to attend and vote for me/us and on my/our behalf at the 61<sup>st</sup> Annual General Meeting (61<sup>st</sup> AGM) of the Company to be held at Grand Summit (Level M1), Connexion @ The Vertical, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 7 May 2025 at 9.30 a.m. and at any adjournment thereof.

Please indicate with an “X” in the spaces below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

Ordinary Resolutions	FOR	AGAINST
1. Payment of final dividend for the financial year ended 31 December 2024		
2. Re-election of Mr Choo Tay Sian, Kenneth as a Director		
3. Re-election of Ms Seng Yi-Ying as a Director		
4. Re-election of Mr Martijn Rene van Keulen as a Director		
5. Payment of Directors’ fees and benefits to Non-Executive Directors		
6. Appointment of KPMG PLT as Auditors		
7. Continuance of Dato’ Sri Idris Jala as Independent Non-Executive Director		
8. Shareholders’ Mandate on recurrent related party transactions		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

\_\_\_\_\_  
Signature or Common Seal of Member(s)

**Personal Data Privacy**  
By submitting this form, I hereby confirm that I have read, understood and agreed to the personal data privacy terms as set out in the Personal Data Protection Act 2010 Notice which is published on the Company’s website at <https://www.heinekenmalaysia.com/privacy-policy/>  
  
Please read the notes overleaf before completing this Form of Proxy.

IMPORTANT NOTICE

1.

For the purpose of determining a member who shall be entitled to attend the 61<sup>st</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at **28 April 2025** in accordance with the Company's Constitution and Section 34 of the Securities Industry (Central Depositories) Act 1991. Only a depositor whose name appears on the Record of Depositors as at **28 April 2025** shall be entitled to attend the said AGM or appoint proxies to attend and/or vote on his/her behalf at the said AGM.
2.

A member entitled to attend and vote at the meeting may appoint more than one (1) proxy to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, the member shall specify the proportion of the member's shareholding to be represented by each proxy.
3.

Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depository) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (Omnibus Account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. Where an exempt authorised nominee appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the Form of Proxy. An exempt authorised nominee with more than one (1) securities account must submit a separate Form of Proxy for each securities account.
4.

If the appointer is a corporation, the Form of Proxy must be executed under its Common Seal or signed by an officer or attorney duly authorised. Any alteration to the Form of Proxy must be initialed.
5.

Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
6.

The Form of Proxy can be submitted through either one (1) of the following avenues no later than **Tuesday, 6 May 2025 at 9.30 a.m.** or in the event of any adjournment, no later than twenty-four (24) hours before the time appointed for the adjourned meeting:  
**(a) Lodgement of Form of Proxy in hardcopy**  
To be deposited at Tricor's Office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively at the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR  
**(b) Electronic lodgement of Form of Proxy**  
The Form of Proxy can be lodged electronically via **TIIH Online** website at <https://tiih.online>. Kindly refer to the Administrative Guide for the 61<sup>st</sup> AGM on the procedures for electronic lodgement of Form of Proxy via TIIH Online website.

Please fold here to seal

Affix stamp

**THE SHARE REGISTRAR OF HEINEKEN MALAYSIA BERHAD**  
**Tricor Investor & Issuing House Services Sdn Bhd**  
Unit 32-01 Level 32 Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur, Malaysia

Please fold here to seal

7.

Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at Tricor's Office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively at the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia no later than 24 hours before the time appointed for holding the 61<sup>st</sup> AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
8.

For a corporate member who has appointed a representative, please deposit the **ORIGINAL/DULY CERTIFIED** certificate of appointment at Tricor's Office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively at the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia no later than 24 hours before the time appointed for holding the 61<sup>st</sup> AGM or adjourned general meeting. The certificate of appointment should be executed in the following manner:  
**(a)** If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance to the constitution of the corporate member.  
**(b)** If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:  

(i)

at least two (2) authorised officers, of whom one shall be a director; or

(ii)

any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
9.

Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the 61<sup>st</sup> AGM Notice will be put to vote by way of poll.

# Corporate Information

BOARD OF DIRECTORS

**Dato' Sri Idris Jala**  
*Chairman*  
*Independent Non-Executive Director*

**Choo Tay Sian, Kenneth**  
*Non-Independent Non-Executive Director*

**Martijn Rene van Keulen**  
*Managing Director*

**Seng Yi-Ying**  
*Non-Independent Non-Executive Director*

**Lau Nai Pek**  
*Senior Independent Non-Executive Director*

**Erin Sakinah Atan**  
*Non-Independent Non-Executive Director*

**Chua Carmen**  
*Independent Non-Executive Director*

COMPANY SECRETARY

Ng Sow Hoong  
MAICSA 7027552  
SSM PC No. 202008000593  
Tel: +603 7861 4688  
Email: [rachel.ng@heineken.com](mailto:rachel.ng@heineken.com)

REGISTERED OFFICE

Sungei Way Brewery  
Lot 1135, Batu 9, Jalan Klang Lama  
46000 Petaling Jaya, Selangor, Malaysia  
Tel: +603 7861 4688  
Fax: +603 7861 4567  
Email: [MY1-generalenquiry@heineken.com](mailto:MY1-generalenquiry@heineken.com)  
Website: [www.heinekenmalaysia.com](http://www.heinekenmalaysia.com)

AUDITORS

Deloitte PLT (LLP0010145-LCA)  
Chartered Accountants (AF 0080)  
Level 16, Menara LGB, 1 Jalan Wan Kadir  
60000 Kuala Lumpur, Malaysia  
Tel: +603 7610 8888  
Fax: +603 7726 8986

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd  
Registration No. 197101000970 (11324-H)  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia  
Tel: +603 2783 9299  
Fax: +603 2783 9222  
Email: [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

PRINCIPAL BANKERS

Citibank Berhad  
Registration No. 199401011410 (297089-M)

BNP Paribas Malaysia Berhad  
Registration No. 201001034168 (918091-T)

HSBC Bank Malaysia Berhad  
Registration No. 198401015221 (127776-V)

United Overseas Bank (Malaysia) Bhd  
Registration No. 199301017069 (271809-K)

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad  
Stock name: HEIM  
Stock code: 3255





**HEINEKEN MALAYSIA BERHAD**

196401000020 (5350-X)

Sungei Way Brewery

Lot 1135, Batu 9

Jalan Klang Lama

46000 Petaling Jaya

Selangor Darul Ehsan, Malaysia

T : +603-7861 4688

F : +603-7861 4602

