

Sustainability Report 2021-2022



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WELCOME TO THE HEINEKEN GROUP SUSTAINABILITY REPORT!

We are present from north to south in Brazil with our breweries, microbreweries, distribution centers, and with more than 14,000 people who make up our team of stars. Respect and care for people and the planet guide our decisions. This Sustainability Report 2021-2022 will help you learn more about what we do and how we incorporate the Environmental, Social, and Governance (ESG) agenda into our everyday business. It presents our noteworthy actions, our strategy, and our main performance results for the year 2021 and for the first half of 2022.

As you read each chapter, you will learn a little more about the HEINEKEN Group and be able to explore the topics that are covered in depth.

We hope you have an enjoyable read and get to know our initiatives.



MESSAGE FROM THE LEADERSHIP

Sustainability is the new pure single malt

In 2016, we drove the Brazilian beer market by introducing pure malt. It is now time to promote this singularity through sustainability. We are here to fill this role and show that it can be done. Consumers increasingly want products that speak to what they value and believe in. These days, cause and purpose matter as much as quality.

Several segments of our society are experiencing deep changes at this unique time in history. New work relationships, responsibilities, purposes, and ways to position ourselves as individuals, companies, and agents of social change.

We launched EverGreen, our balanced growth strategy, all around the world in 2021. We revised our formal value creation model at that time to make sustainability and responsibility just as important as revenue growth, profit, and efficient capital allocation. It is not about “managing reputation,” but about being a crucial factor in the sustainable growth of society.

Aligned with the new strategy and our reason for existence, “We brew the joy of true togetherness to inspire a better world,” we created the office of the Vice President of Sustainability & Corporate Issues in Brazil to support our mission toward attaining balanced growth. We established the HEINEKEN Institute to foster dignity and respect for the vulnerable people in our business chain, and to support initiatives oriented toward socioenvironmental causes, we

challenged our brands to identify and develop impact territories. We want to be decisive in building a better future.

Aiming to be more aligned with this new reality and prepared for the current challenges, we have embarked on a journey of cultural evolution in our Values and Behaviors in recent years.

The values we are championing on this journey toward a greener, fairer world are **Passion** for our customers and consumers, **Courage** to dream and pioneer, **Respect** and **Care** for people and the planet, and **Enjoyment** of life. HEINEKEN Group’s success relies on these values, and they define us as a company. We will achieve our desired cultural transformation when all employees internalize these new behaviors and demonstrate them in everything they do.

Sustainability is not a destination for us, but a journey we are on to take care of our home, the planet, and people. We are here to show that our purpose is genuine and built on a sustainable foundation. Without creating a company with purpose, brands with purpose and that reflect our greatest values: Respect and Care for society and our planet, we won’t be able to place our star in every heart and on every Brazilian glass. Our green energy and passion will be reflected on the following pages, as we portray our initiatives and efforts to create a more sustainable world. Come with us!

Mauricio Giamellaro
CEO of the HEINEKEN Group in Brazil



THE HEINEKEN GROUP

HEINEKEN Group's presence in Brazil was established in May 2010, and, in 2015, it already ranked third among the country's largest breweries. In 2017, we took over Brazil Kirin to become the second player on the Brazilian beer market and added non-alcoholic beverages to our portfolio.

Our commitment to moderate consumption is simple: We would rather sell nine beers to nine different people than nine beers to one person. By focusing on the harmful effects of alcohol consumption, our position aims to encourage consumers to live an increasingly balanced life.

The HEINEKEN Culture is built on our desire to continuously produce and deliver the best, bringing sustainability and longevity to the chain and transforming markets through positive impact and shared value

 This portfolio consists of **16 beer brands** and **5 non-alcoholic brands**, such as soft drinks and water.

 We are more than **14,000 employees**, working in **14 production units** and **30 distribution centers**, spread across the country.



To learn more about our history, click [here](#) and [here](#).

Our brands

16 alcoholic brands



5 non-alcoholic brands



Brazil is the world's largest sales market for the Heineken[®], the Heineken[®] 0.0, and the Amstel brands.



Purpose

Brew the joy of true togetherness to inspire a better world.



Vision

Our star in every Brazilian heart and on every Brazilian glass.



Values

Passion for our customers and consumers, putting quality into everything we do.

Courage to dream and pioneer.

Respect and **care** for people and the planet.

Enjoyment of life.



HEINEKEN Brazil Group in figures

2nd largest
brewery in Brazil

Upwards of
1 million
points of sale

More than
5,900
suppliers

More than
14,000
employees

12 breweries

2 microbreweries

30 distribution
centers



Click [here](#) to check out where our facilities are located.



Cássio Parisotto and Lorena dos Santos

In 2021:



85.4 million

hectoliters produced in the Americas, including Brazil



38.3 million

hectoliters produced in Brazil

EverGreen Strategy



Our global EverGreen balanced growth strategy was conceived based on a set of goals designed to keep the company growing as it renews and adapts to changes in the beverage industry and the world.

This strategy has been built on four pillars, which we call the Green Diamond. Using the lens of the Green Diamond we want to be clear on “what winning looks like.” We aim to get the balance right between short-term delivery and long-term sustainability and between top-line growth and overall stakeholder value creation. Green Diamond encapsulates our balanced ambition, including drivers for Growth, Profitability, Capital efficiency, and Sustainability & Responsibility.



To learn more about EverGreen [click here](#).

EverGreen priorities

- » Drive superior growth.
- » Fund the growth.
- » Raise the bar of sustainability and responsibility.
- » Unlock the full potential of our team.



● Raise the Bar

After reviewing its global sustainability strategy in 2021, the HEINEKEN Group became the first brewery in the world to commit to carbon neutrality throughout the chain. We anticipated this goal to 2040, a decade ahead of the global sustainability goals. Apart from representing a positive step toward a more balanced future, this strategy comes at a time of great innovation, change, and opportunity.

A three-pillared approach (Environmental, Social, and Responsible), the Strategy in Brazil encompasses objectives to be met in each pillar, as shown in the chart to the side.

Brew a Better World - Raise the Bar 2030 is the result of the progress made by the HEINEKEN Group since its original program, Brew a Better World - Produce a Better World, launched in 2009.

The company's commitments are integrated into the EverGreen balanced growth strategy, which places sustainability and responsibility at the core and forefront of our history.

Our ambitions and goals are in line with the principles of the United Nations Global Compact, and we are determined to contribute toward achieving the UN Sustainable Development Goals (SDGs) of protecting the planet, ensuring prosperity, and eradicating poverty.



ENVIRONMENTAL

- 100% package circularity in the Bar & Restaurant channel, and 100% plastic circularity by 2025
- 1.5% water balance in the breweries in water stressed regions by 2030
- 30% decrease in CO₂ in the value chain by 2030 and carbon neutral by 2040
- 2.6 hl/hl in breweries in water stress regions by 2030, and 2.9 hl/hl in the other regions by 2025
- 100% renewable energy by 2023

RESPONSIBILITY

- Projects aimed at changing behavior with regard to the harmful use of alcohol to impact 1 MN young people by 2025
- 100% coverage of Heineken 0.0 in bars and restaurants by 2025
- 10% of the annual media budget for the Heineken® brand invested in the responsible consumption Platform
- 100% of Heineken® consumers do not drink and drive by 2030
- 19 MN people impacted by the Day After Platform

SOCIAL

- 50% female leadership positions by 2026
- 40% Black people in leadership positions by 2030
- Annual investment of 10% of the budget of Amstel brand media and LGBTQIA+ campaigns
- Program with a positive impact on 10,000 street vendors and waste pickers by 2025
- Zero fatal accidents and severe accidents on the job


*** These are our commitments until 2030.

To learn more about Brew a Better World, [click here](#).

To inspire a better world

We are aware of our role as a company operating in a country with many inequalities, and we are dedicated to taking concrete actions that are aligned with the global sustainability agenda.

To establish a tangible connection between these issues and the people who make and consume our products, we encouraged our brands to develop cause territories for promoting purpose-oriented initiatives related to socioenvironmental causes and responsible consumption. Thus, we hope to magnify the impact of our sustainable performance, increasingly connected by respect and care.



In addition to being a house of brands, we are a house of purposes!

The Heineken® Brand

Green Your City is a movement conceived to rethink urban spaces and create a more sustainable future together. People are reconnected with nature and with the cities through it.

The platform seeks to connect different topics, such as culture, nightlife, consumption, and mobility with sustainability actions and initiatives in urban centers: Waste circularity, urban micro forests, responsible consumption of alcohol, and green energy.

Green Your City means being a little greener every day. Our goal is to produce with 100% renewable energy, and our new ingredient is Green Energy.



- [Learn more about *Green Your City*.](#)
- [Learn more about *Heineken® brand's goals*.](#)





● Green Energy

Target: 50% of our points of sale using renewable energy in 19 capital cities by 2030.

Our plants in Alagoinhas (BA), Araraquara (SP), Ponta Grossa (PR) have been producing with 100% renewable energy since 2020, and we will add Jacareí (SP) to this list by 2023.

We started pioneering and innovative work in 2021 to make the renewable energy used in our breweries available to bars and restaurants, and that is when Heineken Green Energy was born!

The Heineken® brand has been delivering beyond. In addition to making renewable energy available at points of sale, it is working to make sure that green energy from breweries reaches consumers' homes, increasingly expanding its front of action. Discounts on the power bill can reach 40%.

The green energy program is operated with regional generators of certified renewable energy and, in partnership with Stellar sustainable energy, we are democratizing access to renewable energy for consumers and bars. Participation is free of charge, there are no membership fees,

no installation has to be made, and there is no loyalty program to sign up for. The owner of the establishment or residence will only need to register on a digital platform that will connect him to a source of green energy generation. The power will be distributed through the power utility's network, at no cost and with no need to adapt to the current electrical system.

The project got underway in Mato Grosso, Minas Gerais, Paraná, and Santa Catarina, and is expected to be expanded to another 15 states, attaining national coverage by 2024. From early 2021 to June 2022, 5,100 contracts had already been signed on the national level, and homes and bars are already receiving renewable energy, contributing to a greener future!



- **Learn more about [Green Energy](#).**
- **Learn more about [Green Energy at Home](#).**

● Package circularity

Target: 80% circular glass packaging by 2030.

Read more about circularity in the chapter on the [Environment](#).

● Micro forests

Target: To implement micro forests in 19 capitals by 2030.

In partnership with the pocket forests project, we hope to implement these 19 micro forests, which will contribute to improving air quality, to balancing the climate, controlling floods, and to biome regeneration, among other benefits.

● Responsible consumption

Target: 100% of drivers will not drink and drive by 2030.

Since 2010, the Heineken® brand has invested 10% of its entire marketing budget in conscious consumption actions, and the launch of Heineken® 0.0 underlined our commitment to influencing behavior change.

See more about responsible consumption in the [Social](#) chapter.

Amstel

The “**Everyone Belongs**” cause aims to promote Diversity & Inclusion

for the LGBTQIAP+ community and go beyond, enhancing its representation and recognition in society. To strengthen its positioning and performance, the brand is creating paths based on visibility, entrepreneurship, and employability. Click [here](#) to learn more.

In line with this positioning, the brand created the campaign **I AM WHAT I AM**, which seeks to welcome the diversity that exists in the pride of being who one is, promoting and celebrating the uniqueness of each individual in the LGBTQIAP+ community. During the campaign, Amstel gave full permission to the artists who starred

in it to tell their stories and celebrate their pride with the paths they followed in their lives.

Amstel is also a partner in the project **Made with Pride**, a Meta (Facebook) initiative that supports LGBTQIAP+ entrepreneurs through digital literacy, training, and empowerment initiatives for these professionals. As part of the partnership, Amstel supported the entrepreneurs by providing its sponsored media spaces in the platform to promote the ventures.

Chute Certo (Sure Kick) is an initiative promoted by the official sponsor of the Libertadores Cup with entities such as Ligay and the #JogaMiga movement to break down barriers in football and put diversity to play.



Devassa

Under the motto **Devassa é criatividade tropical** (Devassa is tropical creativity), the brand

honors the Black Brazilian population that has always contributed to building a creative, diverse, and grandiose country. We celebrate the legacy of Black ancestry in building Brazil’s culture, valuing the transforming creativity of Brazilians and promoting Black protagonism.

In both 2020 and 2021, Devassa offered an experience called Tropical Meetings, which organized gatherings of Black artists on stage in a concert to exalt the roots of Brazilian black culture. In both years, the brands’ YouTube channel and Multishow TV broadcast the experiences live. The broadcasts alone reached more than one million people

Also in 2021, Devassa was the official sponsor of the Atelier Mão de Mãe show at the São Paulo Fashion Week (SPFW). This Black brand from Salvador aims to foster the creativity behind the crafts, especially crochet. The Atelier made its first appearance at the event, and its impact was huge among the season’s shows. It is estimated that approximately 250,000 people may have been reached.

Paredão Tropical, another live proprietary event showcasing the roots of Black culture through drum rhythms was held in 2022, during the Carnival period. Several Black artists from Northeastern and Northern Brazil performed at the event. Paredão reached ten different countries.



Green Light

There was also important news on another front in 2021. The HEINEKEN Group and Coca-Cola Femsa signed an agreement to restructure their distribution network in Brazil, transferring the delivery of Heineken® and Amstel branded products to the HEINEKEN Brazil Group network. We called this milestone Green Light. We hired 2,500 people to meet the needs of this new configuration (learn more about these hirings in the [Social](#) chapter).



More strength for sustainability

We have bolstered our commitment to the ESG agenda in Brazil through several investments and initiatives. In the first half of 2022, we created the office of the Vice President for Sustainability & Corporate Affairs, bringing together the Corporate Communications, Government Relations, and Sustainability teams.

In February, we announced an investment of R\$320 million to revamp the Itu, Jacareí, and Campos do Jordão breweries, and to boost production capacity at the Araraquara plant, all in the State of São Paulo. The funds will be used to increase the use of renewable energies, such as biomass-fired boilers, water efficiency, and in initiatives aimed at glass packaging circularity. See

more about these actions in the chapter on the [Environment](#). In the Social pillar, we established the HEINEKEN Brazil Institute, the Group's first of its kind in the world that aims to promote societal transformation through balance. The idea is to create a more balanced society in terms of personal and professional development, social and emotional skills, employment opportunities, and income.

We also launched the Volunteerism Program, which was designed to connect our employees to our brands' causes. Learn more about these initiatives in the [Social](#) chapter. You will also get to know more about other initiatives aligned with our sustainability strategy while reading this report.





PRAGMA Project - Coopermaras (MS)



Wind Farm



Recicleiros (Recyclers) Project - Naviraí

Our most sustainable brewery

The HEINEKEN Group will build its 15th brewery in Brazil in Passos (MG). The new operation will be powered by 100% renewable energy and will be a benchmark in socioenvironmental practices. In addition to that, innovative technologies will work hand-in-hand with water consumption reduction and the construction of a water supply system, which will allow the expansion of the existing water availability and capture infrastructure to leave a legacy for the local community. Our most sustainable brewery is scheduled to open in 2025 and will produce single malt brands such as Heineken® and Amstel.

The city of Passos is also already in the Heineken® branded green energy distributed generation program. By signing up on the brand's platform, all of the city's residents, local bars, and restaurants will have access to renewable energy, without having to install equipment at home.

As part of the social Pillar, we will also work with the HEINEKEN Brazil Institute, one of the focus areas of which is to work with vulnerable youth living near our breweries. The Institute will also support local reverse glass logistics initiatives and promote two cooperatives in the region.

Value Generation Model

OUR RESOURCES

Financial capital

- Trade of beer and non-alcoholic beverages throughout Brazil.
 - 16 beer brands.
 - 5 non-alcoholic brands.

Manufactured capital

- 12 breweries.
- 2 microbreweries.
- 30 distribution centers.

Intellectual capital

Development of cause territories by HEINEKEN Group's brands to promote purpose-oriented initiatives, associated with socio-environmental causes and responsible consumption.

Human capital

- More than 14,000 employees.
- Commitments to diversity and safety.

Capital stock and relationship capital

- Contacting customers through advertising and awareness programs on moderate alcohol consumption.
 - Commitment to the communities.
- Relations with the network of logistics partners and other suppliers.

Natural capital

Commitments to be carbon neutral, to increase package circularity across the business chain, and to make watersheds healthier by 2030.



PURPOSE

Brew the joy of true togetherness to inspire a better world.

VISION

Our star in every Brazilian heart and on every Brazilian glass.

STRATEGY

To shape the future of beer and go beyond to win the hearts of consumers.



BREW A BETTER WORLD – RAISE THE BAR 2030 STRATEGY

OUR RESULTS IN 2021



Financial capital

- Upwards of one million points of sale.
- Brazil is the world's largest sales market for the Heineken® brand, for Heineken® 0.0, and for Amstel.
- R\$3 billion in investments in expansions, upgrades, and sustainable practices at our breweries.



Manufactured capital

- Second largest brewery in Brazil.
- 85.4 million hectoliters produced in the Americas in 2021, 38.3 million in Brazil.



Intellectual capital

To establish a clear connection between the corporate sustainability and brand strategies, we map real purposes from the DNA of each brand, in addition to long-term objectives. After all, more than a house of beverages, the HEINEKEN Group is a house of purposes.



Human capital

- 22% of the employees are women, and 32% of the leadership positions are held by women.
- 52% of the employees declare themselves to be Black or brown, and 28% of the leadership positions are held by Black people.
- Hiring of more than 2,500 people, 44% of whom Black, for the Green Light project by means of gender equity and racial equity initiatives.
- Launch of the booklet #FALAQUEPARA (#SPEAKUPANDITWILLSTOP) – For harassment not to prevail, the truth has to come out.



Capital stock and relationship capital

Customers

- Day After Project and WeLab programs to raise young people's awareness on moderation in consumption.

Communities

- Creation of the HEINEKEN Brazil Institute to drive the transformation of society through balance. R\$10 million will be invested in projects aimed at waste pickers, street vendors, and youth experiencing social vulnerability.
- Launch of the Volunteering Program to connect our employees to our brands' causes.

Suppliers

- Green Light – Agreement between the HEINEKEN Group and Coca-Cola transferring the distribution of Heineken® and Amstel brand products to the HEINEKEN Brazil Group network.



Natural capital

- Forest recovery and conservation through Floresta Viva and the partnership with the Avina Foundation in Ceará.
- More than 720,000 trees planted in 386 hectares, and 79,000 m³ of water benefit in the partnership with SOS Mata Atlântica.
- More than R\$208,000 raised and 12,675 seedlings prepared for planting under the "Plante uma Árvore" (Plant a Tree) campaign promoted by the HEINEKEN Group and iFood.
- Agreements with partners to implement renewable power generation projects in breweries and distribution centers.
- Deployment of six biomass-fired boilers to replace natural gas- and oil-fired ones.
- We support several actions that encourage circularity, mainly in the glass chain, and we work with waste picker cooperatives.
- The HEINEKEN Group runs the Low Carbon Farming, a project aimed to reduce carbon emissions from regenerative farming practices, working with three local malt and corn suppliers in Paraná.
- 64.3% of our global and local barley demand came from sustainable sources in the 2021 malt crop; we reached 72.4% sustainable barley with our global contracts, and our hops are already 100% sustainable.

GOVERNANCE

As a global company that is responsible and proud of what it does, the HEINEKEN Group remains loyal to its values and is committed to conducting its business ethically while observing the laws, the company's values, and its culture. Our Integrity Program is based on this commitment, and its main tool is the Code of Business Conduct.

Several underlying policies provide additional practical guidance on different topics of the code. Both the code and policies apply to everyone who works for the HEINEKEN Group, no matter the type of contract or location, including third parties that provide services to the company.

In 2021, 97% of employees adhered to Code of Business Conduct trainin.


● Our Code of Business Conduct

Our Code of Business Conduct explains to employees what we stand for and what is expected of everyone, individually and in teams, in all markets and at all levels.

It addresses:

- Responsible consumption
- Respect for people and the planet
- Competition
- Conflicts of interest
- Intellectual property, privacy, and data protection
- Human rights, discrimination, and harassment
- Responsible communications



 Maurício Ermani

Sustainability governance

In addition, we seek to put sustainability into practice in everything we are and do, including our governance.

SUSTAINABILITY GOVERNANCE STRUCTURE



Leadership Team: In Brazil, it is composed of the CEO and eight vice presidents, covering areas such as Legal & Corporate Affairs, Human Resources, Sales & Distribution, Logistics, Finance and Procurement, Marketing, Operations, and Digital & Technology. This team holds meetings and forums to discuss business results and progress made toward social and environmental goals.

Sustainability Committee: This committee is made up of five vice presidents and seven officers who meet quarterly with the company's management team and officers to manage our local results.

Champions: These are the sustainability ambassadors in the areas, who disseminate the strategic guidelines and initiatives, trends, demands, and investments necessary for our evolution in Brazil. They meet every 45 days.

Business Partners

To transform, we believe it is essential to work with everyone along the value chain, including customers, suppliers, and other partners who share our values and commitment to responsible business conduct. After all, our continued global success depends on this commitment.

We expect our customers and partners to observe applicable laws and act in a manner consistent with our Code of Business Conduct and that suppliers comply with our Supplier Code.

● Data Privacy

Privacy is serious business to the HEINEKEN Group. The General Law for the Protection of Personal Data (LGPD), approved in August 2018 and enacted in August 2020, aims to create a situation of legal certainty by standardizing rules and practices to promote the protection of personal data of every citizen who is in Brazil.

Our multidisciplinary team has been working since 2018 to ensure full compliance with the LGPD. We already had several global policies in place on data privacy, which we brought to Brazil and adapted to our particularities to meet the needs of the Brazilian law.

We completed this project in mid-2021 with a Privacy Policy for suppliers, customers, and business partners that states how we collect information and what we do with it.



Get to know our Policy for Suppliers, Customers, and Partners.

● The HEINEKEN Group against harassment

Harassment is an issue for society as a whole, and we stress that we do not tolerate it. Since 2019, we have invested in the Moral and Sexual Harassment Awareness Project with specific training and events. The difference between moral harassment and a natural demand for performance is explained didactically. In 2020 and 2021, we enhanced the program with training aimed at leadership, to which there was a 96% adherence rate.

● Speak Up, our complaint channel

Speak Up is an important pillar of our Integrity Policy, and it has been HEINEKEN Group's official complaint channel for about ten years. It is open to employees, customers, suppliers, and anyone else who would like to report misconduct involving the company, its brands, and professionals.

You can make a complaint over the phone or online, identifying yourself or remaining anonymous. All complaints are investigated confidentially, and action is taken based on the outcome of each investigation.

Fala que para (Speak up and it will stop)

In 2022, we launched a booklet called #FALAQUEPARA (#SPEAKUPANDITWILLSTOP) – For harassment not to prevail, the truth has to come out. The purpose of this publication is to assist our employees in identifying, preventing, and combating sexual and moral harassment in the workplace.

All employees can download and take home the electronic booklet to disseminate this information.



Speak Up

0800 891 1667

speakup.heineken.com

 Luciana Marcondes



Amanda dos Santos Machado and Abraão Boa Ventura Santos

SOCIAL

There are many challenges facing Brazil at this time, including social inequality, unemployment, informality, basic sanitation, the population's mental health, diversity, and inclusion.

Because of this reality, and with the review of our global sustainability strategy, we recognized it was time to deepen our social action with structuring initiatives.

HEINEKEN Institute

Launched in April 2022, the HEINEKEN Institute is the Group's first in the world, and it is dedicated to fostering the transformation of society by enabling partnerships to advance our impact on the three pillars of sustainability: Social, Environment, and Responsible Consumption.

Having consistently worked on the environmental and responsibility pillars, we delved into our value chain to

learn where we could further amplify our impact. So, we noticed that we had set goals within our company, such as promoting racial and gender equity, but we were still doing little outside of it. That was when we identified street vendors and waste pickers among the audiences in our chain.

As a group, we will work to challenge the negative stereotypes that parts of the society have about street vendors and waste pickers. To do so, we will invest in actions aimed at instrumentation, productive inclusion, and income generation. For young people, our goal is to encourage them to develop a healthier relationship with alcohol through self-knowledge, to foster entrepreneurship, and to generate jobs and income.

We will measure all Institute projects to ascertain the positive impact they have aiming to make impact-result-driven decisions.



PRAGMA Project - Coopermaras (MS)

● HEINEKEN Institute



Investment of
R\$10 million,
in 2022, in projects aimed at waste pickers, street vendors, and youth experiencing social vulnerability



10,000
street vendors and waste pickers. In addition to a million young people, this is who we hope to impact by 2025.

● Target Audience

Vendors – The idea is to offer street vendors tools to enhance their skills, entrepreneurial competences, work processes, and sales. We are collaborating with an organization that specializes in entrepreneurship to develop a project to leverage the actions for this audience.

Waste pickers – By offering educational trails, cooperatives, income growth, and encouraging better use of the collected materials, the goal is to drive human and professional development among waste pickers.

Young people – We have encouraged responsible consumption among young people aged 18 to 24 years through WeLab since 2019. Managed by the HEINEKEN Institute and using its own methodology, we will be connected to networks or ecosystems to expand the program, positively impacting young people in vulnerable situations, adding to their perspectives of employability and entrepreneurship.



PRAGMA Project - CENTCOOP (DF)



WeLab (SP)

Our performance

Get to know, below, HEINEKEN Institute's initiatives.



ENVIRONMENT | WATER BALANCE

The HEINEKEN Group is committed to returning to the environment, by 2030, one and a half times the volume of water used in the breweries in Pacatuba (CE) and Itu (SP), both of which located in water-stressed hydrographic basins. We have signed on a few collaborations through the HEINEKEN Institute:

Floresta Viva project

In 2021, we became co-founders of Floresta Viva, a matchfunding launched by the National Bank for Economic and Social Development (BNDES) to invest roughly R\$500 million in Brazilian forest recovery by 2028. We anticipate reforesting between 16,000 and 33,000 hectares with native species and biodiversity.

Through this initiative, we will contribute to the recovery and maintenance of different biomes

and watersheds in several parts of Brazil. This project will also reach the Itu watershed.

Avina Foundation in Ceará

A diagnosis we conducted on the Pacatuba region in 2021 led to a six-year partnership with the Avina Foundation in a project that includes forest restoration and conservation, basic sanitation for farming communities, deployment of forestry and agropastoral systems, water supply in cisterns, and technical support and training for the local community in using the systems that are implemented.

R\$2.4 million will be invested in the partnership with the Avina Foundation, and the expectation is to reach 30% of the target set for 2030 in the first two years of project implementation.

YOUNG PEOPLE

WeLab

This program is an experience in self-knowledge for 18-24 year olds, a “laboratory of oneself” that addresses the social and emotional issues and challenges that youth come up against and are the backdrop of binge drinking.

While discussing topics such as understanding, reducing harmful consumption, and the perception of triggers, WeLab also emphasizes the development of entrepreneurial skills and employability, with an educational path, action plan, and incentive, so that, after the conversations, these youth continue studying, want to start a business, or enter the labor market.



WeLab (RJ)

In 2021, WeLab directly touched more than 100 young people, achieving transformative results:

- The number of youth who consider themselves very well informed about drinking alcohol has increased from 25% to 52%.
- When compared to young people in general, the rate of youth with greater self-control when it comes to drinking grew by 16%.
- The proportion of young people who showed a drop in their desire to drink in different situations rose by 17% compared to the general population.
- Compared to young people in general, there has been a 70% decline in the number of people who drink every weekend or more.
- In comparison with young people in general, the percentage of those who drink with the intention of getting drunk dropped by 80%.

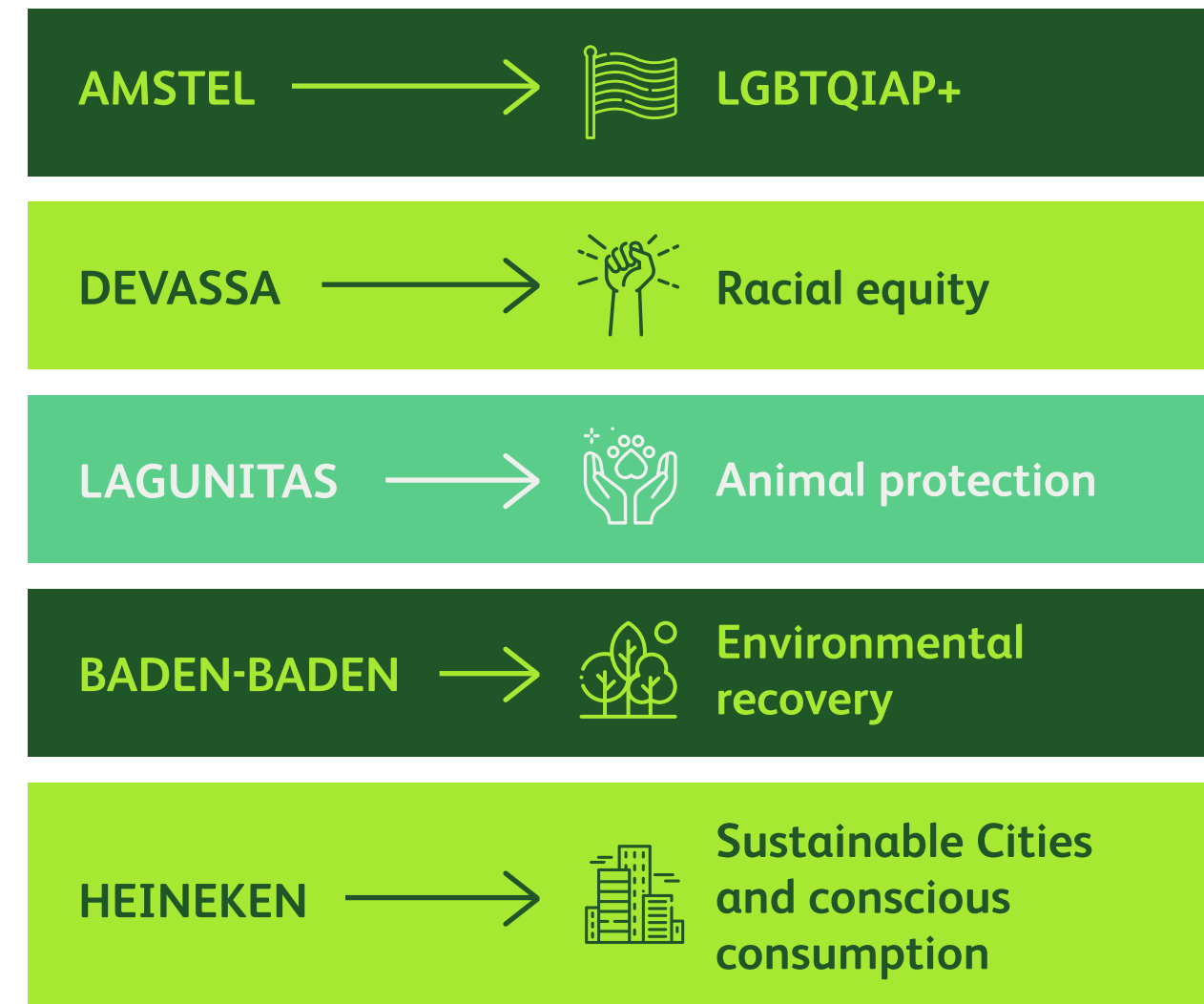
In 2022, WeLab will gain scale with three runs for over 100 young people who live near the Igarassú (PE) plant, including those who are participating in HEINEKEN Group selection processes and in partnership with third sector organizations.



Learn more about [WeLab](#).

● HNK Volunteerism Program

The HEINEKEN Institute organizes our Volunteerism Program. Its purpose is to connect employees with the territories of causes defended by our brands, as well as to provide an action tool for our team of stars so they can maximize the impact we seek to promote. Get to know a few of the causes that we will support in the first phase of the program:



The program is exclusive to HEINEKEN Group employees, and all actions are announced on an exclusive platform so that employees can choose the cause and initiative they want to work on, in addition to promoting actions for their community and region.

Disaster situations

Our social actions also take place in disaster situations, such as in the case of the floods in Bahia, Minas Gerais, and Maranhão. In response to this calling, the HEINEKEN Group joined World Vision to assist 2,900 families affected by last summer's rains.

A total of 9,470 people from 34 municipalities in these four states were given 2,600 basic food baskets and hygiene kits, while children got tenderness kits designed specifically for them.

Our People

The social pillar of the ESG strategy includes, above all, our relationship with our more than 14,000 employees. In the 2021-2022 period we broadened our focus on this audience by implementing a few initiatives.

Safety Leadership – The purpose of the program is to develop leaders to focus even more on caring for people. In total, 55 leaders were trained in a safety and care mentoring process.

Mental health – We are committed to providing a psychologically safe work environment, training not just leaders, but also employees in different departments to act as multipliers.

Conta Comigo (Count on Me) – Our service channel is available 24/7 to provide employees with support on various issues, including mental health, psychological support, and social services.

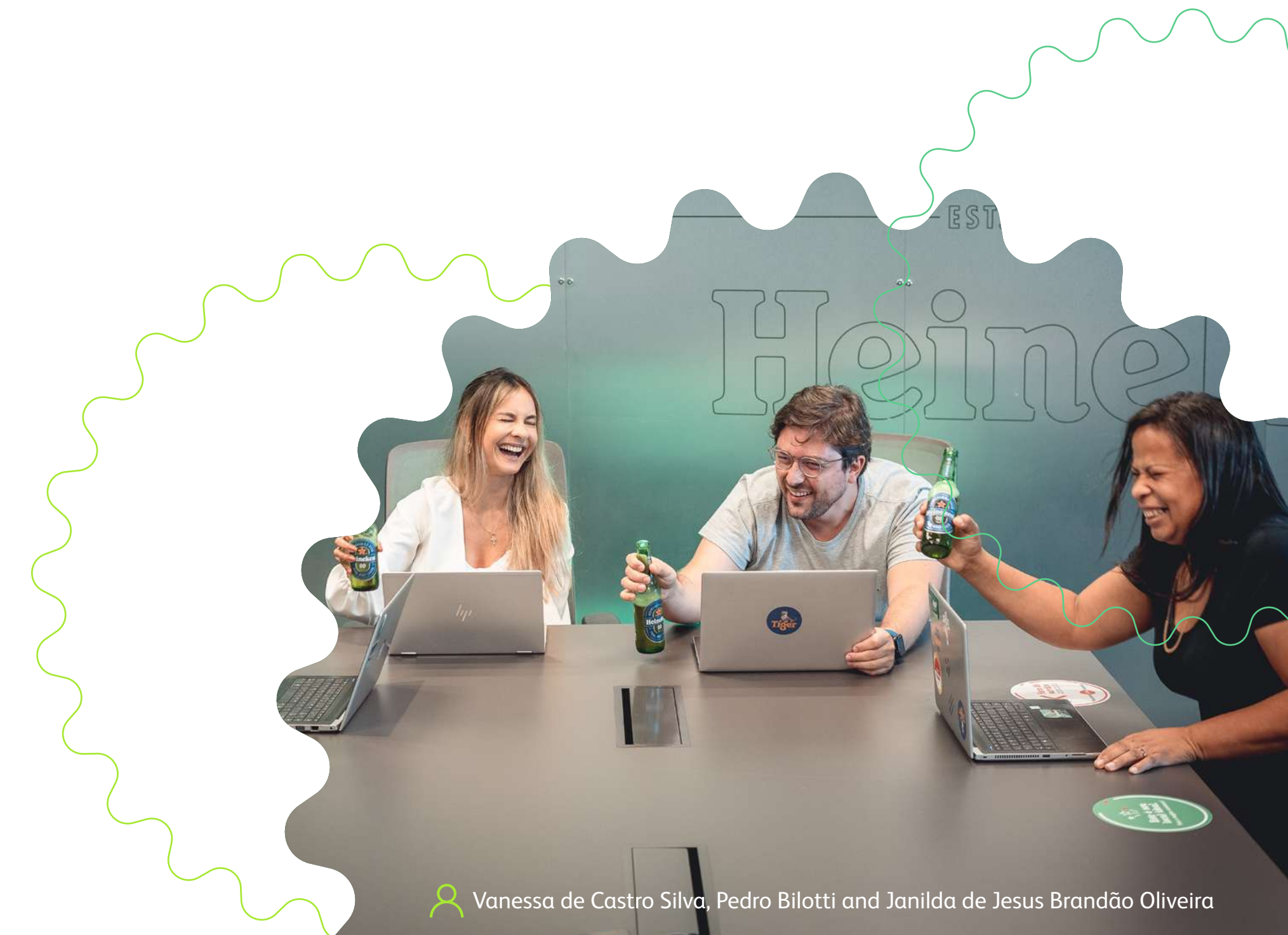
Happiness Survey – Our goal is to measure how happy our employees are at work. In 2021, we conducted an internal survey on well-being, but in 2022, we will use the Happiness Survey, which is based on a globally recognized methodology, to understand what brings the most happiness and generates the most value for our professionals. We will know where to act based on the results.

Telework – Over 95% of our corporate staff telecommutes, and will continue doing so as the company's official regime, with adapted benefits, such as assistance in setting up workspaces at home and the option to choose food vouchers.

Covid-19 – We strongly recommend our employees get vaccinated against Covid-19, always observing local and national health and safety

regulations. We kept our telemedicine app active for 100% of our team members and their families

HEINEKEN University – In January 2022, we relaunched our training and qualification center, making it much more agile and combining courses available on different platforms. In this new format, it now has around 2,800 unique users, compared with the 1,300 previously registered.



Vanessa de Castro Silva, Pedro Bilotti and Janilda de Jesus Brandão Oliveira

FROM D&I TO DEI

As part of our Diversity and Inclusion agenda, we continue to support our affinity groups, which add up to more than 250 volunteers who contribute to the development of equity in the company.

In 2022, we deepened our look and approach and moved from D&I – Diversity & Inclusion –, to DEI – Diversity, Equity, and Inclusion. As a result, we reinforce the values of fairness and equal opportunity, and we align ourselves with the EverGreen narrative, striving for an inclusive and equitable company and world. As a matter of principle, this commitment manifests itself in structuring goals that encompass women and Black people.

We were able to hire more than 2,500 people through the Green Light project, which gave us the opportunity to accelerate this agenda (*see more on page 12*). In line with our strategy, these hirings

were directed to the DEI agenda through the initiatives described below.

Gender Equity: #50Em5 (#50in5)

In a typically male-dominated environment, we decided to advance changes in the gender agenda through this program, attracting women with training projects. They filled 25% of all open positions. Although this may not seem to be a lot, it was a breakthrough for the area.

- **#nadireçãodelas (#intheirdirection)** – For female drivers and logistics operators;
- **Elas na Direção (Them on the Wheel)** – For female forklift operators;
- **Mobilidade (Mobility)** – An initiative aimed at female salespeople resulted in an increase in the participation of women in the São Paulo Regional sales area to 16% in October 2021, up from 8% in 2019.

Racial equity

Since 2019, we have had initiatives to prevent episodes of racism in our value chain and to contribute to the inclusion of Black people in the job market, especially within the HEINEKEN Group. Get to know a few initiatives:

- **MOVER (TO MOVE) – Movement for Racial Equity** – Participation in the collective goal of promoting 10,000 Black people to leadership positions by 2030, and in offering training and vocational courses to reach 3 million Black people.
- **IDBR Consulting** – In addition to support in literacy and self-declaration, the partnership seeks to improve hiring processes.
- **Portas Abertas (Open Doors)** – Program conducted by the Origens Identity Group in which employees discuss HEINEKEN Group’s Diversity & Inclusion and sustainability strategy, addressing our initiatives and publicizing exclusive openings for Black people.
- **Carolinas Program** – Alongside four other companies, we participated in mentoring and preparing 500 Black women for the job market under this program, which the “Se Candidate, Mulher” (“Sign Up, Woman) consultancy firm conducted in December 2021.

22% of women in our workforce

In leadership positions, participation rose from 26.3%, in 2019, to 29.4%, in 2021. In May 2022, it stood at 32%

Our goal is to go beyond the UN SDG target of 30% women in leadership roles by 2030. We will ensure gender parity in leadership roles by 2026

Until June 2022, **52%** of the people on our staff self-declared to be Black or brown.

In leadership positions, participation rose to **28%** in 2022, up from **27%** in 2021.

The goal for 2030 is to reach **40%** of Black people in leadership roles.

44% of the 2,500 people hired after Green Light are black – **24%** of them for leadership positions.

We also launched, in December 2021, our Talent Bank aimed at people from minority groups. The goal is to ensure opportunities and improve our processes for attracting and selecting people from these groups.



BALANCED CONSUMPTION

Our strategy has always been centered on this theme. Our goal is to spread attitudes that promote a balanced life through knowledge.

Because of this, we developed the Day After Project platform to encourage reflection on the subject through interactions and dialogue with nutritionists and to raise awareness among young people about moderation in consumption. In 2019, when the project began interacting with these audiences in São Paulo and Rio de Janeiro, 22,778 health professionals were already impacted by our actions. We expanded the program's reach to Curitiba and Brazil in 2022.

Among the project's actions is a card that is provided to health professionals to support care and to diagnose harmful alcohol consumption. Several questions asked to the patient can sound alarm bells on whether they are overstepping the boundaries of moderation. Additionally, the card provides

information on alcohol content and about what moderate consumption means in practice.

Heineken® 0.0, our zero-alcohol beer launched in 2020, is an important ally to promote moderate drinking, and is even recommended by health professionals in some cases.



ENVIRONMENTAL

The Environmental pillar has specific targets to address our commitments to carbon neutrality, circularity, and water. The HEINEKEN Institute contributes to this pillar by promoting partnerships and undertaking initiatives related to water balance.

Our company has set an ambitious global goal to become carbon neutral in the chain by 2040. That is ten years ahead of the Paris Agreement target of 2050, and we are the first global brewer to make this commitment.

COLLABORATIONS THAT TRANSFORM

SOS Atlantic Forest Foundation – In Itu, the HEINEKEN Group has been collaborating with SOS Atlantic Forest Foundation since 2007 through the Forestry Experiment Center, organizing environmental education, research, and technical training for teachers.



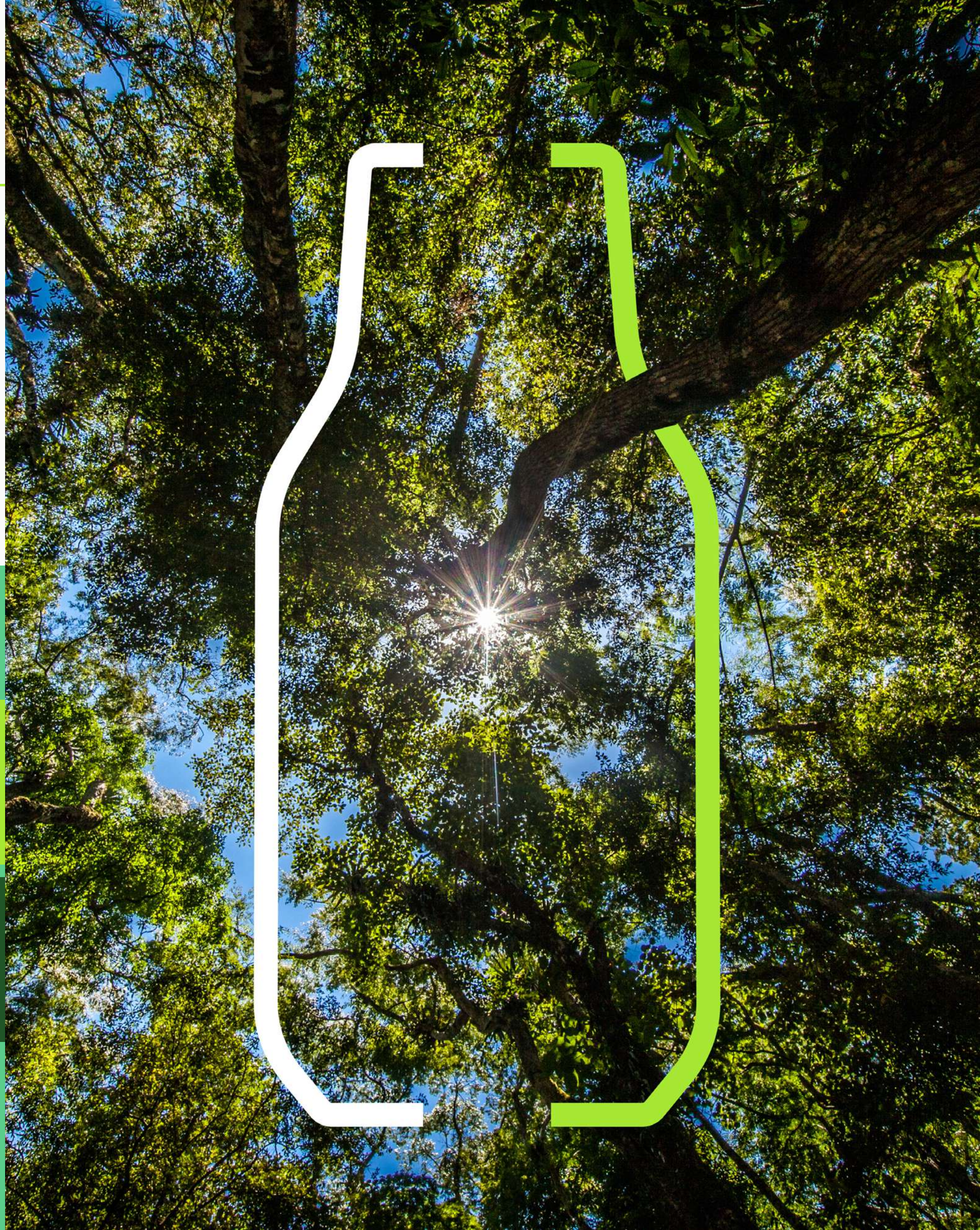
More than 720,000
trees planted in 386 hectares



79,000 m³
of water benefits



SOS Mata Atlântica - Experiment Center



“Learning with the Atlantic Forest” is an environmental education program conducted at the Experiment Center that integrates the school community with nature through the interpretation center, the riparian forest dynamic model, the interpretive trail, and a sensory garden, in addition to visitations to a native tree seedling nursery. Due to the contact restrictions in place to contain the pandemic, an online course was developed for educators and had its first certified class in 2021. Face-to-face visits will resume, and a new class trained in 2022.

Because of the relevance of socioenvironmental issues and of defending the Atlantic Forest, in 2021 we launched a program called “Mata Atlântica Vai à Escola” (The Atlantic Forest Goes to School), which aims to educate, train, and mobilize teachers and students from public and private schools on topics related to socioenvironmental education, such as forest restoration, clean water, and protected areas. The virtual training offered 3,000 openings to high school teachers and pedagogical coordinators from all over Brazil, with a workload of 52 hours and certification of an extension course.

iFood – In January 2022, the HEINEKEN Group and iFood launched the “Plante uma Árvore” (Plant a Tree) campaign, an initiative aimed to collect donations to assist the SOS Atlantic Forest Foundation in planting native trees, in addition to institutional donations.



More than R\$208,000 raised



12,675 seedlings for planting

Atlantic Forest Goes to School Figures

	People enrolled	Municipalities benefited	Participating states
2021	2120	617	26
2022	6115	1179	27



SOS Mata Atlântica - Experiment Center

EMISSIONS AND RENEWABLE ENERGY

Our commitment is to achieve an absolute 30% reduction in carbon emissions by 2030 and carbon footprint neutralization throughout the value chain by 2040. We work closely with our suppliers and partners to help them make science-based commitments, share knowledge about renewable energy, and to create innovative pilot solutions that benefit every link in the chain.

We have invested on several fronts to reach this goal. In September 2021, we signed a ten-year agreement with Omega Energia for the implementation of renewable generation projects in the Northeast. The goal is to supply electricity to meet 100% of the power needs of 14 breweries and 9 distribution centers.

In 2021, we also signed on a five-year contract with Raízen for the provision of renewable energy at 21 of our distribution centers and 2 microbreweries.

These two collaborations will reduce greenhouse gas emissions (GGE) by approximately 270,000 tonnes of CO₂ equivalent. I-REC certificates, which are renewable energy certificates, will be used to verify this reduction.

The renewable generation projects in the Northeast are expected to reduce carbon dioxide emissions by 270,000 tonnes.

Biomass-fired boilers

Thermal energy is an important alternative for us. We have already installed six biomass-fired boilers at our plants in Alagoinhas (BA), Alexânia (GO), Araraquara (SP), Caxias (MA), Itu (SP), and Ponta Grossa (PR) to replace natural gas and oil boilers. In addition, we are evaluating other renewable fuel alternatives to replace the last six boilers by the end of 2023, so that we can reach 100% of the breweries fitted with this technology.

Logistics with fewer emissions

Logistics and distribution are crucial topics for businesses when it comes to reducing emissions.

- Internal transportation (forklifts at the plants and distribution centers), transportation from our suppliers' breweries to our productive units, from our plants to our points of sale and distributors, and power consumption at our distribution centers account for 13% of the company's emissions.
- By 2022, we intend to reach 10% of these routes by cabotage and to include the rail modal to connect to the plants in Itu, Jacareí, Araraquara, Mato Grosso, and Goiás.

We also have a plan to electrify 100% of our forklifts by 2025. We have already reached that target at three breweries, and two more will attain it in 2022. Of the total of 112 forklifts we currently own, nine are electric.

Today, we have five electric trucks operating in distribution centers in São Paulo and Salvador.

We expect to add seven more to the fleet in 2022, and ten a year by 2025. In ten years' time, the entire fleet should be electric.

We have developed a consistent plan to reduce emissions by incorporating reverse, shared, and cabotage logistics, and we continue investing in innovation and seeking new solutions that help us meet the goals set forth under our strategy.

These efforts have earned the Group's operations in Brazil the global management's recognition as a center of excellence in reverse logistics in distribution.



Shared Logistics

In shared logistics, the HEINEKEN Group joins a non-competing partner that has a similar route and contracts the second leg of the trip with that company. On the way out, the truck transports for the partner, and on the way back, it transports for us. This will be intensified in 2022.

We also partner with our main retail customers, who hire the returning trucks to restock their stores. We are expanding these programs and measuring the results.



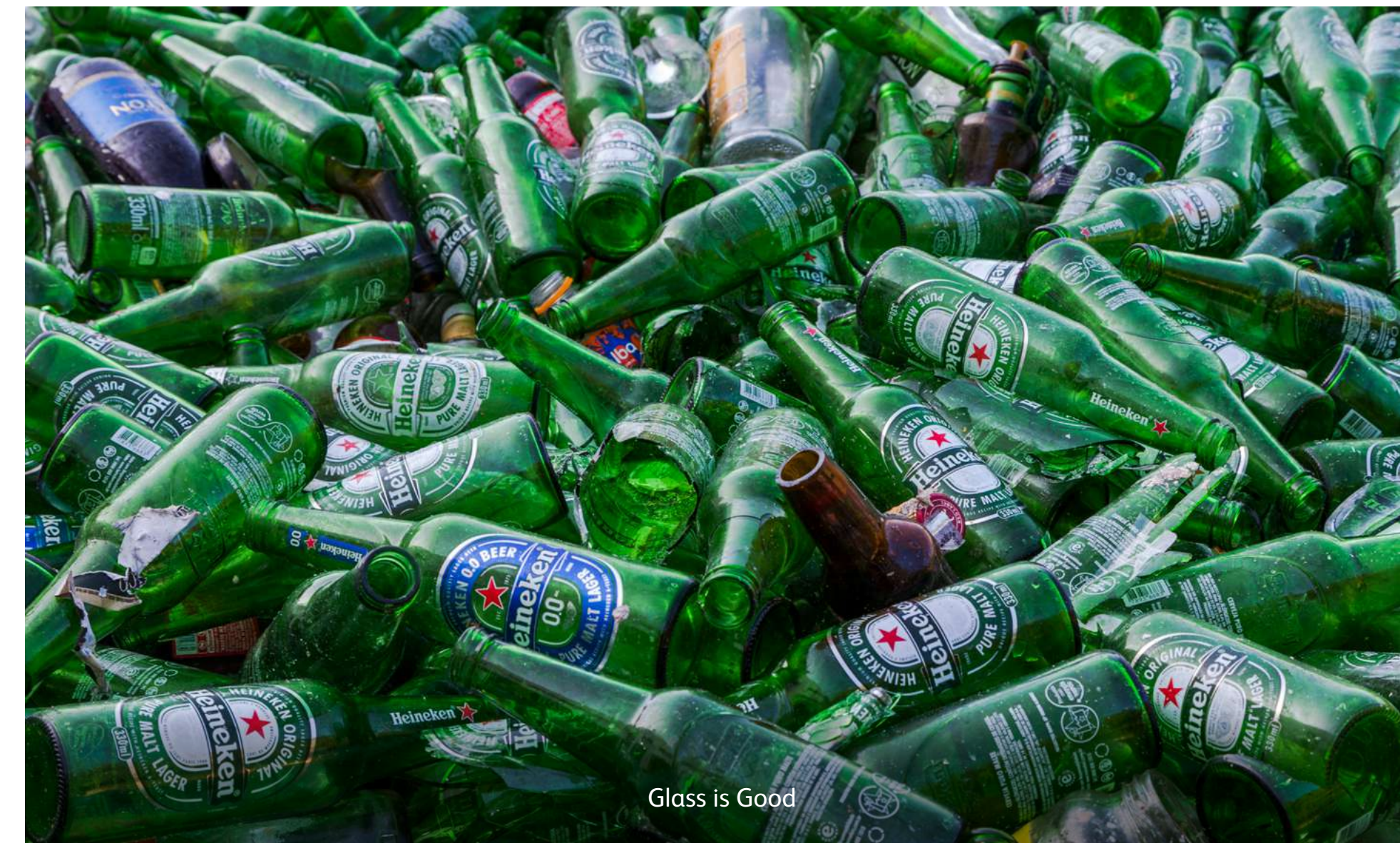
Carlos Alberto dos Santos

PACKAGE CIRCULARITY

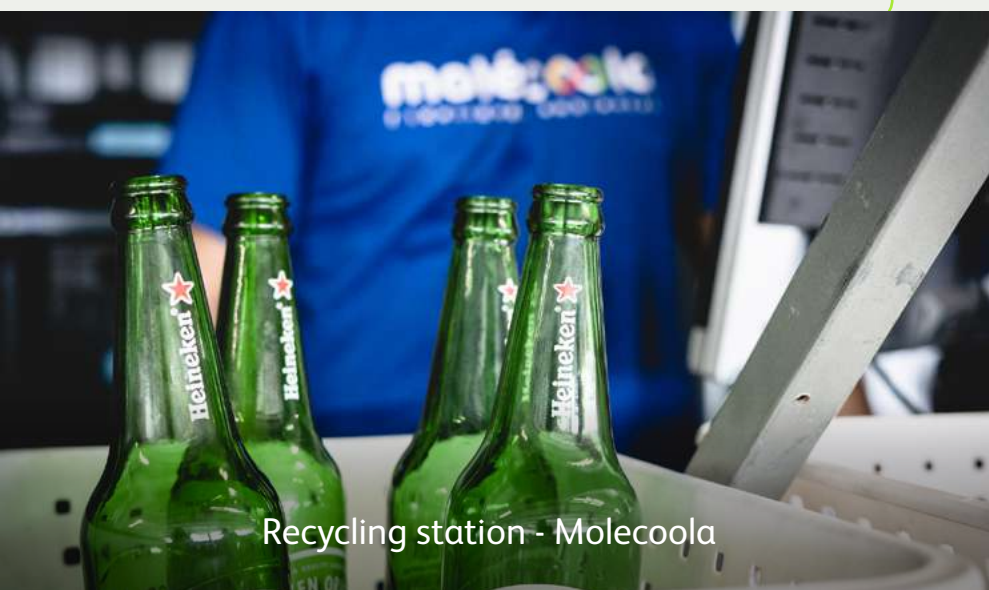
We sponsor and support several initiatives that promote material circularity, in particular the glass chain, always with a social perspective in mind.

Glass is Good – We are one of the main supporters of this program, led by the Brazilian Beverage Association (Abrabe), which promotes reverse glass logistics through collection at bars and events. It is currently in operation in 16 capitals across the country. Learn more [here](#).

Ecogesto (Ecogesture) – Also in partnership with Abrabe, the project includes support for waste picker cooperatives in everything from licensing to work safety and from the installation of Voluntary Delivery Points to environmental education to encourage the conscious disposal of solid waste, not just glass. To learn more, click [here](#).



Molecoola – In this loyalty program, consumers earn points by depositing recyclable materials in containers at supermarkets and can exchange them for courses and other products from partner companies. At any of Molecoola’s 30 units in SP or Paraná, you can deliver whole 600-ml Heineken® bottles, earn 500 points per bottle, and use such points on Molecoola’s exchange App. In December 2021, we entered into a partnership with Carrefour to pilot returnability for the end consumer: In addition to being able to send other materials for recycling, such as at any Molecoola station, consumers get two benefits at the Carrefour Tietê unit: They accumulate points on the Molecoola App and get a discount voucher to purchase another 600-ml bottle of Heineken® at the same Carrefour unit. In all cases, the bottles are collected and refilled, completing the circular economy cycle. Learn more [here](#).



Recycling station - Molecoola



Recycling station - Molecoola



Recycling station - Molecoola

SO+MA Advantages – Developed by the startup SO+MA in partnership with the City of Salvador (BA), and sponsored by the HEINEKEN Group since 2019, this is a program that aims to promote the circular economy, encouraging the glass recycling chain and generating socioeconomic development. Registered users deliver recyclable materials (PET bottles, aluminum cans, plastic, iron, paper, cardboard, glass, and oil) and accumulate points that can be exchanged for courses, exams, basic food goods, experiences, and discounts at supermarkets. Ten more collection units were opened in the city in 2021, for a total of 12.



Casa SO+MA front desk

Program results until May 2022

- Participating families: 12,671
- Material received and properly destined: 842,680 kg
- Volume of oil collected: 6,497 liters

Impacts

- 2,421,683,313 kWh of energy saved
- 55,462,382.968 liters of water saved
- 162,436,750,000 liters of water were not contaminated
- 10,342 trees were not felled
- ,598,786.498 kg of carbon dioxide emission compensation

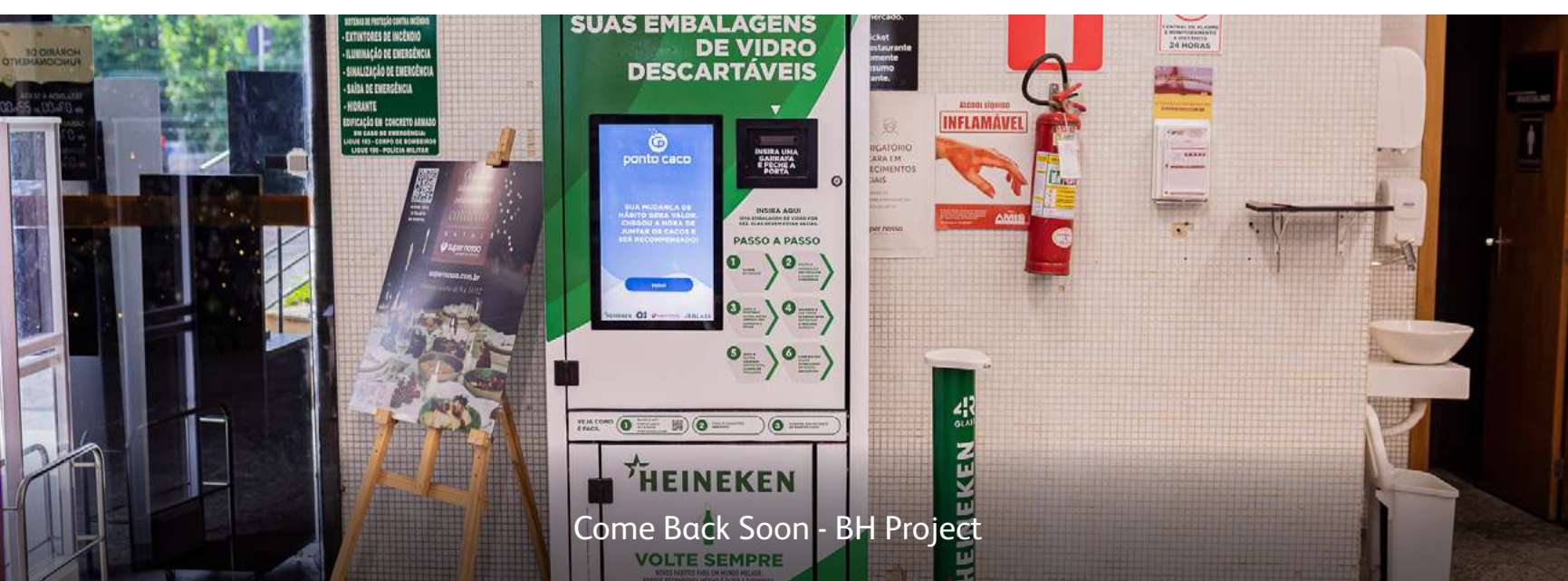


SO+MA Advantages

“Volte Sempre” (Come Back Soon) – This program encourages glass circularity through rewards for consumers. Present in Belo Horizonte/MG since 2020, in partnership with the Super Nosso chain and Owens-Illinois, it has nine collection points, five of which are at the supermarket chain and four at residential condominiums. Each package discarded in the machine generates a “Ponto Caco” (Glass Shard Point), a digital currency worth R\$0.10 and which can be converted into a discount when purchasing HEINEKEN Group products at partner stores.

The glass is crushed in the machine itself and taken to local cooperatives that sell the raw material to the glass industry, which, in turn, will use it to produce new packaging. More than 330,000 packages have already been deposited, adding up to 170 tonnes of glass, and the program has more than three thousand users.

Volte Sempre was launched in São Paulo in 2019 and in Belo Horizonte and Nova Lima (MG) in 2020. We have been working on the expansion plan since then, aiming to reach ten more capitals in 2022.



Volte Sempre Caraíva (Come Back Soon Caraíva)

A one-off action conducted in 2021 with 14 points of sale and customers in the region of Caraíva, a community located 70 km from Porto Seguro (BA). After we mapped many local establishments that prioritized disposable 600-ml bottles, we subsidized the crates so they would migrate from disposable to returnable bottles.

Action results:

- 120,000 bottles removed from the environment.
- Reduction of 55 tonnes of glass waste.
- 2,162 tonnes of CO2 emissions prevented.



Recupera (Recover) –

In 2021, we joined the Recupera program, together with the Pragma consultancy firm, to strengthen the post-consumer materials recycling chain, reinforcing the company’s commitment to reverse logistics. The program consists in providing the cooperatives with support in technical development and management. A distinguishing feature of the program is its application in all Brazilian States and in the Federal District.

Recicleiros Cidades (Cities Recyclers) – In 2021, we joined this project, which aims to offer solutions for companies that want to invest in reverse logistics and have a positive impact on society. It takes selective collection and recycling to places where this process is still rudimentary. The amount invested is earmarked for projects aimed at building a sustainable recycling system, including regulations, population engagement, selective collection, infrastructure, and collector training.



Recicleiros (Recyclers) Project - Naviraí



Recicleiros (Recyclers) Project - Naviraí



Recicleiros (Recyclers) Project - Naviraí

Withdrawal of PET bottles over 1 liter – We announced the withdrawal from circulation of the 1- and 2-liter PET bottles of our non-alcoholic beverage brands. By doing so, we commit to withdraw from the market 80% of the PET volume, equivalent to 11,900 tonnes, by 2025. Additionally, we also commit to reduce the company's total volume of plastic by 25%, and have already met these targets in full.

Hub Incríveis (Awesome Hubs) – The HEINEKEN Group, Klabin, and ViraSer joined this creative innovation network in the TC100 project, which aims to make the city of Telêmaco Borba (PR) a case of a 100% circular municipality. Startup companies were invited to submit solutions on several fronts in 2022, including environmental education, reuse, selective collection improvements, voluntary delivery points, etc. All solutions have been assessed for their environmental, social, and economic impacts, as well as their maturity level. The most adherent will be selected to participate in the project.

Noronha Zero Plastic Project – Partnership with the companies Menos 1 Lixo and Iônica to improve the system for collecting and processing consumed and discarded glass on the Fernando de Noronha island, in addition to installing an engagement center and training multiplier leaders. Our cultural and educational activities on the island have continued for both residents and tourists after infrastructure action completion.



MORE SUSTAINABLE SUPPLIERS

In 2021, we consolidated a plan to lay the foundations for building a supply chain based on sustainability and to help us in our strategy.

This work got underway with a diagnosis made through a form containing socioenvironmental issues, which we sent to our ten main partners to collect information on how they operate to then discuss potential improvements. The outlook for 2022 is to work on the specific goals for each project and strengthen sustainability in our supply chain.

A few concrete examples of our work with suppliers are:

- **Renewable energy:** With the consolidation of our energy transition plan, our in-house team acquired expertise in contracting renewables. Our next step is to engage with and help our suppliers to be part of this energy transition, thus contributing to our goals.
- **Agriculture:** The HEINEKEN Group is at the helm of Low Carbon Farming, a pilot project aimed to reduce carbon emissions from regenerative farming practices, in which we work with three local malt and corn suppliers in Paraná. The project is studying how producers build their cultures and practices. In the future, we will replicate the project with more producers.
- **Biomass:** Since last year, we have sought, together with our biomass suppliers, to certify biomass coming from wood chips. It follows the RSB standard and aims to ensure sustainability throughout the chain of this material, verifying environmental and social compliance. In addition to the certification providing traceability of the biomass supplied to the HEINEKEN Group, it generates greater added value for these suppliers' product.

Sustainable malt

We have a global goal of sourcing 100% sustainable ingredients, in other words, certified by the FSA/SAI Farm Sustainability Assessment Program. Mass balances allow the HEINEKEN Group to calculate the percentage of certified materials in its total purchases.

Our results:

- 64.3% of our global and local barley demand came from sustainable sources in the 2021 malt crop, according to the [SAI platform](#).
- We reached 72.4% sustainable barley with our global contracts.
- Our hops are already 100% sustainable.

In 2021, we signed on an agreement with Cooperativa Agrária to purchase Brazilian sustainable malt from 2023. The agreement aims to meet Heineken Group's business growth forecast in the Country, and has the procurement of malt for the next ten years as a consideration. The malting facility will be located in the State of Paraná and will have a planting potential that may reach up to 100,000 hectares per year.



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