Appendix 1: Assurance Report, KPMG Sustainability

We have been engaged by Heineken N.V. ('Heineken') to provide assurance on the 2006 Sustainability Report (further referred to as 'The Report'). The Report, including the identification of material issues, is the responsibility of the management of Heineken. Our responsibility is to issue an assurance report on specified parts of The Report.

What is included in the scope of our assurance engagement?

In The Report, Heineken describes its efforts and progress in relation to sustainability in 2006.

Our engagement was designed to provide limited assurance on whether the information in The Report is fairly stated.

'Fairly stated' means that the reported information properly reflects the information contained in the underlying sources such that it is consistent with the source information.

We do not provide any assurance on the achievability of future information (such as targets, expectations and ambitions).

What standards and criteria do we use?

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE 3000): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. Amongst others this standard requires that:

- the assurance team members possess the specific knowledge, skills and professional competencies needed to understand and audit the information in The Report, and that
- they comply with the requirements of the IFAC Code of Ethics for Professional Accountants to ensure their independence; when providing limited assurance, which is a lower level than reasonable assurance, a negative form of conclusion is used.

There are no generally accepted international standards for sustainability reporting. Heineken applies its own internal sustainability reporting criteria, derived from the Global Reporting Initiative, which are detailed on the Heineken website.

What did we do to reach our conclusions?

We conducted the following activities:

- Review of the systems and processes used to generate the information in the report;
- Review of the systems used for generating, validating and aggregating the data at corporate level;
- Visited four sites in Europe, Asia and Africa to assess the quality of the local data management systems and the reliability of the reported data;
- Interviews with staff and management;
- Review of internal and external documentation as well as intranet sources;
- Media analysis and internet search on the selected issues, to obtain independent information and context for these issues in the reporting period.

During our investigation we discussed the necessary changes in The Report with Heineken and determined that these changes have been adequately incorporated in the final version.

How should you read our conclusions?

Environmental, health, safety and social performance data are subject to inherent limitations, given their nature and the methods used for measuring, calculating and estimating the data. It is important to view the information and the performance data and our conclusions related to these data in the context of the qualifications detailed in 'Reporting basis' on pages 42-45.

What are our conclusions?

Based on the work undertaken the information in The Report does not appear to be unfairly stated.

What else did we observe?

Without affecting the conclusions presented above, we would like to draw readers' attention to the following:

This is Heineken's first annual Sustainability Report. Through annual reporting, Heineken can provide up-to-date performance information to its stakeholders more frequently. In addition we welcome that in this report Heineken focuses on seven areas where it believes to have an important impact. The expansion of the scope of our assurance assignment to all seven priority areas supports the importance Heineken attaches to all seven priority areas.

For the future it will continue to be important for Heineken to apply a structured approach to identify and evaluate the priority areas and identify risks and opportunities in close cooperation with internal and external stakeholders in order to adjust its Sustainability strategy and reporting scope where relevant. In addition the further integration of the priority areas into the business including target setting and consequent monitoring of the performance will be an important challenge.

We provide our detailed observations and areas for improvement in a separate report to the Heineken management.

KPMG Sustainability B.V.

Wim Bartels RA, Director
Amsterdam, 31 March 2007

Appendix 2: Reporting basis

Scope

The safety and environmental data presented in this report relate to the years 2004, 2005 and 2006 for the production units of the Heineken operating companies. 'Production units' means breweries, maltings and soft-drink plants and combinations of these, at which malt, beer and soft drinks are produced. The data covers participating interests, which are included fully or partially in the consolidated financial statements. The figures for participating interests relate to their total output. Environmental data for production units where both beer and soft drinks are produced have been combined. The figures do not include distribution departments or head offices.

The volume figures presented in the environmental section of this report, based on production, may differ slightly from the figures presented in Heineken's financial report, which are based on sales. This difference is accounted for by exports, volumes produced under licence and a number of recently acquired production units that have not yet submitted data. Newly acquired production units are required to start reporting directly after the first calendar year after the date of acquisition.

The data presented in the sections on Agriculture, Supply Chain Responsibility, Responsible Beer Consumption and Our Impact on Developing Markets are derived from databases that are available at Group level. Additionally, the data provided in 'Responsible Beer Consumption' have been subject to internal audit activities.

Reporting systems

The maltings, breweries and soft-drink plants gather the data in accordance with guidelines and definitions formulated by Heineken Group Supply Chain based on the Global Reporting Initiative Guidelines (2002). Their reports are submitted annually to this Group, where they are checked for completeness, likeliness of data and accuracy. A training course is also provided at the request of the production units to instruct employees in the production units in the accurate acquisition, verification and filing of data.

Visits are paid to selected production units in conjunction with the external verifier to check the quality of the information they provide by comparing it with invoices, measurements, calculations, etc.

Safety reporting

The safety reporting system is used by the production units to record accidents at their locations and report on the consequences for both their own staff and contractors' personnel. 'Own staff' includes both permanent, temporary staff and agency personnel. Overtime is included in the production workforce calculation. Group Supply Chain has defined four parameters, which must as a minimum be reported at local level, to serve as the basis for measuring the results achieved by our breweries, maltings and soft-drink plants. These results are expressed in two performance indicators.

Safety parameters and indicators		
Parameters	Fatal accidents	Own staff and contractors' personnel
	Accidents resulting in permanent disability	Own staff
	Accidents resulting in absence from work	Own staff and contractors' personnel
	Days absence	Own staff, in calendar days
	Number of external nuisance complaints	External complaints related to nuisance
	Number of safety-related incidents	Incidents related to safety and environment which had an impact outside the production unit
Performance indicators	Accident frequency	Own staff, number of accidents resulting in absence from work per 100 full-time equivalents
	Accident severity	Own staff, days' absence from work per 100 full-time equivalents

Environmental reporting

The purpose of environmental reporting is to clarify the environmental effects of producing malt, beer and soft drinks at our production locations. These effects include depletion of resources, emissions and nuisance. To measure the results achieved in these areas, Group Supply Chain has defined seven key parameters for our breweries, maltings and soft-drink plants. Performance is measured for four parameters in terms of production, expressed in hectolitres of beer and soft drinks or tonnes of malt, to facilitate comparison of the results.

The eco management system comprises of the following subjects: local environmental policy, environmental management system, legal compliance, violations of law, environmental fines, environmental complaints, environmental accidents, reliability of reporting. The greenhouse effect covers CO_2 and refrigerant emissions. The ozone-layer depletion covers refrigerant losses (e.g. HCFCs), acidification covers NO_x, SO_x, and NH_3 emissions, nutrification covers Chemical Oxygen Demand (COD), nitrogen and phosphorus in waste-water after treatment, where discharged into surface water. Waste management deals with the destination of our by-products and hazardous waste.

Appendix 2: Reporting basis

Environmental parameters and performance parameters		
Parameters	Thermal energy consumption	Consumption of thermal energy in MJ (the corresponding CO_2 emission is derived from this figure using the WBCSD Protocol)
	Electricity consumption	Consumption of electrical energy in kWh (the corresponding CO_2 emission is derived from this figure using the WBCSD Protocol)
	Water	Water consumption in m^3
	Solid waste	Non-recycled waste such as hazardous waste, waste-water treatment sludge and industrial waste in kg
	Eco Care indicator	A new composite indicator covering 34 environmental parameters such as eco management, renewable energy use, global warming, ozone-layer depletion, acidification, eutrophication, nutrification and waste management (expressed in % of best practise)
	The COD load of effluent	The COD of the treated or untreated waste-water leaving the production unit and discharged to surface water
	Waste-water treated	The number of units discharging waste-water untreated in the environment (status of the Waste-water Treatment Plant Programme)
Performance indicators	The specific thermal energy consumption	The thermal energy consumption per unit produced (MJ/hl beer plus soft drinks)
	The specific electricity consumption	The electricity consumption per unit produced (MJ/hl beer plus soft drinks)
	The specific CO_2 emission	The specific fossil carbon dioxide emission (direct and indirect) per unit produced (MJ/hl beer plus soft drinks) derived from the thermal energy and electricity consumption
	The specific water consumption	The water consumption per unit produced (MJ/hl beer plus soft drinks)

Qualified reliability of safety and environmental data

The reliability of the data is subject to certain qualifications, despite the fact that the safety and environmental experts at our production units have reported to the best of their knowledge, in good faith and in accordance with agreed procedures and their figures have been validated by Group Supply Chain. Heineken is continuing to work on formulating and applying uniform definitions and instructions for reporting purposes, in order to improve the accuracy and comparability of the data. Standard calculation protocols for atmospheric emissions have been developed, for example, to minimise the error in these figures. Standard calculation tools are also present for refrigerant losses and waste discharge.

Definitions

Differences in the interpretation of definitions have occurred in some cases. On the basis of our internal validation findings, we do not expect these differences at the aggregated level to be material.

Completeness

Reporting was not forthcoming or incomplete in some cases. Often newly-acquired production units need to improve their reporting system, especially on complaint and incident registration, accident severity and COD measurement. In order to provide a realistic representation of Heineken's total environmental impact, the missing data have been estimated in accordance with our internal procedures for incomplete reports. Some data have been estimated by our operating companies. Production units that did not report have been listed in a footnote and estimates were included.

Accuracy

The accuracy of the data depends on the method of measurement, the calculation procedure and whether estimates have been used. For some parameters, the sampling method and frequency, as for COD, can also affect accuracy. The quantity of refrigerant is difficult to establish because it is used in dynamic systems in which it can occur in both the liquid and gaseous phases. Refrigerant losses are determined on the basis of the quantities added to replenish systems. At a number of production units, waste is removed from the site in containers of a given volume, and inaccuracies can arise in translating volume to weight. In the absence of local legislation in some countries outside Europe, the definition of hazardous waste is not always clear. In some cases, hazardous waste is safely recycled and is no longer designated as hazardous. The scope and workforce size related to the accident frequency can give rise to inaccuracies in some locations due to the misinterpretation of overtime and number of temporary personnel.

Comparability

Each parameter to be reported has accurately been defined in the Safety Standards & Procedures and Environmental Standards & Procedures.

The comparability of the data depends on the extent to which estimates have been used in determining the performance indicators. Where estimates have been used in interpreting trends, it is stated in the text of this report. The comparison of data has been carried out over a three year period in order to limit the influence of incidental fluctuations.

Since no material changes have been made to definitions, calculations or estimating procedures, there is comparability from year to year, except when indicated in the text of this report.

Appendix 3: Environmental data on production units*

Heineken Group**

Absolute figures

		Heineken Group**			Breweries and soft drink plants			Malting plants		
Performance indicator	Unit	2004	2005	2006	2004	2005	2006	2004	2005	2006
Beer production	Mhl	104.8	112.0	128.2	–	–	–	–	–	–
Soft drink production	Mhl	8.2	9.1	10.2	–	–	–	–	–	–
Malt production	ktons	579	563	588	–	–	–	–	–	–
Water	Mm3	62.3	68.7	74.6	60.1	66.4	72.2	2.2	2.3	2.4
Waste-water	Mm3	45.6	48.5	53.4	43.9	46.6	51.6	1.8	1.9	1.9
Electricity	GWh	1,150	1,230	1,380	1,080	1,160	1,310	71	68	75
Thermal energy	PJ	14	14.6	15.8	12.3	13.0	14.2	1.7	1.6	1.6
CO_2 emissions (direct)	ktons	916	957	1,016	822	865	930	95	92	86
NO_x emissions	tons	3,140	1,970	1,770	3,070	1,750	1,700	78	217	73
SO_x emissions	tons	2,490	2,800	3,220	2,400	2,690	3,160	90	112	56
Organic load before treatment	ktons COD	127	139	140	124	135	138	3.0	3.2	2.7
Effluent organic load***	ktons COD	21.2	23.1	33.7	–	–	–	–	–	–
Effluent total nitrogen***	tons N	627	720	973	–	–	–	–	–	–
Effluent total phosphorous***	tons P	305	429	684	–	–	–	–	–	–
Effluent suspended solids***	ktons d.m.	4.22	4.82	7.64	–	–	–	–	–	–
Total hazardous waste	ktons	1.33	1.36	1.89	–	–	–	–	–	–
Non-recycled hazardous waste	ktons	0.60	0.71	0.78	–	–	–	–	–	–
Total waste-water sludge	ktons d.m.	13.2	10.4	11.2	–	–	–	–	–	–
Non-recycled waste-water sludge	ktons d.m.	4.72	4.09	1.97	–	–	–	–	–	–
Total co-products, packaging and industrial waste	ktons	2,080	2,340	2,590	–	–	–	–	–	–
Non-recycled industrial waste	ktons	100	131	140	–	–	–	–	–	–
NH_3 in use	tons	863	891	935	–	–	–	–	–	–
NH_3 losses	tons	105	74	107	–	–	–	–	–	–
HC-based refrigerants in use	tons	38.7	39.8	38.8	–	–	–	–	–	–
HC-based refrigerants lost	tons	12.7	8.4	13.0	–	–	–	–	–	–
	kg R11 equivalents	1,050	636	925	–	–	–	–	–	–
	ktons CO_2 equivalents	26.3	16.4	28.2	–	–	–	–	–	–
Halons in use	tons	3.10	2.74	1.15	–	–	–	–	–	–
Complaints	number	84	89	55	–	–	–	–	–	–

* The data in Appendix 3 have not been subject to assurance, with the exception of data that are also included in the main part of the Report.

** Excluding data from Brau Holding International (Bad Brambach, Chemnitz, Karlsruhe, Rosenheim, Wurzberg, Germany).

*** Discharged to surface water.

Specific figures: Breweries and soft drink plants

Performance indicator*	Unit	2004	2005	2006	2007	2008	2009
Water	hl/hl	5.47	5.49	5.22			
Targets	hl/hl			5.00	5.06	4.73	4.61
Electricity	kWh/hl	9.91	9.59	9.46			
Targets	kWh/hl			9.07	9.26	8.62	8.43
Thermal energy	MJ/hl	114	108	103			
Targets	MJ/hl			100	100	92.9	89.3
Non-recycled industrial waste	kg/hl	0.95	1.08	1.01			
Targets	kg/hl			1.06	1.14	1.13	0.67
Direct CO_2 emission	kg CO_2/hl	7.65	7.15	6.72			
Targets	kg CO_2/hl			6.64	6.52	6.07	5.84
Indirect CO_2 emission**	kg CO_2/hl	3.30	4.00	4.21			
Targets	kg CO_2/hl			3.78	4.12	3.83	3.75
Total CO_2 emission	kg CO_2/hl	10.9	11.2	10.9			
Targets	kg CO_2/hl			10.4	10.6	9.91	9.59

* Figures for 2004 exclude soft drinks.
** Figures for 2004 exclude indirect CO_2 from imported heat.

Specific figures: Malting plants

Performance indicator	Unit	2003	2004	2005	2006	2007	2008
Water	m^3/ton	3.88	4.08	4.11			
Targets	m^3/ton			4.20	4.33	3.58	3.53
Electricity	kWh/ton	123	120	127			
Targets	kWh/ton			118	128	105	104
Thermal energy	MJ/ton	2,940	2,830	2,660			
Targets	MJ/ton			2,690	2,770	2,170	2,140