

# Raise the bar on sustainability and responsibility

## Developing our global circularity strategy

For our packaging we use finite resources, which are not always managed well after the product has been consumed. Transitioning to a circular economy is therefore central to our efforts to reduce emissions, manage input costs and prevent waste. We launched our circularity strategy in 2024, prioritising three areas – Reuse, Recycled content and Recyclable by design – to embed a closed loop approach in packaging development. We have set new goals for packaging, while continuing to enhance the circularity of production waste and water in our operations.

### Driving reusable packaging

We are focused on growing the volume of the reusable packaging we use for our products, reducing the need for new packaging. Our goal is to increase the percentage of volumes sold in reusable format to 43% by 2030. Increasing the use of reusable packaging allows us to reduce dependency on virgin materials, lower production costs over time, and build a more sustainable and commercially attractive business model. In 2024, 39% of our volumes were sold in reusable packaging formats.



Reusable packaging brings greater complexity in quality management, logistics and value chain operations, requiring a significant capability shift to achieve the goal. Wider adoption demands a systemic transformation, involving collaboration to co-create efficient return infrastructures, drive consumer participation, and address logistical and operational challenges. Expanding our reusable portfolio requires us to ensure reusable packaging is appealing and convenient for consumers, featuring efficient and attractive design.

We continue to explore opportunities to expand our reusable portfolio. One example is the launch of the innovative Heineken Returnable® STAR bottle, developed by our operating company in South Africa. This 650 ml returnable bottle is unique in design, featuring the brand's iconic star embossed on its body and the Heineken® name etched into the glass.

## Closing the loop on recycled content

Our goal is to increase the percentage of recycled content in our bottles and cans to 50% by 2030. We will work with others – including suppliers and environmental organisations – to close the loop by improving recycling rates and increasing the availability of high-quality recycled content for our bottles and cans. We reached 44% recycled content in our bottles and cans in 2024.

One of the challenges in increasing recycled content is the lack of infrastructure for efficient collection and high-quality recycling. This underscores the need for well-designed and harmonised extended producer responsibility (EPR) legislation that improves collection rates, enable closed-loop recycling and reduce downcycling and waste leakage.

In Brazil we are developing a circular system together with Ambipar to recycle more glass bottles than we introduce into the market in the country. Purpose-built centres will collect, sort and process glass in areas that currently lack infrastructure. The intention is to explore opportunities to scale the model to other operating companies, applying insights gained from this project.



## Embedding recyclable by design

We are working towards 99% of our packaging being recyclable by design by integrating recyclability criteria into our global innovation process. This begins with designing packaging and procuring materials that are compatible with a recycling stream that has been successfully proven to work at scale. 98% of our packaging was recyclable by design by the end of 2024. To achieve meaningful results, it is essential that our packaging is recycled upon reaching the market, which will be supported by our other circularity goals.

## Towards healthy watersheds and nature

Our approach prioritises the health of local watersheds and nature, extending beyond our breweries. Water is essential to our products: without water, there is no beer. Factors such as climate change and population growth are reducing the availability of this precious resource, and this is affecting society in different ways, with developing countries among the worst impacted. Therefore, it is key to build resilience through an integrated and inclusive approach. At HEINEKEN, we recognise that water is a shared resource and we understand the importance of taking action in both our operations and targeted communities where we operate.

Our water strategy focuses on water efficiency and long-term restoration of priority watersheds, especially in water-stressed areas. Many of our water replenishment efforts promote biodiversity and soil health.

