

Our CR Goals and Achievements

Our Commitment to Stakeholder Engagement		
OUR GOALS	PROGRESS MADE	MOVING FORWARD
We are committed to having open, honest and targeted dialogue with stakeholders through various platforms to ensure continuous alignment.	Shareholder, Analyst & Media Engagement <ul style="list-style-type: none"> We disseminate financial and non-financial information relating to our operations in a timely and consistent manner through various mediums such as press releases, regular briefings and via our website at www.gab.com.my. We hold analyst and media briefings every half yearly. Shareholders are given the opportunity to seek clarification and share their thoughts at a question and answer session at our Annual General Meeting. 	<p>We will continue with the media and analyst briefings.</p> <p>Our Corporate Website will be further enhanced to improve accessibility and content.</p>
	Distributor Engagement <ul style="list-style-type: none"> Three sessions held – one in Penang, one in Kuala Lumpur and one in Johore Bahru All distributors were invited, including East Malaysia distributors. In total, 63 distributors attended, making up close to 95% of our distributors. We updated distributors on business progress and presented the results of our Trade Satisfaction Survey. We also had a question and answer session to give them the opportunity to give us feedback on how we can improve our partnerships. 	<p>We will be engaging our distributors on a regular basis.</p>
	Trade Engagement <ul style="list-style-type: none"> Three sessions held in September 2009 in Penang, Johore, and Kuala Lumpur. Total of 165 participants representing 93 outlets from all over Malaysia. We officially launched GAB Academy and updated trade partners on GAB's business progress. There were also a presentation on emerging trends in F&B culture in Asia and a presentation on new media trends, followed by a question and answer session. 	<p>We will be undertaking this exercise once every two years. The next exercise is scheduled for 2011.</p>

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	<p>GAB Academy</p> <ul style="list-style-type: none"> • Taking trade engagement one step further, GAB initiated GAB Academy which has been active since October 2008 and officially launched in September 2009. GAB Academy's aim is to offer hospitality training workshops to trade outlet staff, helping them deliver an exceptional customer experience to their patrons. • One of GAB Academy's efforts, HERO (Hotel, Entertainment & Restaurant Operators) is a series of skill training workshops. Training sessions have been held across Malaysia with a total of 864 participants trained. • As part of GAB's plan to promote responsible drinking, GAB has introduced a Responsible Drinking and Serving module into GAB Academy that provides bar staff with knowledge of the alcohol content of various drinks, responsible bartending skills and tips on how to deal with difficult customers. • GAB Academy's latest effort, the VIP (Very Important Partners) Trade Programme, has been developed exclusively for business partners with the main purpose of building and retaining long term and sustainable relationships through value-added offerings. 	<p>We will be looking at further enhancing the modules by incorporating participant feedback to better meet the needs of our trade partners. We will also be rolling out GAB Academy to more outlets.</p>

Our Commitment to Responsible Marketplace Practices

OUR GOALS	PROGRESS MADE	MOVING FORWARD
<p>We aim to have sustainable and responsible business practices in the marketplace that deliver positive outcomes to our customers, employees and the communities and environment that we operate in.</p>	<p>Responsible Marketing</p> <ul style="list-style-type: none"> • GAB has a Code of Marketing Practice which outlines strict guidelines that employees and representatives are to follow when marketing and promoting the Company's brands and products. 	<p>We will continue to ensure that the code is strictly adhered to.</p>
	<p>Responsible Drinking</p> <ul style="list-style-type: none"> • GAB has introduced a Responsible Drinking and Serving module into GAB Academy that provides bar staff with knowledge of the alcohol content of various drinks, responsible bartending skills and tips on how to deal with difficult customers. 	<p>We will be rolling out a Responsible Drinking programme which will involve the participation of our trade partners.</p>

OUR CR GOALS AND ACHIEVEMENTS

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	<p>Strategic Planning and Tracking</p> <ul style="list-style-type: none"> GAB undertakes strategic planning and tracking which are integral to the sustainable growth of GAB's business. Regular meetings are held between Management and the Board during which operational performance and related matters are discussed. Annually, Management prepares a three-year strategic and operational plan where targets are defined in terms of Key Performance Indicators (KPI) and these KPIs are tracked closely throughout the financial year. <p>Risk Management</p> <ul style="list-style-type: none"> Risks are reviewed and evaluated on a regular basis by a Risk and Control Workgroup (RCW) headed by the Finance Director and made up of cross-functional Senior Managers. GAB has also implemented Control Assurance and Risk Management (CARM), a web-based self-assessment programme. CARM requires each business unit to evaluate and ensure that it has appropriate controls in place to manage a broad range of risks arising from day-to-day business activities. CARM emphasises internal controls over financial reporting for the purpose of compliance with the requirements of the US Sarbanes-Oxley Act and focuses on transparency, accountability and safeguarding of assets. GAB has in place a comprehensive Business Continuity Plan as an integral part of the Group's strategy to mitigate risks and manage the impact of crisis events. Crisis simulations are conducted periodically to enhance the Group's preparedness in crisis and emergency response so as to ensure that there is no disruption to its operations and business during a crisis or disaster. 	<p>We will continue with this practice.</p> <p>We will continue with this practice.</p>
Our Commitment to Enriching Communities		
OUR GOALS	PROGRESS MADE	MOVING FORWARD
<p>We aim to protect our water source, ie our rivers.</p> <ul style="list-style-type: none"> To engage the communities to be actively involved in the project and to change present behaviour To engage the many stakeholders to work together towards a common goal <p>We aim to educate children on the importance of clean water and water conservation by building a strong foundation.</p>	<p>River Rehabilitation Project</p> <ul style="list-style-type: none"> In December 2007, we initiated a project to conserve the tributary of Penchala River. This project engages local communities near the GAB Foundation centre, business entities, Government sectors, service providers as well as local leaders and politicians. The Foundation has successfully created excellent working partnerships with the Petaling Jaya City Council (MBPJ), Department of Environment, Drainage and Irrigation, Department of National Unity and Integration and the Fisheries Department. Recent evidence indicates that certain fish species are being spotted more frequently than before as are snakes, catfish, eels and tortoise. 	<p>We aim to increase awareness on this issue by training and getting the upstream community in SS3 and SS9A on board.</p> <p>We will continue with the water quality testing, solid waste management and biodiversity study to ensure the river is on the right track to be rehabilitated.</p> <p>We will continue with the habitat creation practice.</p> <p>A River Care Cabin will be set-up for public usage. We will also invest in a mobile unit for greater reach.</p>

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	<p>Story Time with GABBY</p> <ul style="list-style-type: none"> The Foundation’s Story Time with GABBY initiative aims to engage and educate children on water conservation through storytelling sessions. A water toolkit for local communities incorporating three storytelling modules (i.e. water cycle, water pollution and water conservation) was specially developed by professionals in the field of child development to facilitate these storytelling sessions. 18 storytellers (including childcare workers and kindergarten teachers) have been recruited and trained to carry out storytelling sessions in English, Bahasa Malaysia, Tamil and Chinese. Public sessions have been held at selected community centres, welfare homes, kindergartens and schools at over 57 venues and for about 600 children. 	<p>We intend to reach out to more children in different centres and in different states.</p> <p>There are plans to set up a GABBY Club to continuously engage the children who have undergone the sessions.</p>
<p><u>EDUCATION</u> We want to assist vernacular schools and their students:</p> <p>SMILES: To improve the English proficiency of Tamil School Children to better prepare them for the future transition to national secondary schools.</p> <p>We aim to assist deserving Malaysian students who are embarking on or already pursuing their higher studies.</p>	<p>SMILES</p> <ul style="list-style-type: none"> On 18 September 2008, the Foundation officially launched the SMILES (Supporting Malaysian Indian Learning, Education and Sports) programme. The SMILES programme represents the Foundation’s, as well as GAB’s, long-term commitment to contributing towards the betterment of the Malaysian Indian community. In FY09, we raised a total of RM230,000 for the SMILES programme, all of which was donated to an non-governmental organisation, the Tamil Foundation, to fund projects specifically aimed at helping Tamil school children. The first SMILES-supported initiative was the Total Immersion Camp (TIC). This intensive 21-day English proficiency programme run by the Tamil Foundation, provides students who are transiting from vernacular Tamil schools to mainstream secondary schools, with the essential language skills they need to assimilate in their new environment. We also launched the SMILES reading corners to act as a supplementary factor in assisting students to further improve and expand their English language proficiency. These reading corners consist of storybooks, reference books, bookshelves and furniture. The Foundation lends support to the English Enrichment Programme (EEP), an extension of the TIC. As a programme, the EEP has the opportunity have a greater impact because students are coached from Year One onwards. The EEP aims to provide students with additional lessons over and above their regular curriculum. Over 500 students in 15 schools in the Klang Valley, Rawang, Malacca and Pahang are benefiting from this sponsorship. 	<p>Continue to support the EEP programme.</p> <p>Increase the number of sponsored schools and children to participate in the EEP.</p> <p>Continue with the sponsorship of the reading corners and increase the number of sponsored schools.</p>

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<p>DRAGON MISSION: We aim to raise funds for Chinese Schools and their students.</p>	<p>Dragon Mission</p> <ul style="list-style-type: none"> • Our FY09 Dragon Mission campaign saw the number of participating outlets more than double to raise RM2.8 million. • These funds were donated to help Chinese Primary Schools, nominated by the outlets, and to award scholarships to students of Chinese Independent Secondary Schools to help them with their school fees. 	<p>Dragon Mission FY10 will evolve to move beyond Chinese New Year with activation from September 2009 onwards.</p>
<p>COMMUNITY To enrich communities through active engagement: We pledge to work with the community through education and engagement for their betterment.</p>	<p>Currently, we engage the community through our GAB Foundation activities that include our River Rehabilitation project, Story Time with GABBY, SMILES and Dragon Mission, among others.</p>	<p>We will step up our community activities and actively get our staff involved in independent community projects.</p>

Our Commitment to Workplace Best Practices

OUR GOALS	PROGRESS MADE	MOVING FORWARD
<p>Our goal is to be the Employer of Choice by creating an environment where people can have opportunities to have a fulfilling career.</p>	<p>The 7 HR Pillars This was developed in 2007 to guide our ongoing efforts to improve, empower, motivate and reward our employees for great performance, regardless of race and gender.</p> <p>Flexi-time We introduced flexi-time to help employees balance their work and personal lives.</p> <p>Healthy Living Initiatives We make efforts to ensure that our employees' well-being and health is well cared for by encouraging them to eat healthily and to exercise on a regular basis. GAB's Sports Club provides a platform where employees are encouraged to take up sports interest. Health talks are also conducted to encourage employees to lead a healthy lifestyle while our Fruit of the Month initiative involves the provision of different types of fruit every month to encourage healthy eating.</p>	<p>The 7 HR Pillars will continue as the foundation of HR's services to the people. The programmes will be reviewed and improved on a regular basis.</p> <p>Flexi Time will continue.</p> <p>To continue with health talks, sports/recreational activities, and Fruit of the Month programme to reinforce our commitment to encourage employees to lead a healthy lifestyle.</p>

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<p>We aim to ensure better communication, enable faster decision making and nurture the GAB team spirit.</p>	<p>Employee Engagement</p> <ul style="list-style-type: none"> In the past, we have provided the opportunity for families of our employees to visit and tour the workplace so they could better understand the nature of their loved ones' work. We also organised a futsal competition among the different departments to foster positive employee sentiments and held festive celebrations to celebrate Deepa-Raya and Chinese New Year with employees. For Christmas, Heineken erected its special Christmas Tree at the Brewery and hung special stars on the tree. Each star carried the Christmas wish of a child. Employees could then pick a star and buy the Christmas gift for that child. They later had the opportunity to visit the homes to personally present the children with the gifts. <p>TPM</p> <ul style="list-style-type: none"> GAB's Total Productive Management (TPM) programme, now into its fifth year of implementation, continues to play an integral role in helping elevate GAB's performance to greater levels of success. To ensure the TPM mindset is continually applied to all aspects of our operations, we implement structured TPM training modules for our people. Our employees also participate in educational trips to other breweries and manufacturing facilities to assimilate their TPM and integration activities. GAB continues to be ranked among the best breweries within our brand owners' global network and receive international recognition. <p>Awards and Accolades</p> <ul style="list-style-type: none"> For the third year running, GAB has won the Guinness League of Excellence Award for the best quality Guinness brewed outside of Ireland. We were also named winner of the Tiger Quality Award and the Tiger In-market Quality Award in 2008 for consistently delivering on the Tiger brand promise to consumers. GAB was also the winner of Diageo's Asia Pacific Market of the Year Award, which recognises a business that has displayed continuous improvement in every aspect of the business. This award encapsulates the efforts and contribution of the people at GAB and shows that together, we are truly brewing success. All these accolades underscore the fact that GAB's culture of excellence and TPM initiatives are taking us much closer towards achieving our vision of being an icon in business. 	<p>Introduce employee engagement activities at department level / organisation wide level.</p> <p>To implement Annual Employee Services Day. As a service to employees, health and medical check-ups, financial planning services, income tax queries / services, etc would be set up as a one stop services centre for employees on that day.</p> <p>Going forward, HR will continue to play the role of the champion of the TPM Training and Development Pillar, supporting GAB's evolution into a Learning Organisation.</p>

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	<p>Internal Communications</p> <ul style="list-style-type: none"> • Focus group meetings were held between April and June 2009 across all departments to gather feedback and ideas on ways to enhance our internal newsletter, Tavern Talk, as an effective internal communication tool. The result of this exercise is the launch of The ICON, a publication in a more magazine-like format to replace Tavern Talk. • GAB's MD continues to share his thoughts and perspectives on GAB via his monthly updates. • Every month, the MD meets with a cross-section of employees from different departments in a no-holds barred breakfast meeting. Here, the parties get to know each other and questions are raised personally with the MD who answers them there and then. • Open dialogue sessions are conducted with the Management Team, whereby as many questions are fielded on the spot at our Annual National Commercial Conference and Supply Chain Conference. • Each section within the Supply Chain Department meet once every quarter for a briefing by their section heads. These briefings are aimed at updating employees on the progress of their sections and to present new developments. Every session, also attended by the Supply Chain Director and HR Manager, ends with a question and answer session. 	<p>The ICON will be published once in two months and it will continue to be the "voice of employees" where they are actively involved and engaged in its publication.</p> <p>We will continue with this practice.</p> <p>We will continue these monthly meetings. Over time, all GAB's staff will have a chance to sit in on these breakfast meetings.</p> <p>We will continue with this practice.</p> <p>We will continue with this practice.</p>
<p>GAB aims to continuously engage with the Union to cultivate a harmonious relationship.</p>	<p>13th Collective Agreement</p> <ul style="list-style-type: none"> • We continue to receive good support from the Union of Beverage Industry Workers (the Union) with whom we enjoy an excellent relationship. The year under review saw GAB signing the 13th Collective Agreement (CA) with the Union after only three sittings. Amidst the current economic slowdown, the CA spells out very attractive benefits for the Union. • GAB is one of the first companies in the beverage industry to include corporate Key Performance Indicators (KPIs) into the remuneration system. The margin of increment for the 13th CA is 9%, compared to the market average of 6%. The CA also incorporated a marginal increase in insurance coverage and other benefits that will impact positively on staff morale in these trying times. 	<p>GAB will continue to engage with the Union and share our development plans.</p> <p>The 13th CA covers FY09 and FY10.</p>

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<p>GAB's commitment to employees is that they will have a lifelong career development plan which will incorporate their career direction, a training path and perhaps even the opportunity to take on international assignments.</p>	<p>Employee Training and Development</p> <ul style="list-style-type: none"> • Our training programmes are competency-based to grow people; meaning that our programmes do not merely focus on meeting GAB's needs, but also each individual's developmental needs. • In FY09, our training budget was increased by 50% and we were able to plan a 12-month schedule based on specific training needs. GAB's commitment is to ensure that everyone within the Company attends at least one training session each year. • The year under review also saw us taking training and development activities to the regions for the first time ever to minimise travelling disruptions. <p>International Assignments</p> <ul style="list-style-type: none"> • Our Regional Sales Manager, Alex Wong was seconded to Jakarta, Indonesia for a three year stint at Diageo. Alex joined GAB in September 2001 as our Sales Operations Executive. He was then promoted to Sales Promotions & Merchandising Manager for the Petaling Jaya (PJ) Region before moving on to become the Regional Sales Manager for PJ and then for Central S&R. <p>Internal Promotions</p> <ul style="list-style-type: none"> • GAB's Hiring Policy encourages hiring from within before considering external candidates. This ensures that all employees are given a fair opportunity to pursue career advancement. Where there are vacancies within our brand owner's international network, existing staff are encouraged to apply for international secondment. These initiatives all serve to provide us with a highly capable and diversified talent pool, all the better if they have cross functional exposure. Last year, GAB promoted or moved for development 83 of its employees from within the organisation. 	<p>We intend to attract talent at mid level and will implement a Young Managers Programme in FY10.</p> <p>Training and Development will continue to be the main focus of HR.</p> <p>We will continue engaging our shareholders for overseas assignments.</p>
<p>We have Policies and Procedures to safeguard our employees and to promote responsible behaviour.</p>	<p>Sexual Harassment Policy</p> <p>We have in place a Sexual Harassment Policy, designed specifically for complaints related to sexual harassment. Supported by specific procedures, it ensures that complaints of this nature are dealt with promptly and in a transparent manner.</p>	<p>We are in the process of benchmarking the policy against that of our brand owners.</p>

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	<p>Employee Alcohol Policy</p> <p>Our Employee Alcohol Policy sets down guidelines for responsible drinking and deems what is acceptable behaviour among GAB employees. It outlines areas such as the responsible serving of alcohol and the prevention of inappropriate levels of alcohol consumption. It provides advice on drinking and driving, alcohol dependency and rehabilitation, and discrimination and harassment regarding alcohol abuse.</p>	<p>We are in the process of benchmarking the policy against that of our brand owners.</p>
<p>GAB is committed to raising awareness regarding responsible drinking and responsible serving amongst its stakeholders. GAB ensures that all its activities and communications meet legal requirements and do not encourage irresponsible drinking.</p>	<p>Responsible Drinking</p> <p>One of the components of the initiative is the DrinkiQ programme, a responsible drinking educational programme initiated by Diageo. Our Leadership Team has undergone DrinkiQ training and we have trained facilitators to roll this out to the rest of GAB.</p>	<p>We will be rolling out DrinkiQ to all GAB employees.</p>
<p>We are committed to good Occupational Safety & Health (OSH) practices.</p>	<p>We are guided by GAB's Safety, Health and Environment (SHE) Policy Statement. The SHE Policy Statement dictates that our people adopt the safest and healthiest conditions that are reasonably practicable in compliance with relevant statutory and Company requirements. The Policy applies to all production and non-production activities including the maintenance of plant equipment, the provision of training, the provision of adequate facilities and welfare arrangements, as well as the development of safety awareness programmes.</p> <p>Our procedures and processes are monitored, reviewed and audited regularly for continuous improvement by the SHE Committee which meets on a regular basis. The SHE Committee comprises representatives from GAB's Production, Engineering and Site Services departments and is chaired by our Supply Chain Director.</p>	<p>Our plan for safety behavior audit will be rolled out in October 2009.</p> <p>We are planning the introduction of Safety Tag & De-tagging system: Pilot area in October 2009, complete roll out in November 2009.</p> <p>Roll out plan for risk assessment throughout the whole brewery will happen in November 2009.</p>

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	<p>Accident Reduction</p> <p>We have proactive monitoring activities to enhance safety performance and reduce the number of work related accidents. We established a Safety Pillar via the TPM route to reduce the frequency of accidents. Safety Improvement Teams have been launched to improve conditions in such areas such as the loading bay, ammonia plant and pedestrian walk-way at the entrance.</p> <p>We also embarked on Near Misses & Incident Reporting last year which entails soliciting feedback from the shop floor staff and identifying unsafe working conditions or unsafe acts so that we can address and rectify these situations.</p> <p>A highly visible safety information board at the canteen area is helping promote awareness about OSH issues.</p> <p>On top of these safety efforts, GAB also has the following initiatives in place to reduce work-related accidents:</p> <ul style="list-style-type: none"> • First aid training and fire drill training are conducted on a bi-annual basis. • An emergency number that links directly to our security personnel is made available to all employees and they can call this immediately in the event of a general or personal emergency. • Protective equipment is provided where necessary to all employees; • Frequent safety briefings are held for contract workers whereby GAB's safety procedures are highlighted. • Annual inspections of our brewery are conducted by the local fire department to gauge our state of readiness in the event of a fire. We once again successfully obtained our certification from the local fire department for the year 2008. • Separate car park for visitors and operations personnel have been built to segregate traffic from our main corporate and technical buildings and improved traffic flow. • To further manage the flow of traffic around our facility and to reduce the accident rate, we are currently reconstructing the main entrance to GAB. 	<p>These teams will continue to be launched as and when high risk areas are identified.</p> <p>We are looking to further educate our staff about the value of providing feedback on working conditions so that safety issues can be better addressed.</p> <p>Several other initiatives to monitor working conditions and enhance the safety of our work areas are underway or in the pipeline. These include the roll out of a safety behaviour audit, the introduction of a safety tag and de-tagging system, plus the roll out of a risk assessment system throughout the whole brewery.</p>

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We aim to enhance employee satisfaction.	<ul style="list-style-type: none"> GAB's first ever Employee Satisfaction Survey was conducted in November 2007 by our HR Department with the findings and follow-through actions highlighted through our internal newsletter. The survey's top line results revealed that most employees were satisfied working at GAB (15% of employees were very satisfied working at GAB and 49% were more than satisfied). We also participated in Diageo's Annual Values Survey in FY08. The results indicated that a majority of our employees had strong belief in GAB and in its goals and objectives and would recommend GAB as a good place to work. 	We conducted a Diageo Values Survey in FY09 and the results are still being compiled. It will be shared with employees in due course.

Our Commitment to Good Environmental Performance

OUR GOALS	PROGRESS MADE	MOVING FORWARD
GAB is committed to improving our environmental performance through the implementation of sound environmental practices.	<p>Thermal Energy Conservation In FY09, our specific thermal consumption was reduced by about 5.6% in comparison to the previous year. In terms of energy conservation, GAB managed to reduce the evaporation rate at the brew house by some 6 MJ/hl. Moreover, a TPM team launched to increase the Chemical Oxygen Demand (COD) loading at the waste water treatment plant contributed towards increased biogas generation.</p> <p>Emissions Reduction Due to the proactive steps we took to switch to natural gas, our fossil CO₂, NO_x and SO_x emissions fell by 3%, 3% and 6% respectively in FY09 in comparison to the previous year.</p> <p>Lower Electricity Consumption In the year under review, specific electricity consumption at the brewery decreased slightly by 0.6%.</p> <p>Lower Water Consumption In FY09, we undertook various initiatives to reduce water consumption which resulted in a 5.8% reduction in water consumption against the preceding year.</p>	<p>Our targets for FY10:</p> <ul style="list-style-type: none"> Thermal Energy: To reduce by a further 4.2% Electricity Consumption: To reduce by 3.5% Water Consumption: To reduce by 2.8%