Regarding open letter of November 17, 2016.

Dear Erling Frederiksen and Christopher Then,

Thank you for your letter. We appreciate the opportunity to clarify the situation regarding the three patents and our scientific methods.

First and foremost, the principal task of both Carlsberg Research Laboratory and Heineken Supply Chain is to develop as complete a scientific basis as possible for malting, brewing and fermenting operations. This is to ensure we can keep developing and improving the centuries-old tradition of brewing and bring the best tasting beers to our consumers. The patent applications confirm our commitment to do exactly that.

The barley raw materials developed by Carlsberg Research Laboratory and Heineken Supply Chain are patentable because of the techniques used in the process. They are not a patent on a discovery of a specific type of barley, and the amount of barely currently grown under the patents is too small to have any influence on the EU barley market. Rather, they allow us to remove off-flavours and use more energy efficient brewing techniques.

We consider intellectual property rights a fundamental precondition for growth and innovation. This is why we make investments in the area and collaborate with multiple partners and experts. In our industry, patents can ensure continuous development of new sustainable brewing technological processes, which benefit both the consumer and the environment. We do not engage in patent activities with the sole purpose of blocking the freedom-to-operate of third parties but rather to ensure legal possibilities and enable a return on investment when making these barleys available to third parties.

We agree that brewing is an old and historical tradition. In the case at hand, interdisciplinary teams, with complementary skills, worked at Carlsberg Research Laboratory and Heineken Supply Chain to further develop and improve the barley raw materials in order to perfect the art of brewing including more sustainable and energy-saving methods. We will continue to do so and we value your support.

Sincerely,

Ole Olsen Albert Doderer

Director, Raw Materials Principle Scientist

Carlsberg Research Laboratory Heineken Supply Chain