

## **INTRODUCTION**

The Board of Directors (the “Board”) of Molson Coors Brewing Company (the “Company”) has developed and adopted this set of corporate governance principles and guidelines (the “Guidelines”) to promote the functioning of the Board and its committees and to set forth a common set of expectations as to how the Board should perform its functions. These Guidelines have been adopted in compliance with standards established by the New York Stock Exchange, Inc. (“NYSE”). For purposes of NYSE rules, the Company is a “controlled” company and is exempt from certain NYSE requirements.

## **ROLES, RESPONSIBILITIES AND DUTIES OF THE BOARD**

The Board is elected by the Company’s stockholders to supervise the management of the business and affairs of the Company. In accordance with Delaware law, the role of the directors is to exercise their business judgment in the best interests of the Company. As the Board does not have a Corporate Governance Committee, the Board oversees the corporate governance of the Company.

The Board’s responsibilities and duties shall, in addition to its statutory responsibilities, include the following:

1. adopting a strategic planning process and approving, at least on an annual basis, a strategic financial and corporate plan for the Company which takes into account, among other things, the opportunities and risks of the Company’s business;
2. identifying the principal risks of the Company’s business and ensuring the implementation of appropriate systems to manage these risks;
3. developing and reviewing periodically the Company’s approach to corporate governance, including developing a set of corporate governance guidelines;
4. evaluating the performance of the Company and that of its executive officers;
5. ensuring that directors are provided with adequate education and orientation programs or materials;
6. establishing and monitoring a Code of Business Conduct (the “Code”); and
7. adopting procedures ensuring that the Board and its committees function independently from executive officers.

## **BOARD COMPOSITION**

Pursuant to the Restated Certificate of Incorporation of the Company (as amended from time to time, the “Certificate”) and in accordance with the Nominating Committee Charter, the Nominating Committee and the subcommittees of the Nominating Committee have the power to nominate persons to stand for election as directors by the holders of the Class A Common Stock and of the Special Class A Voting Stock. As further described in the Certificate, a majority of the directors nominated by each of the subcommittee of the Nominating Subcommittee, must be “independent” as defined in the Certificate.

In accordance with its charter, the Nominating Committee is responsible for making recommendations to the Board of persons to stand for election by the holders of the Class B Common Stock and of the Special Class B Voting Stock (the “Class B Holders”), provided, however, that pursuant to the Certificate, the Board retains the power to nominate such persons for election by the Class B Holders, all of whom must be “independent”, as defined in the Certificate.

The Certificate provides that the number of directors shall be determined exclusively by resolution of two-thirds of the authorized number of directors of the Board.

The composition of the Board should balance the following goals:

1. The size of the Board should facilitate substantive discussions by the whole Board in which each director can participate meaningfully; and
2. The composition of the Board should encompass a broad range of skills, expertise, industry knowledge, diversity as described in the director criteria set forth below, and contacts relevant to the Company’s business.

A majority of the directors are and will continue to be “independent” directors under the Certificate and applicable rules of the NYSE.

**SELECTION OF CHAIRMAN AND VICE CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER**

The Chairman and Vice Chairman of the Company are selected in the manner provided by the Company’s Third Amended and Restated Bylaws (as amended from time to time, the “Bylaws”). The Nominating Committee shall identify and recommend to the full Board candidates for Chief Executive Officer of the Company and the Board shall select the Company’s Chief Executive Officer in the manner it considers in the best interests of the Company.

**DIRECTORS**

**Criteria.** Qualifications for new nominees for the position of director shall be based upon criteria that reflect the best interests of the Company and the Company’s public and corporate responsibilities. The Nominating Committee, in consultation with the Board, will periodically review the criteria for the selection of directors to be adopted by the Nominating Committee and the Board.

Such criteria currently include, but are not limited to, the following:

Diversity of opinion, personal and professional background and experience, as well as gender, race or ethnicity, nationality or country of origin diversity; personal qualities and characteristics, accomplishments and reputation in the business community; current knowledge and contacts in the communities in which the Company does business and in the Company’s industry or other industries relevant to the Company’s business; ability and willingness to commit adequate time to Board and committee matters; skills, personality and compatibility with other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of the Company; and skills and experience that corresponds with the perceived needs of both the Company, the Board and its respective committees at the time.

The Board is committed to actively seeking diverse director candidates, including those with diversity of gender, race or ethnicity, for the pool from which director nominees are chosen. In furtherance thereof, the Nominating Committee shall instruct any search firm requested to furnish a list of prospective director candidates to identify director candidates who would, in addition to bringing skills and experience to the Board, also add to gender, racial or ethnic diversity on the Board.

The Board and its Nominating Committee will consider and evaluate a director candidate recommended by a stockholder in the same manner as candidates identified by other sources.

**Orientation and Continuing Education.** New directors will participate in an orientation process, including background material on the Company, its business plans and its enterprise risk profile, and meetings with senior management. In addition, directors are provided with access to continuing education programs or materials.

### **ELECTION TERM**

Directors are elected annually for one-year terms.

### **CHANGE IN RESPONSIBILITY**

A director who undergoes a substantial change in their primary job responsibilities from those held when elected to the Board is required to tender his or her resignation from the Board in accordance with the Company's resignation policies. It is the sense of the Board that the Board should have the opportunity to review the new circumstances and make the appropriate determination for continued membership in light of these circumstances. The foregoing restrictions shall not apply to any non-independent Class A director.

### **RETIREMENT AGE**

No person is eligible for nomination for election to the Board if such has reached age 70 by the calendar year-end immediately preceding the Company's next Annual Meeting of Stockholders, unless the Board approves an exception to this guideline on a case-by-case basis. The foregoing restrictions shall not apply to any non-independent Class A director.

### **BOARD MEETINGS**

The Board shall hold regular meetings at least four times annually. The meetings will usually consist of committee meetings and the Board meeting. The Board and committees shall hold such other meetings as they deem necessary to fully execute their fiduciary and oversight responsibilities. Any action of the Board or of a committee may be taken by unanimous consent, in lieu of a meeting.

The agenda for each Board meeting will be prepared by the Company's Secretary under the direction of the Chairman and the independent member of the Nominating Committee. The agenda for any executive sessions of the independent directors will be prepared by the Company's Secretary under the direction of the independent member of the Nominating Committee. Management will seek to provide to all directors an agenda and appropriate materials in advance of meetings, although the Board recognizes that this will not always be consistent with



the timing of transactions and the operations of the business and that in certain cases it may not be possible.

Materials presented to the Board or its committees should be as concise as possible, while providing sufficient information for the directors to make an informed judgment.

**NON-MANAGEMENT DIRECTORS**

Non-Management directors (as determined in a manner consistent with the rules of the NYSE) will meet regularly in executive sessions without members of management present. The independent member of the Nominating Committee will regularly convene executive sessions of the independent directors without non-independent directors or members of management present (“Independent Director executive sessions”) and report to the Board, the Chairman or management, as appropriate, any issues, requests or concerns identified during any Independent Director executive sessions. Such executive sessions shall not be considered meetings of the Board or any committee thereof, and no official business shall be conducted. The Company’s Secretary shall be available as necessary to assist with any such Independent Director executive sessions. In addition, members of management shall be available as requested to attend portions of Independent Director executive sessions.

**THE COMMITTEES OF THE BOARD**

The Nominating Committee, the Class A-C Nominating Subcommittee and the Class A-M Nominating Subcommittee are committees created by the Company’s Certificate.

The Company shall have an Audit Committee and a Compensation and Human Resources Committee, which shall be standing committees of the Board. The Board may, in its discretion, authorize additional committees from time to time, such as a Finance Committee.

Each committee must have a written charter which is approved by the Board setting forth its authority and satisfying the applicable rules of the NYSE. The Board shall appoint the members and designate the chair of all committees, other than the Nominating Committee.

The Compensation and Human Resources Committee shall be composed of directors determined by the Board to be “independent” under the applicable rules of the NYSE. The Audit Committee shall be composed of directors determined by the Board to be “independent” under the requirements of the Sarbanes-Oxley Act of 2002 and the applicable rules of the NYSE.

Required qualifications for members of each committee shall be set out in the respective committees’ charters. Directors may serve on multiple committees for which they are qualified.

Membership on the committees, other than the Nominating Committee, is reviewed each year by the Board. It is the objective of the Board to rotate the chairman on each of the Audit Committee, the Compensation and Human Resources Committee and the Finance Committee on a regular basis.

**MANAGEMENT SUCCESSION**



The Board shall perform succession planning for executive officer positions. In accordance with the Nominating Committee’s charter, the Nominating Committee shall identify and recommend to the full Board candidates for the Chief Executive Officer of the Company.

**EXECUTIVE COMPENSATION**

**Evaluating and Approving Salary for the Chief Executive Officer.** The Compensation and Human Resources Committee reviews and approves corporate goals and objectives relevant to the compensation of the Chief Executive Officer, taking into account input from all members of the Board and, recommends to the full Board the annual assessment of the Chief Executive Officer’s performance and the compensation of the Chief Executive Officer.

**Evaluating and Approving the Compensation of Management.** The Compensation and Human Resources Committee sets the compensation of the executive officers (defined pursuant to Section 16 of the Securities Exchange Act of 1934 and the rules promulgated thereunder), of the Company, except for the Chief Executive Officer as provided in the paragraph above. The Compensation and Human Resources Committee also evaluates and recommends to the Board adoption, termination or modifications to the Company’s compensation and benefit plans, incentive or special compensation or equity-based plans or programs for officers and employees.

**BOARD COMPENSATION AND STOCK OWNERSHIP GUIDELINES**

The Compensation and Human Resources Committee recommends to the Board the compensation of directors and for the Chairman and Vice Chairman of the Board.

The Board has adopted stock ownership guidelines applicable to Board members. Under these guidelines, non-employee Board members are required to own, within five years of joining the Board, shares of the Company’s stock with a market value equal to at least five times the annual retainer paid to the directors.

**EXPECTATIONS OF DIRECTORS**

The business and affairs of the Company shall be overseen by or under the direction of the Board in accordance with Delaware law. In performing their duties, the primary responsibility of the directors is to exercise their business judgment in the best interests of the Company.

**Commitment and Attendance.** Directors should make every effort to attend meetings of the Board and meetings of committees of which they are members. Members may attend by any method permitted by law.

**Participation in Meetings.** Directors should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Upon request, management will make appropriate personnel available to answer any questions a director may have about any aspect of the Company’s business. Directors should also review the materials provided by management and the Company’s advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.

**Loyalty and Ethics.** In their roles as directors, all directors owe a duty of loyalty to the Company. This duty of loyalty mandates that the best interests of the Company take precedence over any interests possessed by a director.

The Company has adopted the Code, including a compliance program to enforce the Code. Certain portions of the Code deal with activities of directors, particularly with respect to transactions in the securities of the Company, potential conflicts of interest, the taking of corporate opportunities for personal use, and competing with the Company. Directors should be familiar with the Code's provisions in these areas and should consult with the Company's Chief Legal & Corporate Affairs Officer, its Deputy Chief Legal Officer or its Vice President, Ethics and Compliance in the event of any potential issues. All directors and employees are required to affirm the Code on a periodic basis.

**Other Directorships.** The Company values the experience directors bring from other boards on which they serve, but recognizes that those boards may also present demands on a director's time and availability and may present conflicts or legal issues. Directors should advise the Chairman, the Chief Executive Officer and the Chief Legal & Corporate Affairs Officer or the Deputy Chief Legal Officer in writing before accepting membership on other boards of directors, or other significant commitments involving affiliation with other businesses or governmental units. The Nominating Committee will consider the number of other boards on which a director serves during the nominating process.

**Contact with Management.** All directors are invited to contact the Chief Executive Officer at any time to discuss any aspect of the Company's business. Directors also have complete access to other members of management. The Board expects that there will be frequent opportunities for directors to meet with the Chief Executive Officer and other members of management, at Board and committee meetings and in other formal or informal settings.

Further, the Board encourages management to, from time to time, bring other company employees into Board and Committee meetings who: (a) can provide additional insight into the items being discussed because of personal involvement and substantial knowledge in those areas; and/or (b) have future potential such that the senior management believes they should be given exposure to the Board.

**Contact with Other Constituencies.** It is important that the Company speak to employees and outside constituencies with a single voice and that the Chief Executive Officer and senior management serve as the primary spokespersons.

**Confidentiality.** The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

## **EVALUATING BOARD PERFORMANCE**

The Board should conduct a self-evaluation at least annually to determine whether it is functioning effectively. The Board should periodically consider the mix of skills and experience that directors bring to the Board to assess whether the Board has the necessary tools to perform its oversight function effectively. The Nominating Committee is authorized to provide oversight to the self-evaluation process.

Each committee of the Board should conduct a self-evaluation at least annually and report the results to the Board. Each committee's self-evaluation must compare the performance of the committee with the requirements of its written charter.

**RELIANCE ON MANAGEMENT AND OUTSIDE ADVICE**

In performing its functions, the Board, and each committee thereof, is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors. The Board shall have the authority to retain and approve the fees and retention terms of its outside advisors.