RAISING THE BAR ON BEER
OUR CONTRIBUTION to the SDGs

THE UNITED NATIONS (UN) LAUNCHED A SET OF 17 SUSTAINABLE DEVELOPMENT GOALS (SDGS) IN 2015. THESE GOALS OUTLINE THE ACTIONS REQUIRED BY SOCIETY TO TACKLE POVERTY, INEQUALITY AND CLIMATE CHANGE, AMONG OTHER ISSUES, BY 2030. AS ONE OF THE WORLD’S LARGEST BREWERS, WE HAVE A RESPONSIBILITY TO TAKE ACTION TO HELP BUILD A MORE SUSTAINABLE FUTURE FOR ALL.

To contribute toward these Sustainable Development Goals, we developed Our Beer Print strategy, which lays out the social and environmental goals we hope to achieve by 2025. These goals focus on three areas – Responsibly Refreshing, Sustainably Brewing and Collectively Crafted – and provide us with a framework to support the SDGs.

See Our Beer Print Report 2019 to find out more about the three pillars of Our Beer Print strategy, 2025 goals and details of our progress.

Given the nature and scope of our business and the far-reaching extent of our entire value chain, we believe that we can make the biggest contribution to nine of the 17 SDGs:

1. **Goal 17:** Partnership for the goals: Strengthen the means of implementation and revitalize the global partnership for sustainable development

2. **Goal 3:** Good health and well-being: Ensure healthy lives and promote well-being for all at all ages

3. **Goal 6:** Clean water and sanitation: Ensure availability and sustainable management of water and sanitation for all

4. **Goal 7:** Affordable and clean energy: Ensure access to affordable, reliable, sustainable and modern energy for all

5. **Goal 5:** Gender equality: Achieve gender equality and empower all women and girls

6. **Goal 8:** Decent work and economic growth: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

7. **Goal 2:** Zero hunger: End hunger, achieve food security and improved nutrition and promote sustainable agriculture

8. **Goal 12:** Responsible consumption and production: Ensure sustainable consumption and production patterns

9. **Goal 13:** Climate action: Take urgent action to combat climate change and its impacts

10. **Goal 1:** No poverty: End poverty in all its forms everywhere

11. **Goal 4:** Quality education: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

12. **Goal 9:** Industry, innovation and infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

13. **Goal 11:** Sustainable cities and communities: Make cities and human settlements inclusive, safe, resilient and sustainable

14. **Goal 14:** Life below water: Conserve and sustainably use the oceans, seas and marine resources for sustainable development

15. **Goal 15:** Life on land: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

16. **Goal 16:** Peace and justice and strong institutions: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

17. **Goal 10:** Reduced inequality: Reduce inequality within and among countries

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Zero Hunger

End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Ensuring that our barley farmers grow their crops in a way that safeguards against the impacts of a changing climate is critical to maintaining a sustainable beer supply chain. Molson Coors works with grain suppliers to develop sustainable farming practices, offering programs and incentives to encourage implementation of these practices.

What we’re doing

Over $20 million invested

in the past 10 years in barley variety research, sustainability incentives and research partnerships to help farmers mitigate the impacts of climate change and grow a more successful crop.

99% of global barley growers and 24% of hops growers

have committed to grow, produce and deliver in a manner that recognizes and embraces Molson Coors sustainability standards.

800+ US barley farmers

reported information on their sustainability initiatives through the Grower Direct Portal in 2018.

149 barley farmers

in the UK Molson Coors Growers Group participate in the Red Tractor certification standard.

26% increase in water usage in our barley and malting operations

due to weather-related impacts on yield since 2016.

Up to 33% yield improvement

in the new variety of more drought-resistant malt barley (BC100) compared to our previous variety in Montana.

Our 2025 commitments

With a changing climate, safeguarding crops against extreme weather is crucial. We have made the following commitments to support our suppliers in developing sustainable farming methods.

• 100% of barley and hops sourced from sustainable suppliers in key growing regions.

• Improve water-use efficiency of our agricultural supply chain and malting operations by 10%.

Target 2.4

By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

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**Good Health and Well-Being**

ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

**OUR 2025 COMMITMENTS**

We recognize the responsibility we have as an alcohol producer to reduce harmful drinking globally and we are committed to promoting this in the following ways:

- Prevention of alcohol-related harm in all our countries where we have brewing or selling operations
- Partner with other global alcohol producers to achieve 10% reduction globally in harmful alcohol use
- Responsible marketing and advertising of all our products
- Low- and no-alcohol choices in all our countries where we have brewing or selling operations
- Deliver nutritional information, alcohol serving facts and ingredients for all our products in countries where we have brewing or selling operations

**WHAT WE’RE DOING**

71% of our countries have impactful programs to prevent alcohol-related harm

13 countries offer low- and no-alcohol beverage options

60% compliance with 2018 Digital Guiding Principles audit, which aims to strengthen and expand marketing codes of practice in digital spaces

100% of employees must review and comply with our Alcohol Responsibility Policy at the start of their employment

Partnered with 10 global alcohol producers in the International Alliance of Responsible Drinking (IARD) to prevent alcohol misuse and reduce harmful drinking

80% of commercial employees received training on the Commercial Responsibility Policy in 2017

**RELEVANT TARGETS**

**Target 3.4**
By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

**Target 3.5**
Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol.

**Target 3.6**
By 2020, halve the number of global deaths and injuries from road traffic accidents.

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1. Where we have large breweries or significant selling operations.
2. India is the only MCI market included in the goal; it did not activate a program in 2018.
3. MCI currently developing strategy and is not included in the goal.
Gender Equality

ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

WE BELIEVE THAT EQUAL GENDER REPRESENTATION AT EVERY LEVEL OF OUR COMPANY IS CRITICAL TO GROWTH. HAVING WOMEN AND OTHER DIVERSE VOICES AT OUR DECISION-MAKING TABLE HELPS US TO STRENGTHEN THE CONNECTIONS WE HAVE WITH OUR CONSUMERS AND CUSTOMERS AND CREATES AN INCLUSIVE WORK ENVIRONMENT WHERE OUR EMPLOYEES CAN DO THEIR BEST WORK.

WHAT WE’RE DOING

<1% pure mean pay gap in the UK and Ireland, with the proportion of male and female employees receiving bonuses being identical

50% female hires or more for our 2018 summer sales program in Canada for the third year running

18% of top management positions filled by women, including two chief officers in 2018

33% of management roles filled by women in 2018

54 women participated in the Women in Beer leadership development program in the US

OUR 2025 COMMITMENTS

More diverse workforces perform better. This is why we have made the following commitments to encourage diversity and inclusion within our operations, including ensuring female representation at all levels.

• Promote supplier diversity across the business
• Recognition on the Great Place to Work® (GPTW) Index
• Provide a workplace where all employees are treated with respect, differences are valued and the inclusion of women is championed at all levels of the company

RELEVANT TARGETS

Target 5.1
End all forms of discrimination against all women and girls everywhere.

Target 5.5
Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
Clean Water and Sanitation

ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL

CLEAN WATER IS A KEY INGREDIENT TO MAKING GREAT BEER. TO CONSERVE THIS PRECIOUS RESOURCE, WE’VE SET AMBITIOUS TARGETS TO IMPROVE WATER EFFICIENCY IN OUR BREWERIES.⁴ WE ARE ALSO PARTNERING WITH OTHERS IN STEWARDSHIP EFFORTS TO PROTECT THE QUALITY, QUANTITY AND ACCESS OF AT-RISK WATERSHEDS WHERE OUR BREWERIES AND KEY BARLEY-GROWING AREAS ARE LOCATED.

WHAT WE’RE DOING

4.5% reduction in brewery⁴ water use in 2018 to achieve a water-to-beer ratio of 3.52 hl/hl

28 large breweries have undergone Watershed Risk Assessments and those that were identified as at-risk have had Water Risk Initiatives put in place

3 at-risk brewery watersheds implement active water stewardship programs

Over $1 million invested in protecting at-risk brewery watersheds in the US since 2014

13 anaerobic digesters to treat wastewater before it is discharged from our breweries

1,537 million gallons of water restored in our at-risk US brewery watersheds since 2014

RELEVANT TARGETS

Target 6.3
By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.

Target 6.4
By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

Target 6.6
By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.

Target 6.8
Support and strengthen the participation of local communities in improving water and sanitation management.

OUR 2025 COMMITMENTS

Water is a crucial element of our production, which is why we have made the following commitments to be responsible stewards of this vital resource:

- Improve water-use efficiency by 22% in our large breweries to achieve a 2.8 hl/hl water-to-beer ratio
- Protect local water resources in partnership with others
- Improve water-use efficiency of our agricultural supply chain and malting operations by 10%

⁴ There are 24 large breweries within the scope of our 2025 water goal.
Affordable and Clean Energy
ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL

To lead efforts in tackling climate change, we are committed to measuring, managing and reducing our greenhouse gas (GHG) emissions across our operations and value chain. To achieve this, we’re increasing energy efficiency and expanding our use of clean, renewable energy sources wherever we can.

WHAT WE’RE DOING

3.7% reduction in direct energy use since 2016
16% reduction in absolute direct operational emissions
11.8% reduction in absolute value chain emissions

Largest solar array
of any US brewery located at our Irwindale, California Brewery

8 breweries with biogas recovery systems generating process heat that is captured and used in our operations

CDP recognition as a Supplier Engagement Leader – among the 3% awarded a place on the leader board in 2018

Our 2025 Commitments

We’re making strides across our value chain to conserve energy and reduce our GHG emissions through ambitious 2025 commitments.

• Reduce carbon emissions across our operations by 50%, and throughout our value chain by 20%
• Align our carbon reduction goals with the established standards for science-based targets verified by the Science Based Targets initiative (SBTi)
• Achieve 100% renewable energy use
• Reduce packaging emissions by 26% based on a 2016 baseline

Target 7.2
By 2030, increase substantially the share of renewable energy in the global energy mix.

Target 7.3
By 2030, double the global rate of improvement in energy efficiency.

Relevant Targets
Decent Work and Economic Growth

PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

WE’RE AN EMPLOYER OF APPROXIMATELY 17,200 PEOPLE FULL-TIME ACROSS OUR OPERATIONS AND RELY ON MANY MORE WORKERS IN OUR SUPPLY CHAIN. THROUGHOUT OUR COMPANY, WE ENSURE THAT OUR PEOPLE HAVE THE SPACE, RESOURCES AND SUPPORT TO BE THEIR BEST. AFTER ALL, TEAMS THAT ARE HIGHLY ENGAGED PERFORM AT THEIR BEST.

WHAT WE’RE DOING

OUR 2025 COMMITMENTS

Our people are what help us continually raise the bar. We are committed to providing a workplace culture that embraces employee well-being and to ensure that our people feel empowered to do their best work.

- Greater health and safety in the workplace with 40% reduction in Lost Time Accident (LTA) rate
- $100 million investment aiming to improve livelihoods, foster empowerment and build resilient communities
- Ethical and sustainable supply chain practices

<1% pure mean gender pay gap
in our employees in the UK and Ireland

17% reduction
in Lost Time Rate from a 2016 baseline figure

100% alignment
with the Modern Slavery Act in the UK and Ireland

$1.5 billion
in minority- and women-owned business enterprises spending since 2016

RELEVANT TARGETS

Target 8.5
By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Target 8.7
Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.

Target 8.8
Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
Responsible Consumption and Production
ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

OUR BELIEF IN DOING MORE WITH LESS ACROSS OUR OPERATIONS IS EMBEDDED IN OUR COMPANY. TO PROMOTE A CIRCULAR ECONOMY, WE WILL CONTINUE TO CHALLENGE OURSELVES TO ACHIEVE ZERO WASTE TO LANDFILL WITHIN OUR OWN MAJOR BREWING AND MANUFACTURING FACILITIES AND PROVIDE OUR CONSUMERS WITH INNOVATIVE PACKAGING SOLUTIONS THAT ARE REUSABLE, RECYCLABLE, COMPOSTABLE OR BIODEGRADABLE.

WHAT WE’RE DOING

OUR 2025 COMMITMENTS

Reducing the amount of waste we produce is key to reducing the pressure we put on resources. The following commitments demonstrate our work toward diverting waste from landfill and making our packaging more environmentally friendly:

• Improve water-use efficiency by 22% in our large breweries5 to achieve a 2.8 hl/hl water-to-beer ratio
• Protect local water resources in partnership with others
• Reduce carbon emissions across our operations by 50%, and throughout our value chain by 20%
• Achieve and sustain zero waste to landfill at all our brewing and major manufacturing facilities6
• Improve water-use efficiency of our agricultural supply chain and malting operations by 10%
• 100% of barley and hops sourced from sustainable suppliers in key growing regions

17 facilities
out of our 28 major manufacturing and brewing facilities5 send zero waste to landfill

72,277 tonnes
of waste recycled by Molson Coors operations in 2018

250 tonnes
of waste paper labels recycled at our Smichov facility in the Czech Republic each year

3 new packaging goals
released in 2019 to promote a circular economy

98% of current packaging materials
are recyclable

1,200,000+
tonnes
of spent grain and yeast sent to farmers and other businesses for beneficial reuse

SUSTAINABLE DEVELOPMENT GOALS IMPACT REPORT 2019

RELEVANT TARGETS

Target 12.2
By 2030, achieve the sustainable management and efficient use of natural resources.

Target 12.5
By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

5. There are 24 large breweries within the scope of our 2025 water goal.
6. Those with 75 or more employees.
Climate Action

TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

WE BELIEVE OUR INDUSTRY SHOULD TAKE THE LEAD IN THE FIGHT AGAINST CLIMATE CHANGE. SO WE’RE TAKING BOLD ACTION TO MAKE MEASURABLE DIFFERENCE BY ALIGNING OUR EMISSION REDUCTION GOALS WITH THE PARIS CLIMATE AGREEMENT. WITH THESE STEPS, WE’RE MAKING THE CHANGES THAT WILL MITIGATE CLIMATE-RELATED RISKS AND WILL KEEP US BREWING FOR YEARS TO COME.

16% reduction
in absolute carbon emissions in our direct operations, and 11.8% reduction in our value chain

28 large breweries
have undergone Watershed Risk Assessments and those that were identified as high risk have had Water Risk Initiatives put in place

Approximately 1,500 million gallons
of water restored at our at-risk brewery watersheds in the US since 2014

Over $1 million
invested in protecting at-risk brewery watersheds in the US since 2016

99% of global barley and 24% of hops growers
committed to grow, produce and deliver according to Molson Coors sustainability standards

1 of ~230 companies
approved by the Science Based Targets initiative as having emission reduction targets in line with the Paris Climate Agreement

OUR 2025 COMMITMENTS

We understand climate-related risks could impact our business in a number of ways. The commitments below show how we are stepping up on climate action and building in resiliency across our value chain.

• Reduce carbon emissions across our operations by 50%, and throughout our value chain by 20%
• Protect local water resources in partnership with others
• Improve water-use efficiency of our agricultural supply chain and malting operations by 10%

RELEVANT TARGETS

Target 13.1
Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

Target 13.3
Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.
Partnerships for the Goals
STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALIZE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

SUSTAINABLE DEVELOPMENT ISN’T AN INDIVIDUAL PROCESS – IT REQUIRES COLLABORATION WITH A WIDE RANGE OF PARTNERS TO ACHIEVE EFFECTIVE AND LONG-LASTING PROGRESS FOR THE SDGS. WE LOOK FOR OPPORTUNITIES TO WORK WITH OTHERS – FROM OUR SUPPLIERS TO ORGANIZATIONS IN OUR INDUSTRY – TO COLLECTIVELY REDUCE OUR IMPACT AND ACHIEVE A BETTER AND MORE SUSTAINABLE FUTURE FOR ALL.

WHAT WE’RE DOING

$32.7 million invested in local nonprofit partnerships
that improve livelihoods, foster empowerment and build resilient communities since 2016

100+ partnerships with NGOs and nonprofits globally across markets where we have large breweries or significant selling operations

Forum hosted on advancing the SDGs by the World Brewing Alliance (WBA) for UN Climate Week in September 2018

Collaboration to solve environmental issues including being a signatory of the UN Global Compact and the CEO Water Mandate, and a partner with the Beverage Industry Environmental Roundtable (BIER) and the Ellen MacArthur Foundation, among others.

OUR 2025 COMMITMENTS

Partnering with others makes our business stronger. Here is how we’re collaborating with organizations to address the SDGs.

- Partner with other global alcohol producers to achieve a 10% reduction globally in harmful alcohol use
- Protect local water resources in partnership with others
- 100% of barley and hops sourced from sustainable suppliers in key growing regions
- Improve water-use efficiency of our agricultural supply chain and malting operations by 10%
- Participate in collaborative action toward packaging solutions in priority markets
- Reduce carbon emissions across our operations by 50%, and throughout our value chain by 20%

RELEVANT TARGETS

Target 17.16
Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries.

Target 17.17
Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.