



**MOLSON
COORS** beverage
company



OUR IMPRINT

OUR IMPRINT
REPORT 2020

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About This Report

Welcome to the Molson Coors Our Imprint Report 2020. This report contains updates on Our Imprint 2025 goals, including key stories and relevant highlights of our performance against our sustainability focus areas.

Following the initiation of a revitalization plan in the fourth quarter of 2019, in January 2020 the newly named Molson Coors Beverage Company restructured to comprise two operating business units: North America and Europe. The Africa and Asia Pacific businesses report into the European business unit and the remaining international business is rolling into the North America business unit.

This report covers our progress in the fiscal year from January 1 to December 31, 2019, with additional information on activities after the fiscal year-end where appropriate. The reporting scope, including all data and metrics, covers Molson Coors Beverage Company's direct operations where we have operational control, unless otherwise stated.

We have continued our commitment to report against international frameworks, such as the Global Reporting Initiative (GRI) Standards, the Ten Principles of the UN Global Compact (UNGC), the Sustainability Accounting Standards Board (SASB) and alignment with the United Nations (UN) Sustainable Development Goals (SDGs).

Full details of our 2019 performance, aligned to these global frameworks, are available in our [Environmental, Social and Governance \(ESG\) Report](#) and our [SDGs Impact Report](#).

Our reporting, which includes our ESG Report and SDG Report, has been prepared in reference to the GRI Standards. Assurance of the environmental data contained within this report in the fourth quarter has been carried out by Corporate Citizenship in accordance with ISAE 3000.

For questions, contact us at corporate.responsibility@molsoncoors.com.

Introducing the new Molson Coors Beverage Company

by **Gavin Hattersley, CEO**



This past year has been a time of tremendous change and challenge for our organization. We came into 2020 invigorated by a renewed commitment to strengthen our culture by putting our people first, complete with a new company name that unified our employees and signified one future together. The name points to our way forward, fueled by groundbreaking brand campaigns, a commitment to expand beyond beer and our most robust innovation pipeline ever. Then we experienced the unimaginable. First, we were struck by the tragic loss of six members of our Milwaukee Brewery family in February. As we mourned these friends and teammates, the world was hit by the coronavirus pandemic creating a new wave of stress and uncertainty. Most recently, we're grappling with disturbing events of racism and harassment and senseless deaths in the US. We've been through a lot as an

organization. With all we've endured over the past three months, I am exceptionally proud of how our people have come together to support one another, and our communities, throughout these difficult times.

We are driven by our purpose of uniting people to celebrate all of life's moments and our ambition to be the first choice for our people, our consumers and our customers. However, our commitment to people starts with the employees who are the heart and soul of our company, and the five values we aspire to live by: Put People First, Be Bold and Decisive, Take Accountability, Learn Every Day and Celebrate Together.

As we work to strengthen our culture and live up to our values, we remain deeply committed to diversity and inclusion within our company and in our communities. Internally, we are working to build an inclusive culture where every one of our employees feels encouraged and supported to bring their whole selves to their job each day. We recognize that we still have a lot of work to do, but I'm proud of the steps we're taking to ensure equality, empowerment, justice and inclusion are the foundation of all our future actions.

Of course, that doesn't mean our efforts stop there. As an industry, we have a responsibility to tackle the issue of alcohol abuse and we continue to promote the responsible enjoyment of our beverages. Internally, and in collaboration with other members

of the International Alliance for Responsible Drinking (IARD), we've increased our focus on reducing global underage drinking and accelerating work in the digital space to restrict access to underage audiences. We're also growing our portfolio of low- and no-alcoholic choices as we continue to expand beyond the beer aisle, offering our consumers more moderate options.

As one of the world's largest brewers, we take our role in helping to address global sustainability challenges seriously. We're working toward building a more sustainable future for all, aiming to reduce our emissions, develop a circular economy for materials and protect and preserve the water sources in all our markets.

We are a company with a long history of brewing. We're proud of our rich heritage and the iconic brands that we've built over the past 250 years and recognize where we must continue to grow. As we enter this chapter as the Molson Coors Beverage Company, I look forward to building on our new values to strengthen our culture, uniting our people to leave a positive imprint on all of the communities where we live, make and sell our products.

Gavin Hattersley, CEO

ABOUT MOLSON COORS BEVERAGE COMPANY

Brewing Beer and Beyond

With a story that stretches back 250 years, we've spent centuries perfecting our techniques and brewing beers that stand the test of time. When we became the Molson Coors Beverage Company in early 2020, it marked the beginning of a new chapter for our organization. Our new name upholds a rich legacy while pointing the way forward. It speaks volumes about who we are and what is possible for our business. Along with our name, we have launched a new sustainability tagline – Our Imprint: For a Better Tomorrow. It reiterates our commitment to do what is right for people and the planet. Our 2025 goals have not changed with the new name. We remain committed to our strategy, and doing what is right for people and the planet.

WE ARE CONNECTED

We have a presence in communities throughout the world. Our engagement goes far beyond our direct operations, starting with our growers and traveling across our value chain to our suppliers, distributors and retailers. We work with key players in the Molson Coors value chain to bring us closer to Our Imprint 2025 goals, while promoting a sustainable future for our stakeholders.

KEY

- Regional HQ
- Large Breweries
- Other Brewing Operations





BUILDING A BUSINESS WITH A POSITIVE IMPRINT

We believe that almost everything we do leaves an imprint on our business, on our communities and on our environment. For Molson Coors, it's Our Imprint, and we're making sure the impact we have is a positive one.

In 2017, we set ambitious 2025 sustainability goals, based on a robust sustainability materiality assessment. Our targets, which we aligned with the SDGs, developed by the United Nations, are designed to guide our efforts toward more focused actions throughout our operations. The targets encourage us to address the challenges that we see in the world, to meet the expectations of our stakeholders and to satisfy the needs of our consumers and build long-term, sustainable value for our business. We are currently three years into our efforts to meet these 2025 targets and we're excited to share our progress.



Supporting the SDGs

In 2015, the UN developed 17 global goals for sustainable development, designed to make the world a better place for both people and the environment. At Molson Coors, we have identified the following nine SDGs on which we believe we can have the biggest impact:

GOAL 2: Zero Hunger 	GOAL 3: Good Health and Well-Being 	GOAL 5: Gender Equality 
GOAL 6: Clean Water and Sanitation 	GOAL 7: Affordable and Clean Energy 	GOAL 8: Decent Work and Economic Growth 
GOAL 12: Responsible Consumption and Production 	GOAL 13: Climate Action 	GOAL 17: Partnership for the Goals 

Find out more about how we're contributing to the SDGs in our [SDG Impact Report](#).

Our Imprint 2025

PROGRESS SINCE 2016

FIND OUT MORE

RESPONSIBLY REFRESHING	Programs to Reduce Harm	Implement impactful programs to prevent alcohol-related harm ¹	10 out of 13 countries	Page 10
	Global Partnership	Partner with other global alcohol producers in the IARD to help achieve 10% reduction globally in harmful alcohol use	As a separate phase to achieve 10% reduction in alcohol-related harm, IARD has committed to a new set of guidelines around digital marketing and communications	Page 12
	Marketing Compliance	Make certain 100% of our advertising and marketing programs are in compliance with company, industry and applicable governmental standards ¹	91% compliance in Digital Guiding Principles audit	Page 14
	Information Disclosures	Deliver nutritional information, alcohol serving facts and ingredients to consumers for 100% of our products ¹	260+ products provide information	Page 15
	Low- and No-Alcohol	Offer consumers exceptional quality low- and no-alcohol choices ¹	13 out of 13 countries	Page 16
SUSTAINABLY BREWING	Water Efficiency	Improve water-use efficiency in our primary breweries by 22% to achieve a 2.8 hl/hl water-to-beer ratio	3.41 hl/hl achieved	Page 20
	Protect High-Risk Watersheds	Partner with others to protect valuable water resources in our high-risk watersheds where our breweries are located (11 total)	Programs in 3 out of 11 at-risk brewery watersheds	Page 21
	Emission Reductions	Reduce absolute carbon emissions across our operations by 50% and throughout our value chain by 20%	21.1% absolute emissions reduction in operations; 17.9% in value chain	Page 22
	Packaging and Plastic Reductions	• Achieve a 26% reduction in packaging carbon emissions	14.6% reduction in absolute packaging carbon emissions	Page 26
		• Make 100% of our packaging reusable, recyclable or compostable	99.3% of all our packaging is reusable, recyclable or compostable	Page 26
		• Ensure at least 30% recycled content is in all consumer-facing plastic packaging	0% of our consumer-facing plastic packaging contains 30%+ recycled content	Page 26
		• Participate in recycling solutions to increase recycling rates or reduce waste in priority markets	4 out of 13 countries	Page 26
	Zero Waste to Landfill	Achieve zero waste to landfill at all our brewing and major manufacturing facilities	18 out of 29 facilities	Page 24
COLLECTIVELY CRAFTED	Water Efficiency - Agriculture	Improve water-use efficiency in our agricultural supply chain by 10%, a volume equivalent to the entire water use of all our breweries	10.1% decrease in m ³ /MT based on a linear regression model	Page 29
	Sustainable Agriculture	Source 100% of our barley and hops from suppliers who grow, produce and deliver in a manner that recognizes and embraces our sustainability standards	99% of our barley farmers and 29% of our hops farmers	Page 28
	Great Place to Work	Provide a great employee experience through living our People First culture and values ²	In progress	Page 33
	Health and Safety	Demonstrate Caring in Action by achieving a 40% reduction in Lost Time Accident rate	13% reduction	Page 32
	Community Investment	Invest \$100 million in initiatives that aim to improve livelihoods, foster empowerment and build resilient communities	\$41.1 million	Page 36
	Ethical and Sustainable Supply Chain	Work with suppliers who adopt our supplier standards and allow us to jointly commit to an ethical and sustainable supply chain	33% of key suppliers participated in third-party risk assessment screening	Page 38
	Supplier Diversity	Promote diversity across our supply chain and actively engage with women-owned or minority-owned businesses as suppliers	Spent over \$1.7 billion with diverse suppliers	Page 39

1: In countries where we operate a large brewery.

2: We migrated from the Great Places to Work Index ambition after the company restructured at the end of 2019.

This new goal to create a great employee experience will be measured through quarterly employee engagement surveys.

RESPONSIBLY REFRESHING

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Uniting People to Celebrate Together

Bringing our purpose to life

“

Our purpose as a business is uniting people to celebrate all life's moments.

Over the years, we have continued to support initiatives to prevent underage drinking and drunk driving, as well as producing information to reduce harmful consumption. As we expand our product portfolio to include more low- and no-alcohol options, we're giving our consumers more beverage choices

**We collaborate
with industry partners
to ensure we are
marketing our beverages
responsibly.**

while continuing to deliver on the familiar experience of our legacy brands.

We collaborate with industry partners to try to ensure we are marketing our beverages to the right audiences. As we work toward Our Imprint 2025 goals, we aim to make it easier for our consumers to make informed choices and to enjoy our products responsibly.

RESPONSIBLE REFRESHMENT

We want people to enjoy our products responsibly and that's why we continue to invest in effective, targeted programs to prevent alcohol-related harm. Reducing harmful alcohol use globally is a collaborative effort; we maintain strong partnerships with organizations and industry peers to promote responsible consumption.

Targeting Harmful Drinking in its Different Forms

We have developed a range of programs designed to tackle harmful drinking in its various forms, including underage drinking, drunk driving and heavy episodic drinking (HED). We activate specific programs designed to address the most relevant and pressing harmful drinking-related in the communities where we live and work. We partner with other committed organizations from universities to law enforcement – with the goals of increasing awareness of responsible drinking and attempting to prevent underage drinking and drunk driving.

Charting the Way to Responsible Drinking

In 2019, the International Alliance for Responsible Drinking (IARD) published a series of reports on global trends in harmful alcohol use. Each of the three reports explored a different issue: underage drinking, HED and drunk driving.

The report series highlighted that, globally, harmful drinking habits are on the decline. Underage drinking has fallen in over two-thirds of the 63 countries surveyed,³ while drunk driving, an issue that causes roughly 1.3 million deaths every year (WHO), has now declined in 34 of 36 countries where data is available.⁴ HED, which can cause unintentional injuries, alcohol poisoning and cognitive impairment, is also on a downward trend. In the European Union, 29 of 30 countries show a drop in HED prevalence, as do many of the countries in the Americas and Africa.⁵

The results of the reports are encouraging signs that global initiatives are having an impact on people. However, Molson Coors acknowledges that there is still more to be done and we remain committed to continuing our multi-pronged approach and working with key partners to tackle these critical issues.

CASE STUDY:

PREVENTING UNDERAGE DRINKING IN COLLEGES

In the US, the percentage of underage drinkers fell from 40% to 36% between 2011 and 2015.⁶ While this is a step in the right direction, we remain committed to our position on underage drinking, particularly on college campuses, with our campaign 21 MEANS 21®. To support this, we work with law enforcement, retail establishments, distributors, universities, community groups and industry associations to prevent people under the legal drinking age from accessing alcohol.

To help bartenders and servers understand how drinking can affect behavior, and to prevent underage access and alcohol abuse, Molson Coors supports Training for Intervention Procedures (TIPS®) through our Great Plays program in the US. In 2019, we partnered with the Techniques in Effective Alcohol Management (TEAM) Coalition to offer TIPS training. To date, we have awarded grants worth over \$1.5 million through the Great Plays program to address risky drinking behaviors on college campuses. Through collective actions such as these, we continue working to tackle underage drinking in targeted and relevant ways.



3: Based on data collection over various time periods from 2000 to present. Read the [underage drinking report](#).

4: Based on data collection over various time periods from 2000 to present. Read the [drunk driving report](#).

5: Based on data collection between 2005-2016. Read the [HED report](#).

6: Source: National Institute on Alcohol Abuse and Alcoholism

CASE STUDY:**SAFETY FIRST IN MONTENEGRO**

In 2019, we took several steps to reduce instances of drunk driving with the aim of reducing drunk driving instances in Montenegro. By providing bus tickets at the rock festival Lake Fest, we made sure that festivalgoers had a safe alternative to getting behind the wheel on their way home. We also established a billboard campaign to coincide with Christmas and New Year, encouraging members of the public to drink responsibly during the holiday season.

To support members of law enforcement crack down on instances of drunk driving, we donated €2,650 worth of breathalyzers to the Montenegrin police force, which is expected to help screening to curb drunk driving events in our community.

**GOAL**

Implement impactful programs to prevent alcohol-related harm⁸

PROGRESS

Programs in 10 out of 13 countries where we have large brewing operations

CASE STUDY:**STUDENTS LEAD THE WAY ON RESPONSIBLE DRINKING**

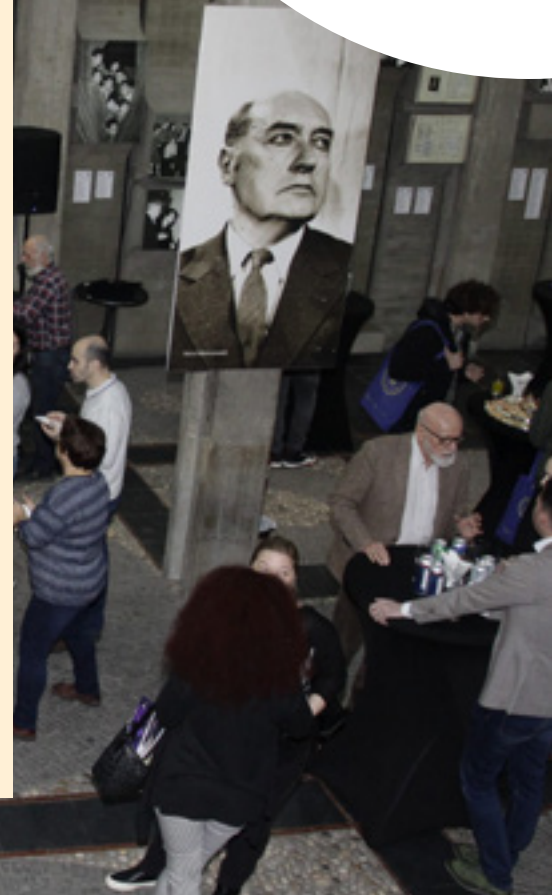
In 2019, the Brewery Association of Serbia, of which our Apatin Brewery is a founding member, launched the *Trezno i oprezno* (Sober and Careful) campaign. Between 2006 and 2016, Serbia saw a 124% increase in the number of cases of drunk driving.⁷ We recognize that we have a role in changing the culture of drinking and driving, so we created a campaign targeted at young legal age drinkers between the ages of 18 and 30 to reinforce the message that drunk driving is harmful and socially unacceptable.

In collaboration with other Brewery Association members, we organized a screening festival for students of the Department of Film and TV Directing at the Faculty of Dramatic Arts in Belgrade. During the evening, five short films

written and produced by students, which highlighted the importance of responsible consumption, were showcased to over 100 people.

The film festival is just one of the ways that Molson Coors is helping to change the conversation and underscore the important message of staying safe behind the wheel. To combat the issue of drunk driving in Serbia, we also continued to activate our “When I Drink, I Don’t Drive” campaign at the Belgrade Beer Fest and Car Show. We also supported NAVAk, Serbia’s national driving academy, and their safe driving training to help new drivers understand the hazards of being under the influence.

We understand there is more work to do to prevent drunk driving as a society, and we are committed to working with different stakeholders and partners in all our large brewery markets to provide solutions to the issue.



7: Source: IARD

8: In countries where we operate a large brewery.

CASE STUDY:

TAKING GLOBAL ACTION
AGAINST HARMFUL ALCOHOL USE

Molson Coors is a member of several global partnerships that aim to reduce the harmful use of alcohol, such as the Worldwide Brewing Alliance and IARD. Through these memberships, we support the development of global policies on alcohol, as well as collaboratively delivering on initiatives to promote only the responsible consumption of our products.

As a member of these global partnerships, we have an important role to play providing a voice in public policy and consulting with various public sector, civil society and private stakeholders, including the WHO. In February 2020, the WHO Executive Board passed a motion for accelerated action to reduce the harmful use of alcohol worldwide. In line with this process, they have called for the development of a 2022–2030 action plan through which to implement their global strategy. Molson Coors intends to play an active role in consulting with the organization through our IARD membership and tackling underage drinking and the harmful use of alcohol.

IARD members made new commitments in January 2020 in further reduce underage drinking, including: (a) to work with local authorities to ensure clear age restriction symbols or language is present at any point of sale, (b) to affirm that members do not, and will not, market alcohol-free extensions to alcohol brands to minors, (c) to ensure online safeguards exist to prevent minors from interacting with alcohol brands online and (d) to partner with online retailers to establish global standards for the online sale and delivery of alcohol. This final commitment is receiving heightened focus due to the coronavirus pandemic, where many jurisdictions temporarily relaxed laws and regulations surrounding delivery and online sales. As restrictions ease globally, many bars and restaurants are reopening. This will allow friends and families a way to safely re-engage with one another in an enjoyable atmosphere. We all have a responsibility to help rebuild this industry; however, we must also work to keep excessive drinking out of these establishments. As the world begins to reopen, we have an opportunity to put an end to irresponsible drinking behaviors. We aim to continue working in partnership with IARD and retailers to ensure our products are consumed by adults of legal drinking age and support the WHO's goal of reducing harmful alcohol use by 2025.



Looking forward, IARD has recently launched new efforts in 2020, introducing **five new commitments** that will accelerate work to reduce global underage drinking. These include introducing clear age-restriction symbols and wording to alcohol brand products and ensuring that alcohol-free extensions of alcohol brands aren't advertised to minors. As a company, we are committed to working both internally and externally, with industry partners, to accelerate actions against the new IARD rules.

GOAL

Partner with other global alcohol producers in the IARD to help achieve a 10% reduction globally in harmful alcohol use

PROGRESS

As a separate phase to achieve a 10% reduction in alcohol-related harm, IARD has committed to a new set of guidelines around digital marketing and communications

TALKING TO THE RIGHT AUDIENCE

Being responsible goes beyond developing programs to prevent alcohol-related harm. It's also about making sure we are communicating information about our products in the right way and to the right people. We have robust guidelines in place to ensure we market our beverages responsibly across our advertising and communication channels.

Marketing Compliance

As well as implementing our own robust marketing compliance standards, we strive to make sure our marketing adheres to applicable government and industry guidelines. We have several measures in place to ensure compliance.



MARKETING COMPLIANCE COMMITTEE

Regional Marketing Compliance Committees work with our legal team and commercial enterprise teams to regulate our advertising and restrict alcohol marketing to legal drinking age consumers. Our advertising messages should always be legal, truthful, honest and consistent with prevailing cultural standards of good taste and social responsibility.



LEGAL DRINKING AGE COMPLIANCE ACROSS ALL MEDIA PLACEMENTS

We collaborate with our business unit legal teams so that our communications are placed on media channels where at least 70% (71.6% in the US) of the audience is of legal drinking age.



GLOBAL COMMERCIAL RESPONSIBILITY POLICY

Our commercial employees and agency partners receive training on our Global Commercial Responsibility Policy, which details our commitment to develop, package, market and sell our products in a responsible manner.

We support our commitment to marketing responsibly by inviting consumers to let us know, via a third-party [complaint resolution process](#), when they think we haven't fulfilled our duty to self-regulate our advertising materials. We take accountability for our actions and strive to always conduct our business in a responsible manner. We also participate in industry-wide investigations performed by the Federal Trade Commission in the US.

To ensure our marketing is targeted at the right people, we track advertising metrics. In 2019, we received over 50 billion media impressions globally, 93% of which comprised audiences above the legal drinking age. This exceeds the federal and industry standard of 71.6%.

CASE STUDY:**RESPONSIBLE MARKETING FOR THE DIGITAL GENERATION**

In 2014, IARD launched the Digital Guiding Principles (DGPs) with the goal of ensuring all digital-based communication portals comply with responsibility frameworks and are only accessible to legal drinking age audiences. Social media is a valuable way for brands to reach their target consumers. However, as new platforms emerge, and more Gen Z consumers join online spaces, we're partnering with media partners to ensure our marketing only reaches legal drinking age consumers.

IARD has already started this work, involving prominent digital platforms, such as Facebook, Snapchat and YouTube. We worked in partnership with IARD members to implement safeguards that aim to restrict underage audiences, enhance transparency and reinforce the message that underage drinking is unacceptable. These measures include improving age screening and

ensuring alcohol producers do not misrepresent their commercial purpose.

As a member of IARD, Molson Coors has committed to upholding the DGPs, and to ensuring all our digital marketing platforms are only accessible to adults of legal drinking age and our communications promote safe and responsible drinking. Internally, our legal, digital and alcohol responsibility teams are working together to enhance and escalate employee trainings to increase awareness of local best practices for complying with the DGPs across all social media. IARD commissioned the European Advertising Standards Alliance to monitor participant compliance with the DGPs across our global platforms. According to the results, Molson Coors' compliance rose from 60% in 2018 to 91% in 2019, thanks in part to targeted efforts by our internal team.

9: In countries where we operate a large brewery.

GOAL

Make certain 100% of our advertising and marketing programs are in compliance with company, industry and applicable governmental standards⁹

PROGRESS

91% compliance in 2019
DGP audit



UNDERSTANDING WHAT GOES INTO EVERY SIP

We want our customers to make informed decisions about the products they buy and consume. We aim to be transparent about what's in our beverages and have set our sights on making nutritional content, ingredients lists and alcohol serving facts available for all our products by 2025, whether it's on packaging or on our websites.

We are working toward delivering nutritional information, alcohol serving facts and ingredients to consumers for 100% of our products. Currently, over 260 of our products meet our labeling criteria, providing details on the products or on relevant brand websites.



Inspiring the Industry Standard

As part of our work to be a leader in our industry, we have been a driving force behind industry-wide voluntary guidelines on disclosing nutritional information to consumers. Our efforts in this area go back to 2013, when Molson Coors in the US helped inspire the Beer Institute's Voluntary Disclosure Initiative to encourage brands to post nutritional

values, alcohol content and freshness dates on the labels of bottles and cans, and ingredients on labels or websites by 2020. Now, 100% of our Molson Coors brands in the US disclose ingredients on www.molsoncoors.com.

GOAL

Deliver nutritional information, alcohol serving facts and ingredients to consumers for 100% of our products¹⁰

PROGRESS

260+ products provide nutritional information, 440+ products provide alcohol serving information and 270+ products provide ingredients

¹⁰: In countries where we operate a large brewery.

SATISFY EVERY TASTE OPTIONS TO

As we continue our journey under the new name of the Molson Coors Beverage Company, we're expanding our portfolio beyond beer, offering consumers great-tasting refreshments no matter what the occasion. This includes developing a larger selection of low- and no-alcohol products that offer consumers more choice and more opportunities for refreshment, responsibly.

Venturing Into New Territory

It's an exciting time to be part of the beverage industry. Consumers are looking for more ways to enjoy great-tasting refreshments to complement any occasion. We are excited about this opportunity to expand our portfolio into white space opportunities, developing new beverage options that meet our consumers' varied preferences. This extended focus is highlighted by our name change to Molson Coors Beverage Company. It signifies a new stage for the company as we grow our portfolio beyond beer, expanding into spaces for wine, spirits and other innovative beverage options.

The creation of a portfolio of low- and no-alcohol beverages is an important part of Molson Coors Beverage Company's long-term strategy. We launched our first non-alcoholic beverage, Clearly Kombucha, in 2018, and brought our first non-alcoholic

hop-infused sparkling water to market in 2020. VYNE Botanicals waters will be available in three flavors – Herbal, Citrus and Floral – and are non-alcoholic, non-GMO, vegan and gluten-free, contain zero calories and have no added sugar. We're delighted to introduce non-alcoholic innovations like VYNE to provide responsible refreshment for any occasion.

With an aim toward bringing to market more non-alcoholic beverages, we are excited about a new partnership with L.A. Libations, a non-alcohol drink creator and incubator, to help us incubate fresh ideas and commercialize innovations more quickly.



GOAL

Offer consumers exceptional quality low- and no-alcohol choices¹¹

PROGRESS

13 out of 13 countries offer low- and no-alcohol products¹¹

CASE STUDY:

BEYOND BEER: GROWING OUR NON-ALCOHOL BUSINESS WITH L.A. LIBATIONS

In 2019, Molson Coors made a significant minority equity investment in L.A. Libations, establishing a long-term partnership with the business that helped to expand our Clearly Kombucha brand in 2018. This partnership will be the next step in establishing Molson Coors in the emerging non-alcohol market.

L.A. Libations is a non-alcohol drink creator and incubator. With a focus on creating products that support health and wellness,

the company is known for developing novel brands like Zico Coconut Water and Core Water, which target consumers looking for beverages that support a healthy lifestyle.

This collaboration is the next step in the development of our portfolio beyond beer, strengthening our foothold in the non-alcoholic beverage market. Through it, we aim to develop exciting new products that meet customer tastes and help us expand our line of refreshing beverages.



¹¹ In countries where we operate a large brewery.

Credit: Unsplash

A man in a dark jacket is seen from behind, looking out over a vast, open field at sunset. The sun is low on the horizon, casting a warm, golden glow over the landscape. The man's jacket has a strap across his back. The overall mood is contemplative and hopeful.

SUSTAINABLY BREWING —

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From Grain to Glass

Brewing for Good

Raw materials, like barley, hops and clean water, are the fundamental elements we rely on. As such, we have a responsibility to make sure we are good stewards of these valuable resources. But it's about more than just making sure our ingredients are sourced responsibly. We also need to make sure we're using water and energy in a way that leaves the smallest environmental footprint.

We face many challenges to resource stewardship: water scarcity, plastic pollution and climate change. That's why we collaborate across our value chain – from the farmers who grow our high-quality barley, to the suppliers of our packaging, to the distributors who

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**We're protecting
resources and exploring
ways to do more with
less so that people can
enjoy our products for
generations to come.**

bring our products to market – to develop solutions to the biggest issues of today. We won't shy away from the challenge. We continue to explore joint opportunities to reduce our carbon emissions and water use, working together to achieve our sustainability goals and make a difference on our planet.

It's part of Molson Coors' values to take accountability, and that includes accountability for our environmental impact, not just because we believe it's a nice thing to do, but because we believe it's the right thing to do. We're protecting resources and exploring ways to do more with less so that people can enjoy our products for generations to come.

SAFEGUARDING OUR MOST PRECIOUS RESOURCE

Water is essential to life. Clean, safe water keeps people healthy and supports the crops that we need to feed growing populations. With more people, and rising demand from industry and agriculture, water supplies are under increasing pressure. We use water at nearly every stage of our brewing process, from watering crops to filling our bottles. That's why we believe we have a responsibility to lead industry water stewardship efforts. We've set aggressive targets to protect water resources in our facilities, especially in high-risk watersheds, and throughout our agricultural supply chain.

GOAL

Improve water-use efficiency in our primary breweries by 22% to achieve a 2.8 hl/hl water-to-beer ratio

PROGRESS

3.41 hl/hl achieved
4.75% reduction from
2016 baseline





Not a Drop Wasted

We use water in every phase of our brewing process, giving us plenty of opportunities to ensure we are using it as efficiently as possible. We have set a target to improve water-use efficiency in our large breweries by 22% to achieve a 2.8 hl/hl water-to-beer ratio. In 2019, thanks to efforts throughout our operations, we reduced our global water use by 4.75% since 2016, to reach a water-to-beer ratio of 3.41 hl/hl.

By sharing best practices through our global Fuel Energy Water Emissions Reduction (FEWER) teams, we enable water reductions at scale across our brewery network. For instance, at our brewery in Golden, Colorado – one of the larger breweries in the world – we implemented standards from the Molson Coors Clean in Place (CIP) playbook in 2019. As a result of the new water reduction processes, we saved over 90 million gallons of water at the brewery, enough water to fill 136 Olympic-size swimming pools in 2019.

The CIP process is a multi-step cleaning process. It involves first running the water through the system of pumps, valves, tanks and pipes to remove heavy soils, followed by a cleaning step and a sanitization step to rinse unwanted residual material. This process results in a clean and sanitary system. Reclaiming water from the final rinse for use in the first pushout rinse of the following cycle, we were able to drastically improve our water-use efficiency. At the end of 2019, the Golden Brewery's water-to-beer ratio reached 3.15 hl/hl, which was ahead of its target. We actively look for new opportunities to reuse clean reclaimed water across our operations, leveraging our FEWER teams to share learnings across our global brewery network.



Our new cleaning process at our Golden Brewery has saved over 90 million gallons of water, enough to fill 136 Olympic-size swimming pools in 2019.

GOAL

Partner with others to protect valuable water resources in our high-risk watersheds where our breweries are located

PROGRESS

Program to protect watersheds in 3 out of 11 at-risk brewery watersheds

Protecting Community Water Sources

We partner with industry peers, government organizations and community stakeholders to implement clean water stewardship programs and protect water resources. We focus our efforts on our at-risk brewery watersheds, which we define as experiencing challenges related to quantity, quality or access to clean water. We work closely with these local communities to develop programs to preserve water resources. In 2020, we aim to update our Watershed Risk Assessments with insights pulled from the latest iteration of the World Resources Institute's Aqueduct Water Risk Atlas and the World Wildlife Fund's Water Risk Filter. This will give us a more precise assessment of current and future water challenges, as well as what future scenarios could look like based on environmental and socioeconomic variables.



The impacts of climate change are already being felt on a global scale, from higher temperatures to more extreme and frequent weather events like flooding and wildfires. We believe we must have a sense of urgency for adapting and building long-term resilience. That's why, at Molson Coors, we take seriously our role in reducing emissions in our operations and safeguarding the environment for the future.

Setting Industry-Leading Goals

We believe that industry has a crucial role to play in tackling climate change and that we can help lead the charge. Molson Coors set robust goals to reduce carbon emissions across our operations by 50%, and throughout our value chain by 20%. These goals have been verified by the [Science Based Targets initiative](#). This makes Molson Coors one of the few leading companies to have aligned its direct emission reductions goal with the ambitious target of limiting the global average temperature increase to 1.5°C, going further than the original Paris Climate Agreement of 2°C.

Achieving Reductions in Direct Emissions

Achieving our carbon emissions goals is no easy feat. However, we have identified four key ways in which we can improve our operational performance:



Improve energy efficiency by 20%



Encourage breweries to be self-sufficient in CO₂ production



Where possible, switch to cleaner fuel options



Increase the share of renewable sources in our energy mix

Achieving Reductions in Value Chain Emissions

To reduce emissions throughout our value chain, we are working with our suppliers to identify alternative packaging materials, more opportunities to use renewable energy and further efficiencies in our logistics network, and optimizing utilities usage in our operations.

GOAL

Reduce absolute carbon emissions across our operations by 50% and throughout our value chain by 20%

PROGRESS

21.1% absolute emissions reduction in operations; 17.9% in value chain since 2016

Considering Future Climate Scenarios

While global efforts are being made to reduce emissions, we believe that businesses also need to build resiliency in anticipation of climate-related scenarios. In 2017, the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#), a market-driven initiative driving recommendations for climate-related financial risk disclosures, recommended that companies report on the resilience of their business strategies under various climate change scenarios, including how they incorporate climate-related considerations into governance and risk management.

We recognize the need to identify the risks and opportunities that climate change presents for our business. That's why we set up an internal cross-functional team to identify transitional and physical risks that could impact our operations under various climate change scenarios. We disclose these risks annually through our [CDP](#) reporting and financial filings. In 2020, we plan to further embed climate action into our business strategy, completing a quantitative analysis of climate-related scenarios and mapping their business impact, in line with TCFD recommendations. We will embed the risks, as applicable, in our Enterprise Risk Management process, and we will regularly update the Molson Coors senior leadership, audit committee and Board of Directors.

CASE STUDY:

SOLAR BREWED BEER

Terrapin Beer Company, one of the craft breweries in the Molson Coors portfolio, has been known as a leader in sustainability. A love for the outdoors is core to its culture, and brewing sustainably is part of its DNA.

In 2019, Terrapin built on its existing sustainability efforts by installing the largest solar array of any craft brewery in the US state of Georgia, and the largest of any business in Athens. The solar installation, which consists of 1,000 panels on the roof of the brewery, will allow Terrapin to brew beer that is 100% powered by the sun.

The brewery is projected to offset up to 339 tons of CO₂, saving the equivalent of 362 acres of US forest in one year. Terrapin has also developed further plans to add solar panels to sunshades in the parking lot.



This is part of Terrapin's sustainability platform "Terraprint," which aims to reduce Terrapin's environmental impact through a series of initiatives targeted at minimizing water consumption and energy use, improving soil quality and increasing the recyclability of its packaging. In 2019, the brewery was recognized by the 2019 Athens-Clarke County Water Conservation Office for [Leadership in Water Conservation](#) as well as receiving the [2019 Environmental Impact Award](#) from Pratt Industries.



In the UK, we will achieve our carbon emissions goal five years ahead of schedule.

CASE STUDY:

FLIP THE SWITCH: ACCELERATING EMISSION REDUCTIONS IN THE UK & IRELAND

One way that Molson Coors will achieve its carbon emissions goals is by relying more heavily on renewable energy sources to power our facilities. Work is underway to develop a renewables strategy at our facilities in North America; however, in the UK & Ireland, things are already progressing.

In the UK, we've offset our electricity usage with renewable credits, which

began in January 2020. We aim to incorporate more renewable energy solutions later in 2020 to help us achieve our carbon emissions goals.

We are also making significant changes to how we power our operations in Ireland. All our forklift trucks now run on biofuel, and since 2019 our Franciscan Wells brewery has been running on approximately 23% renewable energy.



"Every decision we make at the brewery has an effect, and we continue to look for opportunities to be better. A lot of people make beer, and these days a lot of people make good beer. We want to stand for something bigger than beer."

**Dustin Watts, President,
Terrapin Beer Company**



ON A LOOP: MOVING TOWARD A CIRCULAR ECONOMY

If we are going to be truly sustainable, we believe we need to continue transforming the way we make, use and discard our products. Global resources are increasingly under pressure in a culture driven by fast-paced consumption. That's why a key element of our sustainability strategy is working toward a more circular economy where we find ways to reuse or recycle materials rather than sending them to landfill. Through capturing clean water for reuse, sending spent grain for use as animal feed and finding ways to make our packaging reusable, recyclable or compostable, we can ensure we're giving resources a second life.

Saving Waste From Landfill

We operate on the philosophy that no resource should be wasted. Every individual at our breweries is empowered to look for solutions to reduce and recycle the waste we generate. It's part of how we're redesigning our operations to contribute to a circular economy. We have made solid progress on our goal, with 18 of our 28 major brewing facilities now sending zero waste to landfill.

Our Ploiesti Brewery in Romania is the latest facility to achieve and maintain zero waste to landfill status. It was achieved through improving people processes and training and developing a standardized solution to avoid sending waste to landfill. While the brewery's waste had traditionally been mixed, we developed a system of smaller bins into which different waste materials are sorted. The waste materials that can be recycled or composted are then recycled or composted, as applicable. As a result of these solutions, the Ploiesti Brewery has sent zero waste to landfill since November 2019.

Collaborations to Close the Loop

We monitor waste streams to minimize what we send to landfill and find ways to give used materials a second life. Spent grains from brewing processes are particularly valuable, with most going to local farms for use as animal feed, while spent yeast is made into pet food for cats and dogs. Ethanol is also captured from waste beer and converted to become fuel for transportation.

GOAL

Achieve zero waste to landfill at all our brewing and major manufacturing facilities

PROGRESS

Zero waste to landfill achieved in 18 out of 29 facilities



CASE STUDY:

TURNING WASTE INTO ETHANOL: A WIN-WIN SOLUTION

At our Golden Brewery in Colorado, we are going further to recover valuable spent yeast from our brewery process. By drying the spent yeast, we are able to produce useful by-products such as brewer's yeast, water and ethanol.

Brewer's yeast is dense in nutrients and protein and can be used as a nutritional supplement, a probiotic and to aid digestion. We partner with pet food companies to use the dry brewer's yeast from the Golden Brewery in their products.

The ethanol generated from this process is an exceptionally valuable source of carbon as well. We have partnered with the City of Boulder to treat local municipal wastewater using this ethanol through a process called denitrification. The ethanol assists in removing nitrogen from wastewater by acting as a food source for microscopic bacteria that convert nitrate into harmless nitrogen gas. By providing the city with a consistent supply of ethanol, we are capturing a brewery waste product and using it to create cleaner water in the state of Colorado. This has not only reduced the amount of waste generated by the Golden Brewery, but has also become

a crucial solution to Boulder's wastewater management strategy.

Thanks to these efforts, and other partnerships that we've formed to help upcycle our waste into valuable products, our Golden Brewery sends zero waste to landfill.



"Boulder is committed to using alternative carbon sources that reduce the amount of traditional chemical needed, and our partnership with Coors has helped us advance that initiative and diversify our sources of recovered waste products."

Chris Douville, Wastewater Treatment Manager, City of Boulder Water Resource Recovery Facility



Stemming the Flow of Plastic Packaging

Each year, another 8 million¹² tonnes of plastic enters oceans globally. Changes are being made, with measures being developed to curb plastic waste. We want to be part of the solution, doing what's right for our planet. To accelerate our efforts, Molson Coors has set ambitious targets to dramatically reduce its packaging footprint by 2025.



GOAL Participate in recycling solutions to increase recycling rates or reduce waste in priority markets

We partner with various organizations to help reduce waste and increase recycling rates. We are involved in many different recycling initiatives, including The Recycling Partnership, Keep America Beautiful, End of Waste Foundation and the Glass Recycling Coalition

PROGRESS
4 out of 13 countries

GOAL Make 100% of our packaging reusable, recyclable or compostable

At our Burton Brewery in the UK, we have installed new machinery to facilitate a switch from single-use plastic flow wrap to fully enclosed carton board for our Carling and Coors Light brands

In March 2020, we launched a pilot in 40 stores in Ontario to test 100% biodegradable packaging rings on six-packs of Creemore Springs

PROGRESS
99.3% of all our packaging is reusable, recyclable or compostable at the end of 2019



GOAL Ensure at least 30% recycled content is in all consumer-facing plastic packaging

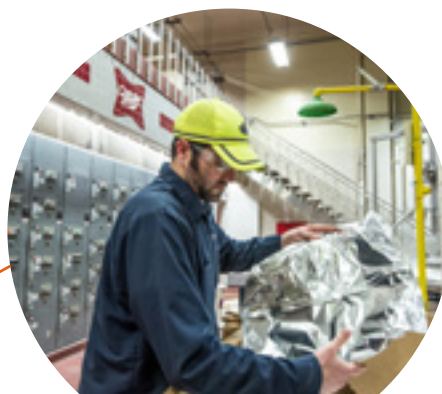
In early 2020, we were the first in North America to trial new packaging rings developed by manufacturer Hi-Cone, which contain over 50% recycled plastic content

PROGRESS
0% of our consumer-facing plastic packaging contains at least 30%+ recycled content at the end of 2019



GOAL Achieve a 26% reduction in packaging carbon emissions

PROGRESS
14.6% reduction in absolute packaging carbon emissions since 2016



12: <https://advances.sciencemag.org/content/3/7/e1700782>

Joining Forces for a Circular Economy

In 2019, we signed the New Plastics Economy Global Commitment, led by the Ellen MacArthur Foundation, joining a group of over 400 organizations dedicated to creating a circular economy for plastics. Through the Commitment, we are using tools provided by the Foundation and embedding these tools and best practices in our operations.

The New Plastics Economy Global Commitment is helping to inform our own processes. We're eliminating unnecessary plastic items, innovating so that the plastics we do need can be reused, recycled or composted, and finding novel ways to reuse materials, keeping them in the economy and out of the environment.



CASE STUDY:

RINGING IN THE CHANGES – SUSTAINABLE PACKAGING RINGS MAKE A DEBUT IN CANADA

Molson Coors is the first beverage company in North America to introduce new packaging rings that are made with over 50% recycled plastic for six- and eight-packs of beer. Starting with six-packs of Coors Light distributed across grocery stores in Ontario, the rings will be rolled out across Canada and the U.S. over the next year.

The newly developed RingCycles™ are being produced by packaging manufacturer Hi-Cone and require 90% less non-renewable energy and 83% less water to make. They also emit 75% less greenhouse gas emissions than a similar product made of virgin plastic and are recyclable where mixed plastics are collected. That's why every RingCycles™ pack in Canada directs consumers to www.ringrecycleme.com, where they can find out how to recycle the rings locally or mail them in to be recycled.

Introducing these new six-pack rings is the next step in our commitment to ensure that there is at least 30% recycled content in all our consumer-facing plastic packaging. We look forward to further rolling out this more sustainable packaging across Canada and the US over the next year.

THE FUTURE OF FARMING

Climate change and increasingly volatile weather can make growing seasons uncertain and could threaten available water supplies. We are working with our direct agricultural suppliers, helping our growers to build more resilient businesses and sharing the tools, resources and knowledge they need to help future-proof their crops.

Better Barley, Better Beer

For our farmers, introducing ways to grow crops more sustainably can be risky and, at times, an expensive endeavor. That's why we support our barley suppliers through our Better Barley, Better Beer program. This program provides farmers with tools, resources and incentives to develop more sustainable growing practices. The initiative also allows us to collect sustainability metrics from around 800 barley farmers through our Growers Direct Portal, which helps us benchmark the performance of our agricultural supply chain and share the learnings back with our growers.

GOAL

In major markets, source 100% of our barley and hops from suppliers who grow, produce and deliver in a manner that recognizes and embraces our sustainability standards

PROGRESS

99% of our barley farmers and 29% of our global hops farmers recognize our sustainability standards

Sustainability Through Variety

We want to help independent growers future-proof their crops and have invested more than \$20 million over the last decade to do so. As well as developing soil and water partnerships in our supply chain and investing in water and weather monitoring technologies, we look for ways to improve crop resiliency.

GOAL

Improve water-use efficiency in our agricultural supply chain by 10%, a volume equivalent to the entire water use of all our breweries

PROGRESS

10.1% decrease in m^3/MT , based on a linear regression model, since 2016

Back in the 1940s, Bill Coors' vision for a high-quality and sustainable barley supply led him to collaborate with farmers to develop a barley breeding program. Through the program, Bill taught farmers how to grow high-quality barley varieties, which contributed to our mutual success. Skip to the present day and Molson Coors continues to breed new non-GMO varieties that result in better yields and are more water efficient. This led to the introduction of Bill Coors 100 (BC100) in Montana, which has become the most rapidly adopted variety of malt barley in the state since 2017.

In 2020, we aim to introduce a new Moravian variety in Monte Vista, Colorado. This variety, the first new malting barley that has been introduced to the area in over five years, has been developed with greater water efficiency in mind. It will contribute to our goal of reducing water use in our agricultural supply chain by 10% and is just one of the new varieties we look forward to growing in the next few years. In 2021, we plan to establish a new Moravian variety in Idaho that has been developed to reduce water usage and produce higher yields.

CASE STUDY:

WORKING WITH NATURE ON BREWOOD PARK FARM IN THE UK

British farmer Tim Parton has been a member of the Molson Coors Growers Group since it launched in 2008. Through a system of regenerative agriculture, he is ensuring the barley he grows for our beers is of the best possible quality. This means Tim is constantly looking for ways to maintain soil that is healthy and full of nutrients, to develop a more resilient farming operation and support a more diverse ecosystem. This, in turn, ensures that the barley that goes into our UK beers is as healthy as possible.

For more than 15 years, Tim has been interested in maximizing soil health, adopting a no-till system to reduce disturbance of fungal networks that lie beneath the surface of the soil. These living networks are important because they lock carbon in the soil and release nutrients to be taken up by plants. By relying on fungi to naturally fertilize his

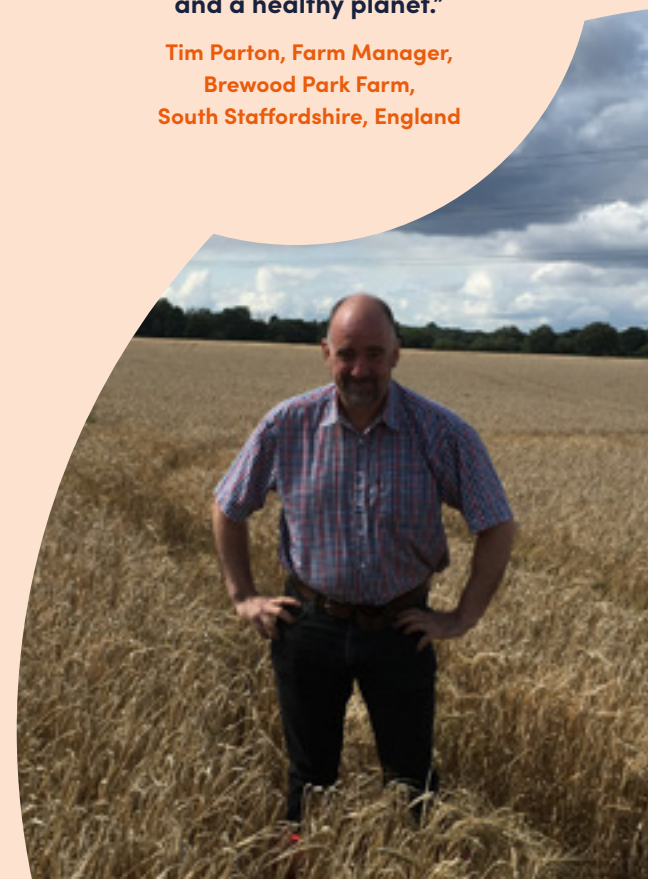
crops, Tim avoids chemicals and instead works with soil nutrients and biology.

He has also opted out of using insecticides, relying instead on natural predators to keep insect populations in check. This has resulted in birdlife, such as greenfinches, golden plovers and woodcocks, returning to the farm.

Tim hopes to encourage other farmers to follow his lead – to work with nature, not against it, while putting soil health at the heart of everything and build from there. He regularly conducts talks and leads workshops to educate other growers about regenerative techniques, sequestering carbon and promoting soil health. By teaching others how to adopt regenerative practices, Tim is inspiring farmers to approach farming in a way that allows both their crops and the planet to thrive.

“It all starts with healthy soil. If you have healthy soil, you have healthy plants, healthy food, healthy people and a healthy planet.”

**Tim Parton, Farm Manager,
Brewood Park Farm,
South Staffordshire, England**



COLLECTIVELY CRAFTED

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For Our People and Communities

The People Behind Molson Coors

For Molson Coors, it's the people behind our beverages that make us who we are. The company name transition to the Molson Coors Beverage Company offered an opportunity for us to redefine our key values.

Putting our people first is at the heart of everything we do. Our commitment to this value is evident in how we celebrate our successes and support one another through challenges. And certainly, the start of 2020 was a particularly difficult time for the Molson Coors community. We experienced a tragic event in February, with the devastating loss of six members of our Milwaukee Brewery family. We continue to mourn the loss of our teammates and believe in the importance of supporting one another and helping each other heal.



**For Molson Coors,
it's the people behind
our beverages that
make us who we are.**

We faced unprecedented health and economic challenges during the coronavirus pandemic. We recognize that many of our employees, distributors and community stakeholders may be facing hardships and our priority is on working to keep them safe, healthy and supported. We stand by our value of putting our people first and believe that in times like these it matters more than ever.

Our care for people extends beyond the walls of our operations. We're dedicated to working in ways that benefit our wider value chain as well, from our suppliers, to our stakeholders, to our consumers. That's why we continue to support our communities through investing in relationships that create shared value, help our neighbors in times of need and put people first.

SUPPORTING OUR PEOPLE THROUGH CHALLENGING TIMES

For Molson Coors Beverage Company, we place an unequivocal emphasis on putting our people first. We want our employees to feel supported, which is why we are focused on creating a safe and inclusive culture where every single person can thrive. By developing a workforce that celebrates diverse perspectives, we are building an inclusive team where thinking outside the box is encouraged and we can grow as a company.



Keeping Employees Safe in the Face of Challenges

With the emergence of the coronavirus pandemic, we recognized that many of our employees, distributors and community stakeholders are facing hardships. Our top priority is working to ensure they are safe, healthy and supported. To this end, we implemented a range of measures to keep employees physically and mentally healthy.

In North America, we established a remote work policy for all employees and contractors whose work did not require them to be on-site. For employees whose work must be done on-site, we instituted strict measures to ensure the safety and health of our employees. These measures included following strict deep cleaning practices, increasing the availability of masks and disinfecting wipes and sprays, requiring on-site social distancing, performing temperature checks and employing new protocols to ensure the safety of those working on-site.

As an industry deemed essential by the US and Canadian federal governments, we are grateful to the women and men in our plants and in our distribution network who ensured our consumers had access to our beverages. As a sign of our gratitude, we offered a “thank you” pay incentive to those who continued to brew, package and ship our products during this critical period. A voluntary paid leave program was offered to high-risk employees and those who do not feel comfortable doing their job on-site.

We developed and deployed a coronavirus training course to prepare employees for return-to-office protocols, designed to keep them and their colleagues safe. Over 10,000 employees and contractors have completed the training.

GOAL

Demonstrate Caring in Action by achieving a 40% reduction in Lost Time Accident rate

PROGRESS

13% reduction since 2016

Supporting the Well-Being of Our People

We understand it's been a challenging time for everyone, regardless of whether they are working at home or are on-site in our facilities. We understand the need for social distancing has changed the dynamics of the workplace and that people may be feeling a range of emotions. That's why we provide resources, such as connections to virtual health care, remote fitness and wellness support, and a 24/7 employee assistance program (EAP) service for coping with stress, isolation and anxiety, ensuring we not only support the physical health of our employees but also their mental health and well-being.



GOAL

Provide a great employee experience through living our People First culture and values¹³

PROGRESS
In progress



Looking Out for Our People

In February 2020, the Molson Coors Beverage Company family was forever changed by the tragic loss of six members of the Milwaukee Brewery team who died in a shooting at our workplace. We continue to grieve with the loved ones for those we lost, and are supporting employees who are still hurting and coping with this event. To support the families and others affected, we created the Miller Valley Survivors Fund, which is open to contributions from anyone. Starting with a \$500,000 donation from Molson Coors, the fund has exceeded its goal of \$1 million, reaching nearly \$1.8 million to date.

To support our employees, our free EAP is available 24 hours a day, seven days a week to those who want to talk confidentially. Virtual therapy sessions, listening sessions and a Red Cross Resource Center also provided opportunities to meet with a counselor and access information on trauma and recovery resources.

Bringing Our Values to Life Through Diversity and Inclusion

We want it to be clear in everyday working life that we live our value of putting people first. That's why we have a continued focus on developing a diverse and inclusive workforce that reflects the communities we serve and the consumers who enjoy our products. We also want to promote a positive employee experience by creating an environment where our employees feel safe and supported to do their best work. We believe that building a culture of inclusion makes sense for business success as well. We want to develop the employee experience, creating a business that people believe in, want to work for and recommend to others as a good place to work. Part of that involves continuing our efforts to build teams that embrace diverse cultures, broad experiences and different mindsets.

In early 2020, we introduced a new senior director of Diversity and Inclusion (D&I), to ensure we have a robust D&I strategy and promote an inclusive culture, from corporate offices to our brewing locations. The role of this leader will be to drive this culture, building leadership capability and creating a more inclusive environment for all our employees. The head of D&I will work closely with the HR Leadership Team and our various Employee Resource Groups (ERGs) to ensure we have the right tools, resources,

programs and processes to support company-wide D&I efforts. Our new strategy and approach will be the driving force in building a culture where employees are heard and their opinions are valued.

Building Employee Communities for Change

With diverse employees come diverse ideas, and we want to make sure our people feel they can voice their opinions in safe, supportive environments. Our ERGs are voluntary, employee-led groups that provide a forum for people to discuss the topics that interest them in a community of like-minded colleagues. We feel that ERGs are hubs for advancing our D&I strategy as well as incubators for innovative ideas that will develop our business and help us to live our values.

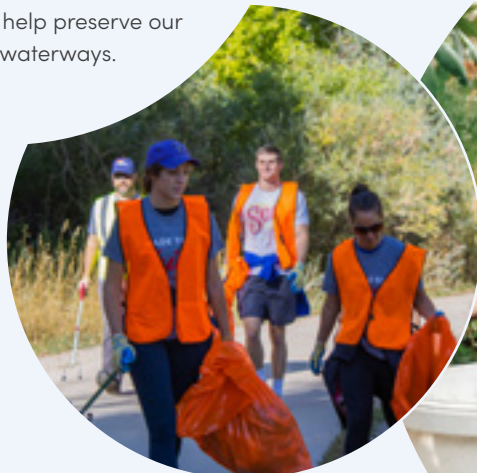
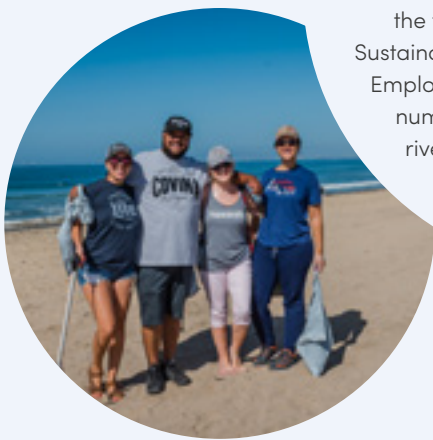
One such example is LAGER (LGBT Allies Group Employee Resources). LAGER provides support and input on recruiting members of the LGBTQ community to Molson Coors. LAGER also develops consumer-facing programs, such as the Hop Valley Pride initiative, through which a portion of profits from the sale of the craft beer Reveal are donated to LGBTQ organizations throughout the western US. Among our other ERGs are ASEAN (Asian Employee Affinity Network), AAEN (African American Employee Network) and HOLA (the Hispanic Organization for Leadership and Advancement), all of which allow our employees to engage on topics important to them.

¹³: We migrated from the Great Places to Work Index ambition after the company restructured at the end of 2019. This new goal to create a great employee experience will be measured through quarterly employee engagement surveys.

Our Imprint in Action

Our Imprint Month

In 2019, we marked the fifth year that we declared September Our Imprint Month. Over 30 days, 1,707 employees volunteered 8,064 hours to participate in activities around the themes of Responsibly Refreshing, Sustainably Brewing, Collectively Crafted and Employee Well-being. In the US, we held a number of events, such as beach and river cleanups, to help preserve our parks and waterways.



Protecting Croatia's Vulnerable Animals

In Croatia, our Zagrebačka pivovara brewery team developed the "Protected by Law" campaign to raise funds for legally protected species. Funds collected through the sale of a limited-edition beer went toward organizations working to conserve lynxes, wolves, dolphins and griffon vultures. Tracking equipment and vehicles were also donated, allowing the organizations to monitor, and care for, local populations of these vulnerable species.





Helping Entrepreneurs Blaze Their Own Trail

In Canada, through a Molson Partnership award, we offered a grant of \$50,000 to one company to create a lasting impact on their community. The partnership was awarded to the Newfoundland Salt Company to help them create long-lasting impact and to build their legacy.



Supporting Education in India

In India, a team from our Bhankharpur Brewery volunteered their time and supplied resources to revitalize a local school. Our employees helped to build female washrooms, paint classrooms and provide new furniture to create a more comfortable and healthy learning environment for students.

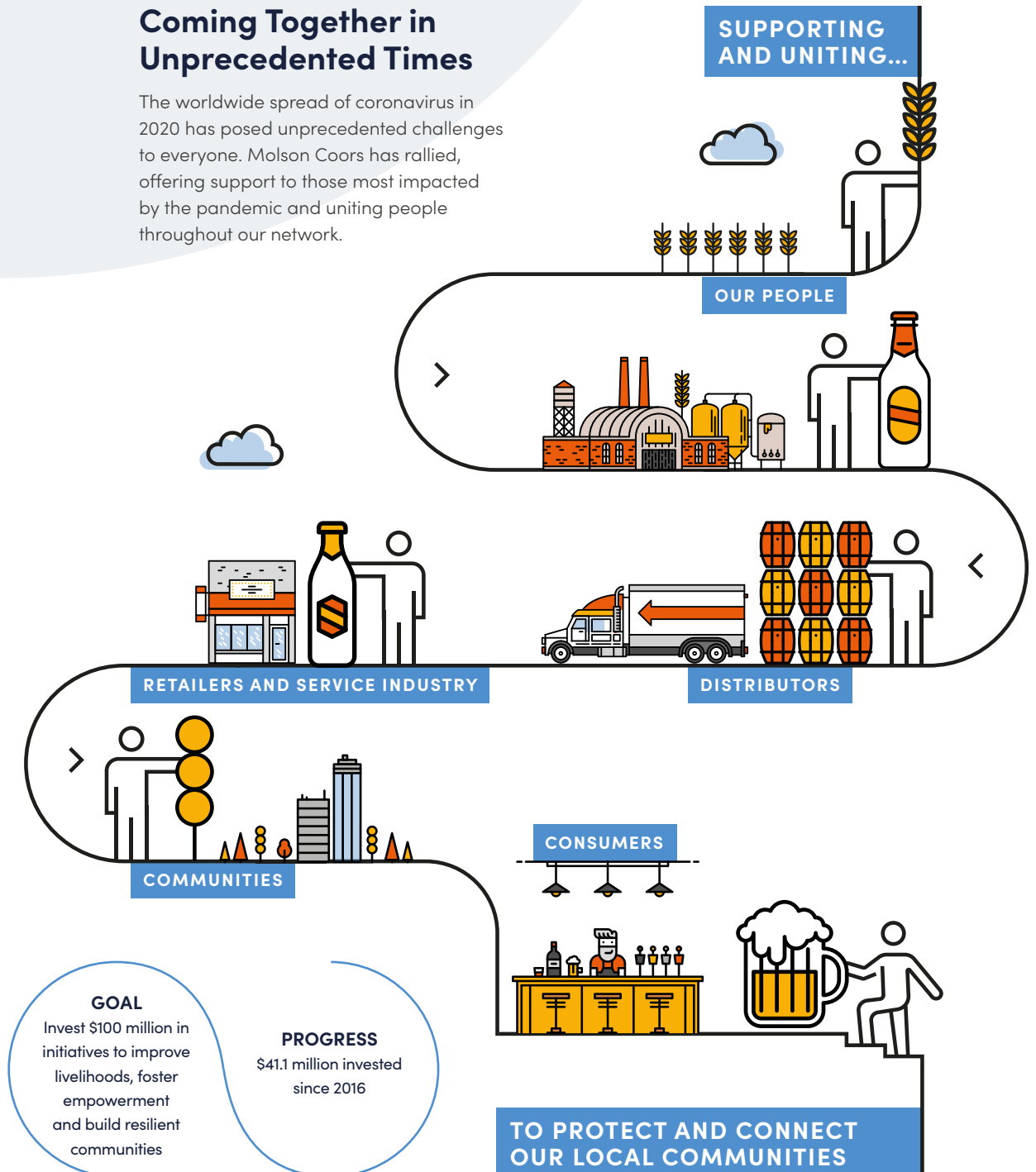


LIFTING UP OUR COMMUNITIES

We rely on our local communities for resources, employees and suppliers, and we want to make sure that we're here for them in return. Each year, thousands of Molson Coors employees participate in activities that benefit their neighbors. We support a range of organizations, from schools to industry peers to conservation charities, to build more resilient and thriving communities.

Coming Together in Unprecedented Times

The worldwide spread of coronavirus in 2020 has posed unprecedented challenges to everyone. Molson Coors has rallied, offering support to those most impacted by the pandemic and uniting people throughout our network.





Caring for Employees and Distributors

Our craft beer partners are doing their part too. Atwater Brewery, a newly acquired craft brewery as of June 2020, has redirected its raw materials and brewing equipment to make hand sanitizer for areas of Michigan where it's most needed. Hop Valley Brewing, Leinenkugel's and Revolver Brewing have provided meals for brewery employees, distribution partners and nonprofits who are required to keep working.

Across the US and Canada, Molson Coors has donated 154,000 cans of water to truck drivers, reducing the number of stops they have to make in public service stations when transporting essential goods across the country. We have also provided drivers with food, drink, and the use of clean, sanitized bathrooms in our facilities to help them avoid unnecessary stops. In Bulgaria, we have distributed 4,500 protective masks to our distributors.

Supporting Our Retailers

Millions of bartenders and service industry professionals in the US have been left without work due to widespread closures in the midst of the pandemic. To provide support, Molson Coors Beverage Company has pledged \$1 million to the United States Bartenders' Guild. In the UK, our Sharp's Brewery is donating 10% of all online orders to Hospitality Action, a charity dedicated to supporting hospitality workers suddenly facing hardship. Our Canadian craft breweries are donating 10% of direct delivery and curbside pickup revenue to the Bartenders Benevolent Fund to support bartenders, servers and front-of-house staff. Offering support to pubs across the Czech Republic, we have partnered with industry peers through the Czech Union of Breweries and Maltheuses to develop the Save the Pubs initiative. Through this initiative, consumers purchase vouchers for their favorite pub, with the money going to the pub to cover obligatory costs such as rent and utilities. When pubs reopen, consumers can redeem their vouchers.

Giving to Our Communities

We sent approximately 50,000 cans of water to the Salvation Army Intermountain Division in Denver. These were distributed to people without housing who were left without access to clean drinking water due to restrictions around using public drinking fountains. Matching donations of the Molson Foundation to the Centraide du Grand Montréal, a Canadian nonprofit, we contributed a total of \$500,000 to offer coronavirus relief to families, seniors and those living alone in the greater Montreal area. We have been supporting our communities throughout Europe as well, partnering with the Red Cross in Romania, Bulgaria, Croatia, and Bosnia and Herzegovina. We have donated over €15,000 through these partnerships, as well as distributing 220 food packages to vulnerable families in Romania and delivering hot meals to families in Bulgaria.

Connecting Our Consumers

We want consumers to continue to support their local businesses and still have the opportunity to share a round of drinks. Molson Canada encouraged those in self-quarantine to raise a glass for their local bars and restaurants that have been forced to close for the foreseeable future. Those who hosted virtual happy hours and posted about it on social media with the hashtag #VirtualHappyHour received a \$25 gift card for use at their favorite spot when restrictions were lifted.

BUILDING AN ETHICAL SUPPLY CHAIN

It is our belief that businesses can't be truly sustainable if they don't have ethical supply chains backing them up. In an industry such as ours, supply chains can be large and complex, making it challenging to confirm that responsible standards are being upheld throughout. However, our suppliers are an integral part of our sustainability journey and we work with them to ensure they are adopting best practice standards.

Setting the Standard for Responsibility

We expect each supplier we partner with to reach minimum compliance standards, as set forth in our Standards for Suppliers policy. These requirements include our expectations on environmental sustainability, fair employment, community responsibility, ethical business practices, human rights and sound commercial standards. We regard these elements as foundational for an ethical supply chain.

Proactively Identifying Risks

We realize that, to build a truly sustainable supply chain, we must monitor and encourage our suppliers to align their compliance standards and policies with our own. We use the supply chain monitoring service platform Supplier Ethical Data Exchange (Sedex) to monitor and track a number of indicators related to responsible and sustainable business practices.

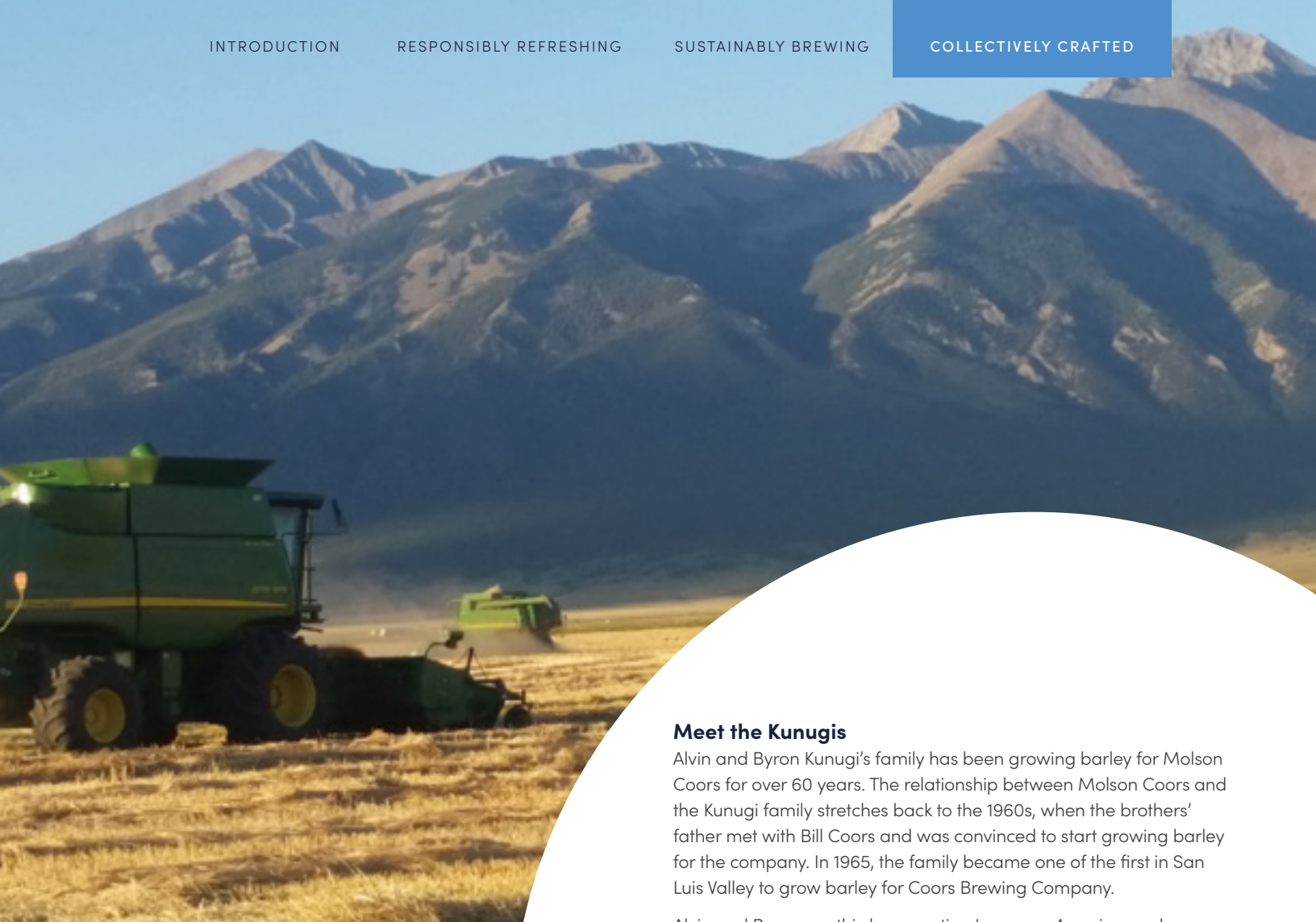
As part of our due diligence process, we screen our supply base each year to identify key suppliers, who are then asked to complete a Sedex Self-Assessment Questionnaire (SAQ) to assess their potential risk. In 2019, we updated our risk monitoring process, in line with the relaunch of Sedex's new SAQ, to re-establish baselines and report instances of non-conformance that have been identified.

GOAL

Work with suppliers who adopt our supplier standards and allow us to jointly commit to an ethical and sustainable supply chain

PROGRESS

33% of key suppliers participated in third-party risk assessment screening



Diversifying Our Supply Chain

We believe building a diverse supply chain is as important for Molson Coors as developing an inclusive employee workforce. It's why we are consistently evaluating opportunities to work with more women- and minority-owned suppliers across our business to meet our 2025 goal. In 2019, we spent over \$300 million with diverse suppliers, and since 2016, we've cumulatively spent over \$1.7 billion.

GOAL

Promote diversity across our supply chain and actively engage with women-owned or minority-owned businesses as suppliers

PROGRESS

Spent over \$1.7 billion with diverse suppliers since 2016

Meet the Kunugis

Alvin and Byron Kunugi's family has been growing barley for Molson Coors for over 60 years. The relationship between Molson Coors and the Kunugi family stretches back to the 1960s, when the brothers' father met with Bill Coors and was convinced to start growing barley for the company. In 1965, the family became one of the first in San Luis Valley to grow barley for Coors Brewing Company.

Alvin and Byron are third-generation Japanese Americans whose great-grandparents migrated to the US in search of better opportunities. During World War II, Alvin and Byron's father had served in the 442nd Infantry Regiment, which was composed almost entirely of Japanese-American soldiers, before being honorably discharged. Following the war, many Japanese Americans came to the San Luis Valley, Colorado, working as sharecroppers until they had saved enough to purchase their own land. Alvin and Byron's parents met and were married in 1947, moving to the San Luis Valley, to raise their family shortly after. The Kunugis acquired 160 acres of land in the Valley at the time and turned it into their family farm.

Today, the two brothers and Alvin's son, Cade, have taken over operations of the farm, expanding the original 160 acres into 1,500 acres on which they grow potatoes, alfalfa, wheat and the important barley that goes into our high-quality beer.





This report contains “forward-looking statements” within the meaning of the US federal securities laws. Generally, the words “believe,” “expect,” “intend,” “anticipate,” “project,” “working,” “striving,” “will,” “aim” and similar expressions identify forward-looking statements, which generally are not historic in nature. Forward-looking statements include those relating to the company’s investments in socioeconomic programs; water management and other environmental efforts; reuse and recycling measures; and sourcing of raw materials. Although the company believes that the assumptions upon which its forward-looking statements are based are reasonable, it can give no assurance that these assumptions will prove to be correct. Important factors that could cause actual results to differ materially from the company’s present projections and expectations are disclosed in the company’s filings with the Securities and Exchange Commission (SEC). These factors include, among others, the impact of the coronavirus pandemic, the health of the beer industry and our brands in our markets; economic conditions in our markets; stock market and commodities performance; crop yields; consumer demand; global economic conditions; changes in laws and regulations; development of new technology; cost and availability of resources, raw materials, commodities and packaging materials; force majeure events; the loss or closure of a major brewery or other key facility; changes in our supply chain system; our ability to implement our strategic initiatives; the success of our joint ventures; risks relating to operations in developing and emerging markets; the impact of climate change and the availability and quality of water; the ability to attract, hire and retain qualified personnel; future financial and operating performance within and related to the industry; our ability to maintain brand image, reputation and product quality; and other risks discussed in our filings with the SEC. All forward-looking statements in this report are expressly qualified by such cautionary statements and by reference to the underlying assumptions. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update forward-looking statements, whether as a result of new information, future events or otherwise.