



**MOLSON
COORS** beverage
company



OUR IMPRINT



ENVIRONMENTAL, SOCIAL
AND GOVERNANCE
(ESG) REPORT 2020

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ABOUT THIS REPORT

Welcome to our Environmental, Social and Governance (ESG) report 2020. This report details our performance data for – and our approach to – our most material ESG issues. It sits alongside [Our Imprint Report](#), which details progress against our 2025 strategy.

The scope of our 2019 reporting covers Molson Coors Beverage Company's (Molson Coors) direct operations. 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 reporting is rolling into the North America business unit. Going forward, our reporting will be updated to reflect our new, streamlined organizational structure, centered around these two business units. Data and metrics included in this report cover global activities and performance in the fiscal year from January 1 to December 31, 2019. Unless otherwise noted, the 2025 goals covered in this report have been set against a 2016 baseline that incorporates the performance of our global business.

We report annually on our sustainability progress. Our sustainability reporting, which also includes the separate [Our Imprint Report 2020](#), has been prepared in reference to the Global Reporting Initiative (GRI) Standards. This report also serves as our Communication on Progress (COP) for our commitment to the United Nations Global Compact (UNGC) CEO Water Mandate. The GRI Index, the UNGC COP Index, the Sustainability Accounting Standards Board (SASB) index and the Task Force on Climate-related Financial Disclosures (TCFD) table can all be found at the back of this report. Our contribution to the United Nations Sustainable Development Goals (SDGs) can be found in our [SDGs Impact Report 2020](#). Corporate Citizenship has assured data related to our absolute water, energy and carbon, waste, health and safety, and environmental compliance metrics in accordance with ISAE 3000. Please see the [Assurance Statement](#) for details.

For full details of our strategy and goals to 2025, key stories and highlights, please see [Our Imprint Report 2020](#).

INTRODUCTION

Our Imprint 2025: For a Better Tomorrow

Every time a beverage is picked up there is an imprint left behind. At Molson Coors, we're making sure it's a positive one. As we progress toward Our Imprint 2025 goals, we're working to ensure that every glass can be enjoyed responsibly and protect our environment for tomorrow's generations. To learn more about Our Imprint 2025 strategy and goals, and our progress in the previous year, please visit [Our Imprint Report 2020](#).

IDENTIFYING KEY ISSUES

For every business, environmental, social and governance (ESG) issues are key considerations as potential operational impacts. At Molson Coors, we engaged stakeholders globally in 2017 to help identify the issues most important to our business through a comprehensive materiality assessment. This assessment informed the development of Our Imprint strategy (previously called Our Beer Print). The strategy focuses on a number of strategic goals across three pillars, which guide the efforts of our organization toward 2025.

As we progress on our goals, we also continue to identify key emerging trends through ongoing engagement with our external stakeholders, including investors, suppliers and retail partners. Through regular discussions with our customer-facing teams and through our direct distributor engagement, we believe our continuous listening approach allows us to keep a pulse on emerging issues and what is expected of us as a corporate citizen. To attempt to ensure our focus areas remain relevant, we aim to reassess our material risks and opportunities every three to five years. Details of our 2017 materiality assessment can be found on our [corporate website](#).

SUSTAINABILITY GOVERNANCE

The Molson Coors Board of Directors has oversight responsibility for our sustainability governance, including Our Imprint. Specifically, the Audit Committee of the Board reviews performance against Our Imprint 2025 goals, sustainability trends and stakeholder views on a quarterly basis. The Audit Committee of the Board is also responsible for risk oversight and identification, including risks associated with climate change, and the operations of the global risk management framework.

Our Global Senior Director of Sustainability & Enterprise Risk Management is responsible for overseeing sustainability issues that impact our business and for driving day-to-day progress against our 2025 strategy and goals. Our sustainability performance is regularly reported to our Chief Legal & Government Affairs Officer, Global Chief Supply Chain Officer, Chief People & Diversity Officer and Chief Communications & Corporate Affairs Officer, and at least annually to the Executive Leadership Team (ELT) and the Board of Directors.

In 2018, we launched a Sustainability Leadership Council (SLC), composed of executive leaders from across key functions, to provide comprehensive oversight of sustainability topics across our global organization.

The SLC is accountable for driving performance against Our Imprint 2025 goals and aligning our business units and functional teams to meet emerging ESG issues facing our industry. The group meets at least twice per year, with SLC subcommittees, such as the Packaging Risk Council, meeting more frequently to address trending topics and challenges.

Matters related to climate change, including extreme and changing weather conditions and other events that could be caused or exacerbated by climate change, are an important component of our sustainability strategy. Climate-related risks and opportunities are considered in the comprehensive risk mitigation efforts that our Board of Directors oversees, led by the Sustainability & Enterprise Risk Management team and managed by several other parts of our organization.



“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 – and all people – around our shared commitment to celebrate together and leave a positive imprint on our communities where we live, brew and sell our products.”

Gavin Hattersley, CEO

MANAGEMENT APPROACH

How We Work

For Molson Coors, it is not just what we do that matters; it is also how we do things. We are committed to producing extraordinary beverages and running a business that puts our people first. Our people-first approach is reflected in our company values. We want everyone at Molson Coors to take accountability for their actions, to be bold and decisive in their work and to celebrate accomplishments together.

ENTERPRISE RISK MANAGEMENT

Molson Coors' enterprise risk management (ERM) program is designed to enable us to appropriately identify, monitor, manage, prioritize and mitigate these risks, and to foster a culture of integrity, risk awareness and compliance within Molson Coors.

Integrated Approach

We manage enterprise risk within Molson Coors through a structured framework which guides assessments of our exposure to risks. The assessment process is overseen by the Global Senior Director of Sustainability & Enterprise Risk Management, who consolidates evaluations of ERM issues from individuals who are responsible for risk management oversight at executive and regional levels. An analysis using the ERM process is performed every six months to identify emerging risks for which we can develop mitigation plans, with the results reported to our ELT and our Board of Directors.

Assessing and Analyzing Risk

Molson Coors uses a combination of interviews, benchmarking and external analysis to conduct initial qualitative assessments. Risk interactions are evaluated for the highest risks and assessments are refined with the Chief Executive Officer, Chief Financial Officer and Chief Legal Officer. Our ERM system, which is based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management Framework – Integrating with Strategy and Performance supplement, drives a collaborative and holistic approach with ERM, strategy, business continuity and internal audit.

Molson Coors utilizes the following scales for rating enterprise risks in terms of impact, likelihood and velocity:

- **Impact:** the extent to which a risk event might affect the enterprise.
- **Likelihood:** the prospect that a given risk will occur.
- **Velocity:** the speed at which the risk event will manifest itself.

Risks are plotted on a heat map to depict prioritization and can be categorized as Tier 1, Tier 2, Tier 3 and Watch List. Those in the 'Very High' risk level, designated as red, are Tier 1 risks, meaning that they will be reported and monitored by the Leadership Team and Board of Directors. Risks on the Watch List are either new, trending higher than previous reporting periods or have increased in uncertainty. These risks are also reported to and monitored by the Leadership Team and Board of Directors. Each risk has one principal Leadership Team Owner, who coordinates the mitigation efforts and reports on progress.

Disclosures

Molson Coors discloses the risks that we believe are most likely to have a material adverse effect on us in our filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. These risks form the foundation of our ERM framework and include ESG-related risks, such as operational disruption of a major facility, cybersecurity and availability of quality water, as well as a new risk, the coronavirus (COVID-19) pandemic.

To read more about our risks, visit our [SEC Filings](#) here.

TAX STRATEGY

The taxes we pay as a responsible business can be a significant part of our economic contribution to the countries, cities and jurisdictions in which we operate. The management of our tax affairs is governed on principles aligned with our global commercial, sustainability and corporate governance practices, including compliance with local tax laws and regulations.

We consider tax efficiencies when undertaking commercial activity, with the aim of enhancing shareholder value. We proactively manage tax risk and strive to engage transparently with local tax authorities and consult them on a regular basis. Beyond taxation, we support governments and communities across the globe through the employment of our people in our operations and across our wider value chains. In addition, we invest in skills and the advancement of new technologies to manufacture and promote our products. Read more about [Our Global Tax Principles](#).





REMUNERATION ALIGNED WITH SUSTAINABILITY

Our Imprint is embedded in Molson Coors' culture and the values we set forth as a company. Our people come first, and we believe that by valuing differences and driving accountability from the start, we can build a team culture that will help us achieve our sustainability goals.

A group of functional heads are responsible for the achievement of Our Imprint 2025 goals, including our Global Chief Supply Chain Officer, Chief Legal & Government Affairs Officer, Chief Communications & Corporate Affairs Officer and Chief People & Diversity Officer, together with their functional teams.

Our Imprint performance is further reinforced by World Class Supply Chain 2.0 (WCSC 2.0) initiative, which helps further drive efficiencies and reduce losses in areas such as health and safety and environmental sustainability.

Each brewery that is involved in the WCSC 2.0 program is accountable for delivering improvements against the following metrics:

- Energy usage ratio (MJ/hl)
- Water usage ratio (hl/hl)
- Total incident rate (TIR)

ETHICS AND INTEGRITY

We believe we have a duty to our employees, communities, suppliers, customers and consumers to do the right thing. At the heart of this ethical culture sits our [Code of Business Conduct](#). Guided by this Code, and led by our Vice President of Global Ethics and Compliance and our Executive Ethics and Compliance Committee, we work with our regional partners to promote a consistent approach to doing things "the right way."

The Code underpins our ethics and compliance program. This program includes policies, training, communication, monitoring and auditing procedures on a range of topics, such as:

- Accurate books and records
- Alcohol responsibility
- Anti-bribery and corruption
- Anti-discrimination and harassment
- Competition
- Conflicts of interest
- Data privacy
- Gifts and entertainment
- Insider trading
- Social media
- Speaking up

We expect each and every one of our employees to uphold the Code, which is available in many different languages.¹ Training in the Code, either face to face or online, is mandatory and all new employees are required to complete this as part of their onboarding. Refresher training is planned for every two years thereafter. We also require employees to affirm that they have read and will comply with the Code, and will act ethically, responsibly and in compliance with the law. Employees are further required to disclose any potential conflicts of interest where their personal interests may be in conflict with those of the company. In such cases, employees must submit an online conflict of interest disclosure form to their manager and to our Ethics and Compliance department for approval and to ensure a record of each disclosure. We also expect employees who have any concerns about possible violations of the Code to raise such concerns through the appropriate channels.

Anti-Bribery and Corruption

Molson Coors has zero tolerance toward bribery and corruption by employees or anyone acting on the company's behalf. We require all our employees and business partners to adhere to ethical, transparent business practices. Through our anti-bribery and corruption program, employees receive training in our policy and its operation. This is supported by an intranet suite that offers tools and resources to help employees recognize bribery and corruption. Gifts and entertainments can be recorded and receive pre-approval via an online Gifts and Entertainment Register, in accordance with local policies. We help our business partners understand our approach to doing business the right way through compliance due diligence procedures and standard contract clauses. We also conduct audits – both internally and externally – to monitor compliance. Every quarter, our ELT and the Board's Audit Committee receive a report updating them on our ethics and compliance program, as well as activities through our anti-bribery and corruption program.

Ethics and Compliance Helpline

All Molson Coors employees have access to our Ethics and Compliance helpline, 24 hours a day. The helpline is administered by a third-party provider, EthicsPoint, and enables employees and any other stakeholder to ask a question or raise a concern in complete confidence and/or anonymity. Users can contact the helpline by phone or internet in their native language. All questions and issues raised are addressed by the Molson Coors Ethics and Compliance Office, and both the law and company policy prohibit any retaliation against anyone who raises a concern in good faith. In 2019, the helpline received approximately 108 such reports. Of those followed up with investigative action, approximately 15% were substantiated and resulted in disciplinary or corrective action.

¹ The Code is published in the following languages: Bulgarian, Croatian, Czech, English, French, Hindi, Hungarian, Japanese, Montenegrin, Romanian, Serbian and Spanish.



HUMAN RIGHTS

We are committed to fostering open, inclusive workplaces, based on recognized workplace human rights, where employees are valued, engaged and inspired to be the best they can be. We have a clear set of **Employment Principles** that operate across all our operations and all entities in which we hold a majority interest. These are informed and guided by recognized international standards on human rights, including the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the UNGC. We also expect our suppliers to meet certain human rights expectations. These are set out in our **Standards for Suppliers** and are included in supplier contracts. See the **Sustainable Procurement Strategy** section on page 20 for more details.

Putting People First is critical to delivering on our purpose of uniting people to celebrate all life's moments. We want to create a workplace where people are engaged, free to respectfully challenge the expected, and perform at their very best every day. It goes without saying that we are also committed to designing safe and comfortable workplaces in which everyone is treated with respect, differences are valued and employees' actions are consistent with our standards and values. We aim, at all times, to provide workplaces that are free from discrimination or physical or verbal harassment based on race, sex, color, national or social origin, religion, age, disability, sexual orientation or any other status protected by applicable law.

All Molson Coors employees have access to our Ethics and Compliance helpline, where any concerns over human rights can be reported. Our Code of Business Conduct and our global "Speaking Up" policy detail employees' responsibility to report any potential misconduct or violations they witness.

Political Contributions

Molson Coors actively engages in the political environment to inform public policymakers on issues and practices that relate to our company and industry. We also promote the responsible promotion and consumption of our products.

Our business rules state that only designated company employees may engage in public policy work on behalf of Molson Coors, and they must adhere to specific registration, ethics and disclosure requirements in their jurisdiction. Our **Code of Business Conduct** provides guidance on political contributions for employees.

Our total political donation in Canada was approximately CAD24,900 in 2019. For further details, please see the relevant provincial websites: Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Ontario, Prince Edward Island and Saskatchewan.

In the US, our political contributions support candidates, political parties and committees at both federal and state levels. In 2019, our contributions to candidates for state office, state political entities and ballot initiatives totaled approximately \$423,500. Molson Coors also operates the Molson Coors Political Action Committee (PAC), which made contributions to candidates totaling approximately \$52,000 in 2019, through voluntary contributions from a restricted class of eligible employees.

Our US business follows rigorous internal protocols, legal policies and external controls to ensure that all political contributions are made and reported in strict compliance with appropriate state or federal laws and regulations. The amounts of contributions made to candidates or parties at state level are generally publicly available on the respective state's campaign finance report website as may be required by that jurisdiction. Any employee contributions of over \$200 to the Molson Coors PAC, as well as expenditures by the PAC, are publicly available on the PAC's reports filed with the Federal Election Commission at www.fec.gov.

Our business units outside of North America do not make political contributions.



RESPONSIBLY REFRESHING

Enjoying One of Life's Simple Pleasures

We want our consumers to make great memories and enjoy every moment. That's why we encourage them to drink our beverages responsibly. We provide the information and options our consumers need to make refreshing and smart choices. This includes creating public campaigns to prevent underage drinking and drunk driving, as well as providing information to reduce harmful consumption. We're also expanding our portfolio to offer drinkers more low- and no-alcohol options.

FOR A BETTER TOMORROW: OUR 2025 GOALS

Our priorities	2025 goals ²
Inspire responsible drinking	Implement impactful programs to prevent alcohol-related harm Partner with other global alcohol producers to achieve a 10% reduction globally in harmful alcohol use ³
Ensure responsible marketing and consumer information	Make certain 100% of our advertising and marketing programs are in compliance with company, industry and applicable governmental standards Deliver nutritional information, alcohol serving facts and ingredients to consumers for 100% of our products ³
Drive innovation	Offer consumers exceptional quality no-alcohol and low-alcohol choices ³

OUR APPROACH

We are committed to the responsible consumption of alcohol. We collaborate with other private and public partners to develop education and safety programs which inspire responsible drinking among all our consumers. We also work with partners to reduce harmful alcohol use. We strive to continually expand our offering of low- and no-alcohol products to provide consumers with alternative options. Our advertising aims to comply with the relevant laws and regulations in every country where we operate, and is targeted at people who are 18 years of age or the legal drinking age, whichever is higher. Our longer-term goal is to provide nutritional information, ingredients and alcohol serving facts for all our products.

Find out more about our strategy and our goals in [Our Imprint Report 2020](#).

² Set against a 2016 baseline incorporating 100% Molson Coors and MillerCoors data.
³ In countries where we operate a large brewery.

Responsible Marketing and Employee Training

All of our employees are required to review and comply with the Molson Coors Alcohol Responsibility Policy at the start of their employment. To ensure our people understand the important role they play in modeling responsible behavior within their communities, we also provide refresher training on our policies every two years thereafter. In early 2018, we rolled out Molson Coors Alcohol Responsibility training across our entire business.

Our commercial employees must also familiarize themselves with our Commercial Responsibility Policy, which provides detailed guidance on how to develop, package, market and sell our products in a responsible manner. We conduct these trainings regularly to ensure our commercial and agency partners understand the Policy.

We are committed to responsible advertising and marketing directed at adults who are at least the legal drinking age or 18 years of age, whichever is higher. We believe every marketing message that we put into the marketplace, regardless of its form, must enhance our reputation as a lawful and responsible corporate citizen.

We self-regulate our marketing and advertising to ensure they meet our rigorous internal standards and primarily reach legal-drinking-age audiences. The Marketing Compliance Committee process established by our US business has now been rolled out across all our business units. It includes a cross-functional group of employees who are responsible for reviewing communication materials against our internal standards, relevant local laws and industry standards, such as the voluntary, self-regulatory Beer Institute Advertising & Marketing Code (BI Code) in the US, before they are released to the public. We invite our consumers to inform us when they believe we have not fulfilled our duty to self-regulate our advertising. In the US, a third-party complaint resolution process is available to the public.

Partnering to Reduce Harmful Drinking

We are a charter member of the International Alliance for Responsible Drinking (IARD), a nonprofit organization that aims to reduce harmful drinking and promote understanding of responsible drinking. The IARD is supported by leading global beer, wine and spirits producers, and partners with the public sector, civil society and private stakeholders. The organization works in support of internal goals to reduce harmful drinking, including the World Health Organization's (WHO) Noncommunicable Diseases (NCD) Global Monitoring Framework and the UN SDGs target 3.5.

In 2020, the WHO passed a motion to accelerate action to reduce the harmful use of alcohol worldwide. They also called for the development of a 2022–2030 action plan through which to implement their global strategy. Molson Coors expects to play an active role in supporting the acceleration of action against harmful alcohol use, including complying with new commitments outlined by the IARD. These commitments include adding clear age restriction labels to alcoholic drink packaging.

The new commitments launched by the IARD in 2020, introduces **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. Together, we're working to strengthen efforts to reduce harmful drinking around the world in five key areas:

- Reducing underage drinking
- Strengthening and expanding marketing codes of practice
- Providing consumer information and responsible product innovation
- Reducing drinking and driving
- Enlisting the support of retailers to reduce harmful drinking

Members of this alliance are currently collaborating to develop the next set of global commitments toward a 10% reduction in harmful use of alcohol by 2025.

We've also been working with the IARD to implement the Digital Guiding Principles in our marketing and commercial placements. The Principles were developed as part of the Beer, Wine and Spirits Producers' Commitments to reduce harmful drinking. The IARD and the World Federation of Advertisers support member companies to achieve 80% full compliance with the Principles. Digital platforms are introducing changes that help to further minimize exposure of minors to alcohol advertising. In June 2019, the IARD held an event at the Cannes Lions festival to increase awareness and encourage digital platforms to do more in this area. To learn more about the Digital Guiding Principles safeguards, please visit [Our Imprint Report 2020](#).



SUSTAINABLY BREWING

From Grain to Glass

From resource scarcity to climate change, we believe there are many environmental challenges that pose potential issues for our future operations. We are actively addressing these challenges, minimizing our environmental impact and encouraging our employees to be stewards for the environment. We push ourselves to be efficient users of resources in our own operations, but we don't stop at the walls of our facilities. We are working with our suppliers and partners as well, helping them identify ways to reduce their own environmental footprints so we can build a more sustainable value chain together.

FOR A BETTER TOMORROW: OUR 2025 GOALS

Our priorities	2025 goals ⁴
Make the most out of every drop	<p>Improve water-use efficiency by 22% in our large breweries⁵ to achieve a 2.8 hl/hl water-to-beer ratio</p> <p>Protect local water resources in partnership with others</p>
Reduce our carbon footprint	Reduce carbon emissions across our operations by 50%, and throughout our value chain by 20%
Promote a circular philosophy	Achieve and sustain zero waste to landfill at all our brewing and major manufacturing facilities ⁶
Grow best practice in agriculture	<p>Improve water-use efficiency in our agricultural supply chain and malting operations by 10%</p> <p>100% of barley and hops sourced from sustainable suppliers in key growing regions</p>

Find out more about our strategy and our goals in [Our Imprint Report 2020](#).

⁴ Set against a 2016 baseline incorporating 100% Molson Coors and MillerCoors data.

⁵ There are 24 large breweries within the scope of our 2025 water goal.

⁶ Those with 75 or more employees.

OUR APPROACH

As one of the world's largest brewers, we believe we have the duty to make a significant impact on sustainable brewing – by protecting precious water resources, reducing packaging, eliminating waste and cutting emissions. We aim to sustainably source the resources we use, and manage them effectively. We partner with our agricultural suppliers to identify areas where they can improve their own operations, to help build a more resilient agricultural supply chain.

Central to our sustainability strategy is our aim to achieve a circular economy in our operations and throughout our supply chain. We work to consistently reduce the waste that we send to landfill, and evaluate alternative materials that are more sustainable for our planet. We are also identifying ways to recapture, recycle and reuse water in our breweries, reducing our impact on local watersheds, especially in our at-risk brewing sites.

We collaborate with key stakeholders, including governments, industry groups, academia and nongovernmental organizations, and share best practices as we aim to improve our operations, our industry and our communities.

Water Stewardship

Within our large breweries, our World Class Supply Chain 2.0 (WCSC 2.0) program supports our aim to build more sustainable operations. WCSC 2.0 helps to improve efficiency by stabilizing processes and standards, improving alignment between our operations and minimizing production losses.

Our FEWER (Fuel Energy Water Emissions Reduction) team members help build capacity across the brewery network to help reduce waste, water and energy use in day-to-day activities. Our FEWER team members connect frequently to share proven best practices, and are responsible for bringing those initiatives back to their respective breweries to drive improvements.



Our Performance in Our Direct Operations

We measure our water performance by the intensity of water used per unit of beer produced. By 2025, we aim to improve water-use efficiency at our large breweries⁷ to reach a 2.8 hl/hl water-to-beer ratio.

In 2019, we reached a water-use ratio of 3.41 hl/hl, achieving a 5% decrease in our water use from 2018. Our performance was driven by:

- Invested in the reverse osmosis (RO) plants in our Burton Brewery and Tadcaster Brewery in the UK, which allowed us to reduce losses associated with water treatment. Burton's enhancement of RO performance has led to a 9% reduction in water treatment losses, which has significantly contributed to an absolute on-site water reduction of 7%. Respectively, Tadcaster's RO improvement has saved approximately 11% in site water demand.

- Optimizing Clean in Place (CIP) circuits in our Golden Brewery and Toronto Brewery, which enabled us to find more ways to use clean reclaimed water in our regular cleaning processes.
- FEWER teams continued to make improvements at the brewery level. Global standardization of processes like CIP optimization and control philosophy allows us to make incremental changes across the breweries, which ultimately helps minimize losses and maximize improvements in water savings.

Large Brewery⁷ Water Intensity (hl/hl)

hl of water used per hl of beer produced

2018	3.52
2019	3.41

Water Usage Breakdown by Region in 2019 (khl)

	MillerCoors	Europe	Canada	MCI
Municipal	124,009	14,049	30,426	65
Ground	96,539	63,397	159	2,424
Brackish	-	-	-	-
Surface	32,527	9,688	-	-
Total water usage	217,338	86,415	30,585	2,499
Rainwater harvested	-	-	-	-
Water restored to source	-	719	-	-

⁷ Large breweries are: Albany, Ft. Worth, Golden, Irwindale, Milwaukee, Shenandoah, Trenton, Moncton, St. John's, Montreal, Toronto, Vancouver, Apatin, Bocs, Burton, Haskovo, Ostravar, Ploiesti, Smichov, Tadcaster, Trebjesa, Zagreb, Saha and Bhankarpur.



MANAGEMENT APPROACH

RESPONSIBLY REFRESHING

SUSTAINABLY BREWING

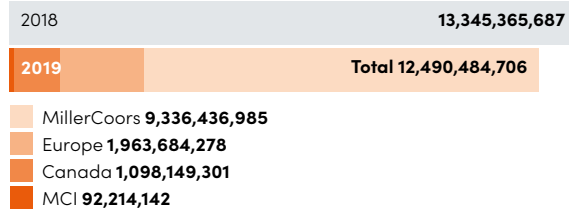
COLLECTIVELY CRAFTED

ENERGY AND CARBON

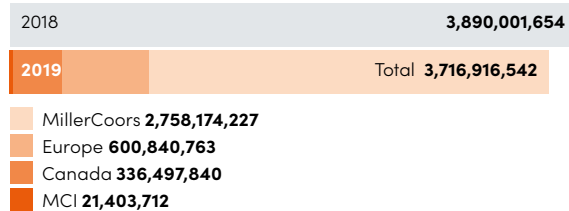
As a global organization we recognize the role Molson Coors can play in leading action against climate change. We've set a 2025 goal to reduce absolute carbon emissions across our operations by 50% and throughout our value chain by 20%. Our goal to lower absolute emissions by 50% within our direct operations has been verified against the 1.5°C pathway, as recommended by the Intergovernmental Panel on Climate Change (IPCC).

Through our strategy, we continually focus on reducing our overall operational energy consumption through improved process control and execution. We focus on areas such as CO₂ self-sufficiency and switching to cleaner fuel options to help us further reduce carbon emissions. Lastly, we are looking to increase the share of renewable sources in our energy mix, where possible.

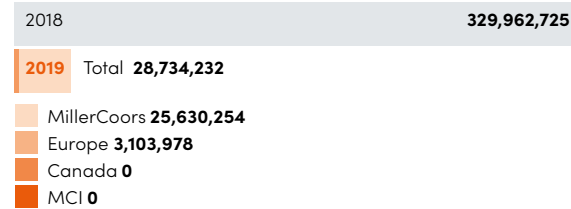
Energy Use (MJ)



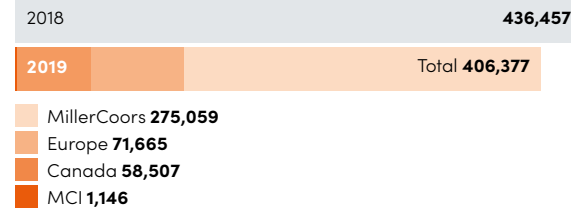
Electricity Purchased (MJ)



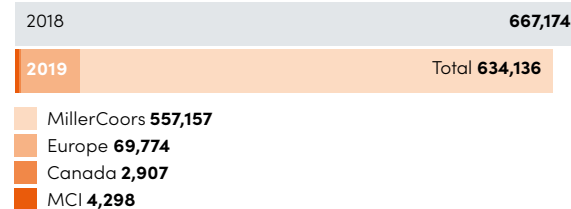
Renewable Electricity Generated by Business Unit (MJ)



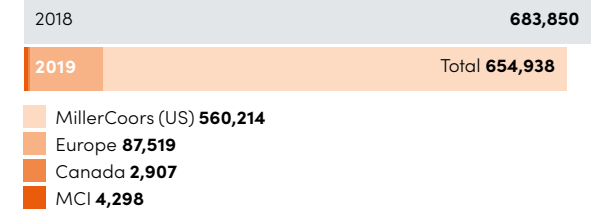
Scope 1 Emissions (tonnes CO₂e)



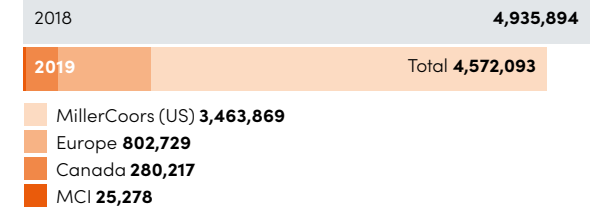
Scope 2 Emissions (tonnes CO₂e): Location Based



Scope 2 Emissions (tonnes CO₂e): Market Based

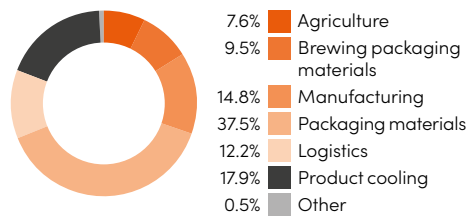


Scope 3 Emissions (tonnes CO₂e)

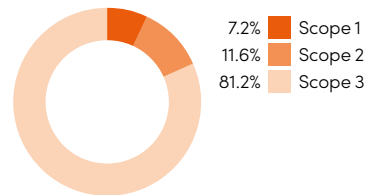


Detailed reporting of our carbon footprint across the value chain (including operations, packaging, transportation, agriculture and refrigeration), our Scope 1 and 2 emissions, and our carbon intensity is available in our Climate submission on the [CDP](#) website. We are developing an analysis of various climate scenarios and how they will impact our business. Further details can be found in the TCFD table at the back of this report.

2019 GHG Emissions – Breakdown by Segment



2019 GHG Emissions – Breakdown by Scope



Our Performance

We measure our performance based on absolute carbon emissions. In 2019, we implemented multiple process-improvement projects to optimize our brewery operation and reduce emissions.

Examples include:

- Our large breweries focusing on turndown strategies to minimize consumption during low production periods
- Reduction in energy usage due to utilities system optimization at our breweries in Shenandoah, Golden, Irwindale, Moncton and Toronto
- Changes in the brewing process, such as shifting to more energy-efficient brewhouse operations and implementing simmer boil to reduce steam consumption, resulted in a reduction of energy and water at our breweries in Ostrava, Golden, Milwaukee, Moncton and Montreal

Energy

In 2019, we used 8.85 billion MJ total energy across all our operational sites, versus an internal target of 8.86 billion MJ. This is a decrease in total energy of 5.8% from 2018.

Emissions

In 2019, we achieved a 4.5% reduction in Scope 1 and Scope 2 emissions from 2018.

As we work toward our 2025 goal of reducing our emissions in our direct operations by 50% and in our value chain by 20%, we will continue to reduce our energy usage and aim to expand the use of on-site renewable energy, where possible. We are currently working on developing a robust portfolio for off-site purchased renewable electricity to help us reach our 2025 goals.



WASTE REDUCTION

A major factor in our overall environmental footprint is the creation and disposal of waste throughout the lifecycle of our products. Our 2025 goal is to achieve zero waste to landfill at all our major brewing and manufacturing facilities.⁸ At the end of 2019, 18 such sites, including every large brewery in the US, had achieved and sustained this goal. The newest facilities to achieve this milestone include our Ploiesti Brewery in Romania and Aspull Brewery in the UK, while the Vancouver Brewery in Canada, which previously achieved zero waste, was closed this past year.

Our target of zero waste to landfill at our facilities is part of our ambition to achieve a circular economy in our operations, eliminate waste and rethink how we can use resources more efficiently. Our Environmental, Health and Safety Management System (EHSMS), part of our WCSC 2.0 program, supports the work we do to eliminate waste throughout our operations. Before we can reduce waste streams, we need to understand how our waste streams are designed and generated. To facilitate this, we have characterized and quantified waste streams at all our facilities. Using this data, we can then work with suppliers and customers to identify opportunities to eliminate these waste streams or, where that is not possible, reduce, reuse or recycle them. Glidepaths for each facility have been established by our EHS teams, and progress toward zero waste to landfill is overseen globally.

Our Performance

A key focus for our work is on increasing recycling rates and reducing the total waste we generate. By the end of 2019:

- We disposed of only 1,144 tonnes (0.11%) of the solid waste we generated in our major brewing and manufacturing facilities in landfill
- We reduced the amount of waste disposed in landfill by 39% compared with 2018
- 18 major brewing and manufacturing facilities achieved or are sustaining zero waste to landfill – nine in the US, eight in Europe and one in Canada

Our waste data comprises solid waste disposed of from our major brewing and manufacturing sites as follows: landfill, incineration (without energy recovery), waste to energy, compost and soil amendment, recycled and reused (including co-products like animal feed).

Find out more about circular philosophy in [Our Imprint Report 2020](#).

Resource Efficiency (tonnes) by Region 2019

	MillerCoors	Europe	Canada	MCI
Landfill	139	509	495	-
Solid waste to incineration	-	-	-	-
Solid waste to energy	1,452	771	1,853	-
Compost and soil amendment	64,714	4,254	1,180	1,186
Waste recycled	35,841	17,613	21,969	1,150
Reused total	511,841	319,707	68,778	5,557
Total solid waste	613,987	342,854	94,275	7,893
Percentage (landfill/total solid waste)	0.02%	0.15%	0.53%	0.00%

⁸ Those with 75 or more employees.

Environmental Compliance

We have robust protocols to manage compliance. Should an environmental release occur, we take immediate steps to restore compliance and prevent any future occurrence. This includes holding investigations with senior leadership and environmental experts, and implementing corrective actions.

For 2019, we updated our environmental KPI to include both releases to the environment and administrative breaches of regulations, as a more stringent measure of compliance. These incidents will together be referred to as Serious Environmental Incidents. Where either type of incident has the potential for a fine in excess of \$10,000, or where there is adverse media reporting that is likely to cause reputational damage to Molson Coors Brewing Company, these will be tracked as Critical Environmental Incidents.

Environmental Violations

Environmental Violations of Legal Obligations/Regulations⁹
(number)

2017	1
2018	2
2019	1

There was one environmental violation with a fine exceeding \$10,000 in Molson Coors India business in 2019. This was for a technical breach of the India Water Act, however there were no off-site negative impacts to the environment.

Serious Environmental Incidents¹⁰ (number)

2017	25
2018	16
2019	19



2019 Serious Environmental Incidents (number)

Total	19
MCE	3
MCC	2
MCI	3
MillerCoors (US)	11

⁹ We use the Dow Jones Sustainability Index definition of a violation, i.e., a violation occurs when an authorized body (e.g., a governmental body, independent commercial or non-commercial regulator) determines that a law, regulation, code, etc. related to environmental or ecological issues has been breached and the fine or penalty is over \$10,000.

¹⁰ We use an internal definition of Serious Environmental Incidents, which matches the legal reporting requirements in our areas of operation and includes both pollution events and administrative breaches.

HEALTH AND SAFETY

We believe the health and wellness of our people is fundamental to their performance and engagement. Health and safety is part of our global commitment to doing business the right way, and we work to achieve a workplace culture in which health and safety are embraced by all. This approach is formalized by our Environmental, Health and Safety (EHS) pillar within WCSC 2.0, and provides the framework for our EHSMS.

Underpinning our commitment is our Environmental, Health and Safety (EHS) Policy, which guides our approach to managing health and safety. Through our EHS Policy, we aim to instill employee ownership at all levels of our organization. We are dedicated to maintaining safe and healthy workplaces. We take a proactive approach to the identification and control of EHS risks, and expect all employees to take responsibility for EHS through the opportunities for involvement we provide. We are committed to continuously improving our EHS performance through methodologies that aim to prevent workplace injuries and illnesses and to reduce the environmental impacts of our operations and products throughout their lifecycles.

Lost Time Rate (Lost Time Rate/200,000 hours worked)

2017	0.39
2018	0.38
2019	0.40

	2017	2018	2019
Fatalities (including contractors)	0	0	0

Our Performance

Safety is a central commitment within Our Imprint 2025 strategy with an ambitious target to reduce our internal Lost Time Accident (LTA) rate by 40% by 2025. LTA measures the Lost Time Rate (LTR) per 200,000 hours for employees and contractors' workplace injuries, as well as any employee occupational illnesses that result in lost time. Based upon a baseline LTR of 0.46 in 2016, Molson Coors is currently achieving a 13% reduction.



COLLECTIVELY CRAFTED

For Our People and Communities

For us, it's the people behind our beverages that really makes Molson Coors what we are. The transition of our name to Molson Coors Beverage Company offered an opportunity for us to redefine our key values. Putting people first is at the heart of everything we do, and that's why it's our top value. Putting people first means encouraging them to bring their whole selves to work and support the communities where we live and work. We're proud of how our beverages bring together passionate people and vibrant neighborhoods to celebrate life's great moments.

FOR A BETTER TOMORROW: OUR 2025 GOALS

Our priorities 2025 goals¹¹

Provide a great employee experience	Provide a great employee experience through living our People First culture and values ¹²
Be a good global citizen	\$100 million investment, aiming to improve livelihoods, foster empowerment and build resilient communities
Strengthen our supply chain	Ethical and sustainable supply chain practices
Promote supplier diversity	Actively engage with women-owned and minority-owned small businesses as suppliers

Find out more about our strategy and our goals in [Our Imprint Report 2020](#).

¹¹ Set against a 2016 baseline incorporating 100% Molson Coors and MillerCoors data.
¹² 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 APPROACH

The year 2019 was one of transformation for Molson Coors. As we rebranded ourselves as the Molson Coors Beverage Company, we took the opportunity to rediscover what was most important for our company. We developed a set of five new values:

1. Put people first
2. Be bold and decisive
3. Take accountability
4. Learn every day
5. Celebrate together

Putting our people first is at the heart of everything we do. Our commitment to this is evident in how we celebrate our successes and support one another through challenges. We aim to provide our people – our beverage champions – with an environment that is a great place to work and one that provides them with meaningful experiences. To achieve this, we have adopted four principles: Connect, Grow, Live and Thrive.

This means giving everyone an opportunity to Connect with our people, to Grow their skills and careers, to Live with the support and benefits fit for them, and to Thrive in our culture. These principles are built on our proud family heritage and growth ambition which is focused on a brighter future for both our business and people.

We want our employees to have a say in our activities, and use their feedback to drive continuous improvements in how we work and operate. In 2020, we launched our new Employee Experience Survey in the US, a quick and anonymous survey which is circulated quarterly to gather feedback on our culture and how our employees feel at work. We will use the survey feedback as an engagement measure through which we will drive our People First value. By focusing on the things that are truly important for both candidates and employees, our framework aims to ensure that we all win together, with engaged, motivated teams delivering on our growth ambition.

CONNECT

Diversity and inclusion are part of our People First value and are key to ensuring we are first choice for our people, our consumers and our customers. The Molson Coors Leadership Team, together with Human Resources, works to ensure we are attracting, retaining, developing and promoting diverse talent and has specific initiatives in place to help us further advance in these areas.

In 2019, we produced our third report on the gender pay gap in the UK and Ireland. The 2019 Gender Pay Report shows that we are moving in the right direction, having reduced our overall mean gender pay gap from 3.84% to 0.79%. It also highlights that our pure pay gap is a little over 0.5%, while the proportion of female employees receiving bonuses is very slightly higher than the proportion of male employees (not accounting for elements such as car cash allowances and shift pay). We continue to work to maintain a strong reward philosophy with fair, transparent and consistent processes.



GROW

Development

Engaging and developing our people is a top priority at Molson Coors. We see career growth and developmental opportunities as cornerstones of employee engagement.

We encourage our employees to continue to learn and develop their career at Molson Coors, through quality one-on-one meetings with their manager, creating and following their Personal Development Plan and committing to continuous learning. Resources such as our First Choice Learning Center and in-person and online training programs, along with experiential learning, enable our employees to build competencies, share best practices and advance their leadership capabilities.

In 2020, one of our top priorities is to help our leaders and managers advance their leadership skills. This will be achieved through two focused leadership development programs that aim to build a more inclusive and focused culture around people development: Living Leadership with Inclusion and the Molson Coors Leadership Development Program.

Performance

Employee performance is assessed at year-end, with performance evaluated against goals (the “What”) and Molson Coors’ cultural values (the “How”). In 2020 we changed the weight from 60% goals and 40% values to 50% goals and 50% values. Employee self-evaluations and manager assessments are calibrated across functions, supporting a consistent, global method to support our pay-for-performance culture and for getting the right people, with the right skills, in the right roles at the right time.

Our Talent Management Planning process will also review the current performance and future potential of all management employees.



People Training

18.4 hours of training and development per full-time employee (FTE) on average in 2019 – 327,906 hours of training and development were logged in 2019:

- 64% was spent on supply chain and commercial topics
- 12.56% was spent on onboarding
- 6% was spent on leadership development programs, including Living Leadership with Inclusion

6,621 live sessions were delivered globally, an increase of 17% from 2018. The number of attendees for these training sessions was 65,572.

2019 Employment Profile by Region¹³

	Approx. No. of FTE (2019)	% Under Union Agreement (2019) ¹⁴
Denver HQ	200	0%
Global Business Services (GBS)	600	n/a
MCC	2,600	49.95%
MCE	6,600	3.14%
MCI	400	0%
MillerCoors (US)	7,300	30.29%
Total	17,700	20.71%

¹³ As of December 2019.

¹⁴ While we still have unionized employees within our Central Europe business, our new employee data system does not allow us to identify union employees within this region.



2019 Global Employee Demographic Data

	2017	2018	2019
Total male employees	12,600	12,900	13,100
Total female employees	4,700	4,800	4,600
Female share of total workforce	27.27%	25.94%	26%
Females in management positions (% of total management workforce)	32.83%	33.15%	34.00%
Females in junior management positions (% of total management workforce)	34.41%	34.60%	35.00%
Females in top management positions ¹⁵ (% of total management workforce)	17.86%	17.54%	13%
Females in management positions in revenue-generating functions (% of all such managers)	30.24%	26.08%	29.68%

LIVE
Wellness and Rewards

The health and safety of our employees is of paramount importance for Molson Coors. We want to support their well-being as well as continuing to work toward our company goals. In addition to keeping our people physically safe and healthy, our efforts are focused on protecting employees' mental health, every day and through trying times. Across our company, we apply health and safety standards that are based on industry best practices, as well as applicable regulatory requirements. We promote healthy lifestyles across our global enterprise by offering our employees numerous health benefits, and wellness and work/life balance programs that are tailored to employees' needs and culture by work location. Full-time employees have access to benefits such as medical plans, dental and vision coverage, and in many locations, on-site medical care and confidential assistance for personal matters. All of Molson Coors' business units comply with minimum required parental leave laws, and in many countries we go further to provide flexible work schedules and extended leave for new parents.

Most employees can also participate in various aspects of our wellness program, which seeks to inform and, when possible, incentivize healthy habits and lifestyles. Our global employee assistance program, which is available 24 hours a day, seven days a week, provides free and confidential assistance in areas such as family and personal relationships, personal crises, depression, anxiety, family care, and financial and legal concerns, as well as health and well-being issues. This program is available for most of our employees and their families depending on their region. We also offer counseling services and access to information on trauma and recovery resources to support employees who are going through difficult times.

We stress the importance of workplace and personal safety, and make concerted efforts to raise awareness that the responsible consumption of alcohol is consistent with sociability and an active, healthy lifestyle. Accordingly, we ask every employee to complete alcohol responsibility training to better understand the impact of alcohol on the human body, as well as how best to recognize and intervene, as necessary, when excessive drinking is observed. Employees not only learn about the company's Alcohol Responsibility Policy and the consequences of non-compliance, but they are also encouraged to be champions for alcohol responsibility on the job, with their families and in their communities.

¹⁵ Includes executives and senior management.



THRIVE

Employee Engagement

We feel that one of the most important challenges facing any employer is attracting, developing and retaining the best talent. We believe employee engagement directly impacts business performance, safety, turnover and absenteeism.

Global People Survey

At Molson Coors, we use a continuous listening model to ensure we understand our employee sentiment throughout the year. This approach has evolved over time, previously consisting of a biennial Global People Survey, regular pulse surveys, rolling exit surveys and onboarding surveys.

Following our business transition based on our revitalization plan at the end of 2019, we announced the closure of our office in Denver and the consolidation of our global workforce. As a result of this restructuring, a 2019 survey was not performed. However, we are now focusing on refreshing our approach to gathering employee feedback, touching base with our people more frequently to understand how they're feeling and what we can do to improve.

For the North America business unit, we refreshed our listening approach in 2020 to center around quarterly employee-experience-based surveys, which will be tracked through the people goal held by all senior leaders. We will review our listening strategy in 2021 once we have the results from four quarterly surveys.

This continuous listening approach allows us to be consistently connected to employees, and agile in addressing opportunities that can positively impact our business. Following the revitalization of Molson Coors, we developed our employee goal, migrating away from the Great Places to Work Index ambition. Our new goal, to create a great employee experience through living our People First culture and values,

Employee Engagement¹⁶

	2013	2015	2017	2019 ¹⁷
Annual survey participation rate	83%	84%	80%	N/A
Employee engagement	57%	65%	81%	N/A
Believe company is socially and environmentally responsible	77%	80%	89%	N/A
The company's actions in support of Our Imprint make me proud to work here ¹⁸	-	72%	91%	N/A
Data coverage	100%	100%	100%	N/A

	2016	2017	2018	2019
Employee turnover rate (total)	12%	10.4%	14.9%	19.8%

reflects our renewed commitment to our employees and will be measured through quarterly surveys.

Health and Safety

We believe the health and wellness of our people is fundamental to their performance and engagement. Health and safety is part of our global commitment to doing business the right way, and we work to achieve a workplace culture in which health and safety are embraced by all. This approach is formalized by our Environmental, Health and Safety (EHS) pillar within WCSC 2.0, and provides the framework for our EHS Management System.

Underpinning our commitment is our **Environment, Health and Safety (EHS) Policy**, which guides our approach to managing health and safety. Through our EHS Policy, we aim to instill employee EHS ownership at all levels of our organization. We are dedicated to maintaining safe and healthy workplaces. We take a proactive approach to the identification and control of EHS risks, and expect all employees to take responsibility for EHS through the opportunities for involvement we provide. We are committed to continuously improving our EHS performance through methodologies that aim to prevent workplace injuries and illnesses and reduce the environmental impacts of our operations and products throughout their lifecycles.

In February 2020, we were shaken by the loss of several members of our Milwaukee Brewery team. We continue to grieve for those we lost, and are supporting our employees through this time. Over \$1 million has been raised through the Miller Valley Survivors Fund, while several support services and resources have been made available to our employees.

Our Performance

Safety is a central focus of Our Imprint 2025 strategy, with an ambitious target to reduce our internal Lost Time Accident (LTA) rate by 40% by 2025. LTA measures the Lost Time Rate (LTR) per 200,000 hours for employees and contractors' workplace injuries, as well as any employee occupational illnesses that result in lost time. Based upon a baseline LTR of 0.46 in 2016, Molson Coors achieved a 13% reduction in 2019.

Lost Time Rate (Lost Time Rate/200,000 hours worked)

2017	0.39
2018	0.38
2019	0.40

	2017	2018	2019
Fatalities (including contractors)	0	0	0

16 Not a direct comparison as 2017 was the first year in which both Molson Coors and MillerCoors organizations participated in the survey.

17 The 2019 employee survey was postponed due to the company revitalization plan.

18 New question added in 2015.



COMMUNITY ENGAGEMENT

Molson Coors has a long, proud history of giving back to our neighbors. This commitment is behind our 2025 goal of providing \$100 million in cumulative cash and in-kind donations to these communities. To achieve this, we are concentrating on the areas of most importance to our neighbors and our business – fostering empowerment, improving livelihoods and building resilient communities to make the places where we work better places to live.

Employee Volunteering

To truly support our communities, we must be active members of them. Throughout our company, we encourage our people to make a difference to their communities and the environment through volunteering. Our Global Volunteer Policy helps us to maintain a consistent approach while allowing for regionally specific conditions. As a result, volunteering has become a part of many of our employees' lives.

2019 Community Contributions (Total US\$)

2019 Total approx. \$8,460,000

Cash \$8,300,000 In kind \$160,000

Procurement Practices

Sustainable Procurement Strategy

We believe an integral part of doing business the right way is adopting best practice standards and techniques to achieve sustainable procurement. To maintain these standards, we aim to balance economic development, social development and environmental protection with our commercial needs for quality, reliability, innovation and value. We focus our procurement strategy on several key areas, including environmental sustainability, social and economic sustainability (including employment standards and human rights), ethical business practices, community responsibilities, environmental impact and data security.

We actively monitor regulations regarding genetically modified organism ingredients in our markets and are committed to complying with applicable health, food, safety, labeling and ingredients regulations. Additionally, we aim to work with suppliers who have the same ambitions for following best practices. This allows us to jointly:

- Meet and exceed our customers' growing expectations to procure ethically and responsibly
- Implement better risk management by protecting our interests throughout the supply chain
- Drive efficiency and continuous innovation through our supply chains

In 2019, we updated our **Standards for Suppliers** document, which sets out our minimum compliance requirements for suppliers. We expect all Molson Coors suppliers to adopt these standards and have processes in place to verify and demonstrate applicable compliance in their own operations. Where the use of subcontractors or other third-party organizations is permitted, we expect our suppliers to implement the Molson Coors Standards for Suppliers throughout their own supply chains. Our standards are communicated as an ongoing requirement to our global supply base through our standard terms and conditions.

Our Four-Step Supplier Monitoring Process

Stage 1 Screening

We conduct an annual pre-screening of our suppliers to help identify key suppliers in our supply chain. This screening focuses on several factors, including product category, production location, criticality to our supply chain and annual spend.

Stage 2 Identification

Key suppliers, identified during the screening process, will be asked to complete a Sedex Self-Assessment Questionnaire (SAQ) to gather further information on any potential risks in the areas of employment standards and human rights, ethical business practices and regulatory compliance, business continuity preparedness and key environmental indicators. Additionally, during the tendering process, suppliers will be requested to provide data and comments to questionnaires on areas of concern within each category.

Stage 3 Supplier development

We will work with our suppliers to address any concerns and provide guidance to enable continuous improvement against our standards. We do this by having active discussions with our suppliers, creating and managing remediation plans, when necessary, and by conducting regular business reviews with key suppliers.

Stage 4 Audit

Suppliers identified as representing the highest potential risk during the SAQ process are required to undergo a third-party audit. After an audit is conducted and all findings are recorded, a corrective action plan is established. These plans attempt to help ensure that minimum expectations are being applied to their business operations and supply chains, and that risks are being addressed. If an agreement cannot be reached, we will consider terminating the contract.

Supplier Monitoring

As one of the world's largest brewers, with an extensive global supply chain, we aim to ensure that every supplier we work with commits to an ethical and sustainable supply chain. That's why we have developed a four-stage process to screen, identify and monitor potential issues, such as workers' rights (including modern slavery), the environment, health and safety and business ethics.

Through the supply chain monitoring service platform Supplier Ethical Data Exchange (Sedex), we are able to track supplier performance in these areas. As part of our due diligence process, we screen our direct supply base annually to identify key suppliers, who are then asked to complete a Sedex Self-Assessment Questionnaire (SAQ) to assess their potential risks. If any risks or issues of concern emerge, we work with the supplier to address them and develop remediation plans. With the relaunch of Sedex's SAQ questionnaire in early 2020, we are working with our key suppliers to complete their profiles on the system and ensure their practices are up to date. Currently, 33% of key suppliers have completed the Sedex SAQ questionnaire and assessment screening. From there, we expect to be able to better address the audit process, re-establish baselines and report improvements made on any non-conformance issues that are identified.

Supplier Diversity

We are committed to promoting diversity and inclusion in our supply chain, fostering mutual benefits for us and our suppliers and supporting economic growth in our local communities. Our total spend with women-owned and minority-owned small businesses is formally incorporated into our quarterly procurement scorecards, with oversight from leadership. We believe we've made significant progress in our supplier diversity program in the US, and plan to expand the scope of our work to encompass Canada in the coming years as we continue to drive progress toward our 2025 goals to promote a diverse and ethical supply chain across our North America business unit.

Percentage of Minority- and Women-Owned Business Enterprises Spend in North America

	2017	2018	2019
Percent of spend	6.52%	6.87%	6.04%



GRI Content Index

This report has been prepared in reference to the Global Reporting Initiative's (GRI) Sustainability Reporting Standards. For a detailed explanation of the indicators, visit the GRI website <https://www.globalreporting.org/standards/>.

GENERAL DISCLOSURES

INDICATOR	DESCRIPTION	LOCATION AND NOTES
ORGANIZATIONAL PROFILE		
102-1	Name of the organization	Our Imprint Report (pg. 2); Environmental, Social and Governance (ESG) Report (pg. 2)
102-2	Primary brands, products, and/or services	Our Imprint Report (pg. 4-5); 2020 Annual Report on Form 10-K
102-3	Location of organization's headquarters	2020 Annual Report on Form 10-K
102-4	Number of countries where the organization operates, and countries with major operations or relevant to sustainability issues	Our Imprint Report (pg. 5); 2020 Annual Report on Form 10-K
102-5	Nature of ownership and legal form	2020 Annual Report on Form 10-K
102-6	Markets served	2020 Annual Report on Form 10-K
102-7	Scale of the reporting organization	2020 Annual Report on Form 10-K
102-8	Employees by employment contract and gender	Breakdown by gender in ESG Report (pg. 18)
102-9	Description of supply chain	Our supply chain starts in the barley and hops fields where our farmers supply our agricultural brewing ingredients. Our packaging, such as bottles and cans, also makes up a large portion of our carbon footprint, which is why we work closely with our packaging suppliers to reduce their carbon emissions. We also work with transportation suppliers to drive efficiencies in our transportation and logistics network.
102-10	Significant changes to size, structure, or ownership	2020 Annual Report on Form 10-K
102-11	Whether and how the precautionary approach or principle is addressed	ESG Report (pg. 9-15)
102-12	External initiatives	Our Imprint Report (pg. 2); ESG Report (pg. 2)
102-13	Membership of associations	Our Imprint Report (pg. 10-12, 21, 27); ESG Report (pg. 2, 8); SDG Impact Report (pg. 11)
STRATEGY		
102-14	CEO statement	Our Imprint Report (pg. 3)
ETHICS AND INTEGRITY		
102-16	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	ESG Report (pg. 5); Code of Business Conduct
GOVERNANCE		
102-18	Governance structure	ESG Report (pg. 3); Molson Coors corporate website
102-20	Executive-level responsibility for economic, environmental, and social topics	ESG Report (pg. 3); Molson Coors corporate website
102-21	Consulting stakeholders on economic, environmental, and social topics	ESG Report (pg. 3, 9); Molson Coors corporate website
G4 - 37	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines	ESG Report (pg. 6)

GENERAL DISCLOSURES

INDICATOR	DESCRIPTION	LOCATION AND NOTES
STAKEHOLDER ENGAGEMENT		
102-40	Stakeholder groups engaged by the organization	ESG Report (pg. 3) ; Molson Coors corporate website
102-41	Percentage of employees covered by collective bargaining agreements	ESG Report (pg. 17)
102-42	How stakeholders are identified and selected	ESG Report (pg. 3) ; Molson Coors corporate website
102-43	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	ESG Report (pg. 3) ; Molson Coors corporate website
102-44	Key concerns raised through stakeholder engagement, and how the organization responded	Molson Coors corporate website
REPORTING PRACTICE		
102-45	Entities included in consolidated financial statements and if any are not in report	Our Imprint Report (pg. 2) ; ESG Report (pg. 2) ; 2018 Annual Report on Form 10-K
102-47	Material aspects identified	Molson Coors corporate website
102-48	Effect of restatements	N/A
102-49	Significant changes from previous reporting period	Our Imprint Report (pg. 2) ; ESG Report (pg. 2)
REPORT PROFILE		
102-50	Reporting period	Our Imprint Report (pg. 2) ; ESG Report (pg. 2)
102-51	Most recent report	Our Imprint Report (pg. 2) ; ESG Report (pg. 2)
102-52	Reporting cycle	Our Imprint Report (pg. 2) ; ESG Report (pg. 2)
102-53	Contact for sustainability report	For questions and comments, please email corporate.responsibility@molsoncoors.com
102-54	Claims for reporting in accordance with the GRI standards	Our Imprint Report (pg. 2) ; ESG Report (pg. 2)
102-55	GRI Content Index	ESG Report (pg. 22) ; Molson Coors corporate website
102-56	External assurance	Independent assurance of environmental, health and safety performance data

MATERIAL TOPICS

INDICATOR	DESCRIPTION	LOCATION AND NOTES
ECONOMIC		
Economic Performance		
201-1	Direct economic value generated and distributed	2020 Annual Report on Form 10-K
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	2018 CDP submission
ANTI-CORRUPTION		
205-2	Communication and training on anti-corruption policies and procedures	ESG Report (pg. 5)

MATERIAL TOPICS

INDICATOR	DESCRIPTION	LOCATION AND NOTES
ENVIRONMENTAL		
Energy		
302-1	Energy consumption within the organization	ESG Report (pg. 11)
302-3	Energy intensity	ESG Report (pg. 11)
302-4	Reduction of energy consumption	ESG Report (pg. 11)
Water		
303-1	Total water withdrawal by source	ESG Report (pg. 10)
Emissions		
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	ESG Report (pg. 12)
305-2	Energy indirect GHG emissions (Scope 2)	ESG Report (pg. 12)
305-3	Other indirect GHG emissions (Scope 3)	ESG Report (pg. 12)
305-4	GHG emissions intensity	ESG Report (pg. 12)
305-5	Reduction of GHG emissions	ESG Report (pg. 12)
Effluents and Waste		
306-2	Total weight of waste by type and disposal method	ESG Report (pg. 14)
Environmental Compliance		
307-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	ESG Report (pg. 14)
SOCIAL		
Employment		
401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Total turnover in ESG Report (pg. 19)
Occupational Health and Safety		
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Lost Time Rate (LTR) reported in ESG Report (pg. 19)
Training and Education		
404-1	Average hours of training per year per employee by gender, and by employee category	Average training hours in ESG Report (pg. 17)
404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	ESG Report (pg. 17)
Diversity and Equal Opportunity		
405-1	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Breakdown of employees by gender can be found in ESG Report (pg. 18)

MATERIAL TOPICS

INDICATOR	DESCRIPTION	LOCATION AND NOTES
Local Communities		
413-1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	100 percent of our large breweries and offices implemented local community engagement. More information can be found in Our Imprint Report (pg. 32–39) and ESG Report (pg. 20).
Public Policy		
415-1	Total value of political contributions by country	ESG Report (pg. 6)
Customer Health and Safety		
416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	All of our products address alcohol responsibility and drunk driving issues with audiences above the legal drinking age. More information can be found in Our Imprint Report (pg. 10–17) and ESG Report (pg. 7 and 8).
Product and Service Labeling		
417-1	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant products and service categories subject to such information requirements	Our Imprint Report (pg. 15)

Communication on Progress

UN GLOBAL COMPACT

The UN Global Compact (UNGC) and CEO Water Mandate are consistent with our global commitment to sustainability. We continue to support the Ten Principles of the UNGC and the six core elements of the CEO Water Mandate, and are committed to making them part of our corporate strategy, culture and day-to-day operations.

The table below indicates where descriptions of the practical actions we have taken to implement the UNGC and CEO Water Mandate can be found in our public reporting.

UN GLOBAL COMPACT		
Issue Area	Principle	Further Information
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	ESG Report (pg. 6); Employment Principles ; UK Modern Slavery Act Statement
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses	
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	ESG Report (pg. 6); Employment Principles ; UK Modern Slavery Act Statement
	Principle 4: The elimination of all forms of forced and compulsory labor	
	Principle 5: The effective abolition of child labor	
Environment	Principle 6: The elimination of discrimination in respect of employment and occupation	ESG Report (pg. 9–15); Our Imprint Report (pg. 18–29); Environment, Health and Safety Policy ; Agricultural Brewing Ingredients Policy ; Packaging Policy
	Principle 7: Business should support a precautionary approach to environmental challenges	
	Principle 8: Undertake initiatives to promote greater environmental responsibility	
Anti-Corruption	Principle 9: Encourage the development and diffusion of environmentally friendly technologies	ESG Report (pg. 5); Code of Business Conduct
	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	

CEO WATER MANDATE	
Commitments	Further Information
Direct Operations	ESG Report (pg. 9–10); Our Imprint Report (pg. 20–21); SDG Impact Report (pg. 6)
Supply Chain and Watershed Management	ESG Report (pg. 9–10); Our Imprint Report (pg. 20–21); SDG Impact Report (pg. 6)
Collective Action	ESG Report (pg. 9–10); Our Imprint Report (pg. 20–21); SDG Impact Report (pg. 6)
Community Engagement	Our Imprint Report (pg. 21); SDG Impact Report (pg. 6)
Public Policy	ESG Report (pg. 9–10); SDG Impact Report (pg. 6)
Transparency	Our Imprint Report discusses our water stewardship targets, practices and current performance. Our water data is assured according to ISAE 3000 by a third party, Corporate Citizenship. We report on water and climate risk in our 2020 Annual Report on Form 10-K .

SASB Disclosures 2020

ACCOUNTING METRIC	UNIT OF MEASURE	LOCATION
ENERGY MANAGEMENT		
Total energy consumed, percentage grid electricity, percentage renewable	Gigajoules (GJ), Percentage (%)	ESG Report (pg. 11)
WATER MANAGEMENT		
(1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Cubic meters (m ³), Percentage (%)	ESG Report (pg. 10)
Discussion of water management risks and description of management strategies and practices to mitigate those risks	n/a	ESG Report (pg. 9–10); Our Imprint Report (pg. 22–23)
RESPONSIBLE DRINKING & MARKETING		
Number of advertising impressions, percentage made on individuals above the legal drinking age	Number, Percentage (%)	Our Imprint Report (pg. 15)
Notices of violations received for non-conformance with industry and regulatory marketing and/or labeling codes	Number	Our Imprint Report (pg. 15)
Amount of legal and regulatory fines and settlements associated with labeling and/or marketing practices	U.S. Dollars (\$)	Our Imprint Report (pg. 15)
Description of efforts to promote responsible consumption of alcohol	n/a	Our Imprint Report (pg. 10–19)
PACKAGING LIFECYCLE MANAGEMENT		
(1) Total weight of packaging, (2) percentage made from recycled or renewable materials, and (3) percentage that is recyclable or compostable	Metric tons (t), Percentage (%)	ESG Report (pg. 14); Our Imprint Report (pg. 28–29)
Description of strategies to reduce the environmental impact of packaging throughout its lifecycle	n/a	ESG Report (pg. 13–14); Our Imprint Report (pg. 28–29)
ENVIRONMENTAL & SOCIAL IMPACTS OF INGREDIENT SUPPLY CHAINS		
Percentage of beverage ingredients sourced from regions with High or Extremely High Baseline Water Stress	Percentage (%) by spend	ESG Report (pg. 10)
Suppliers' social and environmental responsibility audit conformance: (1) major non-conformance rate and associated corrective action rate and (2) minor non-conformance rate and associated corrective action rate	Rate	ESG Report (pg. 20–21); Our Imprint Report (pg. 40)
List of priority beverage ingredients and discussion of sourcing risks due to environmental and social considerations	n/a	ESG Report (pg. 20)

TCFD Disclosures 2020

TOPIC AND DISCLOSURE	LOCATION
GOVERNANCE:	
A. Describe the board's oversight of climate-related risks and opportunities.	ESG Report – Sustainability Governance (pg. 3)
B. Describe management's role in assessing and managing risks and opportunities.	ESG Report – Sustainability Governance (pg. 3)
STRATEGY:	
A. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	CDP Report – Risks and Opportunities
B. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	CDP Report – Risks and Opportunities
C. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	CDP Report – Risks and Opportunities
RISK MANAGEMENT	
A. Describe the organization's processes for identifying and assessing climate-related risks.	ESG Report – Enterprise Risk Management section (pg. 4)
B. Describe the organization's processes for managing climate-related risks.	ESG Report – Enterprise Risk Management section (pg. 4); CDP Report
C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	ESG Report – Enterprise Risk Management section (pg. 4); CDP Report
METRICS AND TARGETS	
A. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	ESG Report – Sustainably Brewing (pg. 9–15)
B. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	ESG Report – Sustainably Brewing (pg. 9–15)
C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Our Imprint Report (pg. 20–31); ESG Report – Sustainably Brewing (pg. 9–15)



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; or 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; 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.