

# MOLSON Coors

ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORT 2018



# About This Report

We are excited to share with you the progress we have made against Our Beer Print 2025 – our strategy and goals, which we launched in 2017. Similar to the approach we established last year, we are releasing Molson Coors' Our Beer Print Report 2018 to highlight our progress to date against our strategy, while this separate Environmental, Social and Governance (ESG) Report details the performance data for what we believe are our most material environmental, social and governance issues in 2017. It also demonstrates our continued commitment to reporting against best practice international frameworks, such as the Global Reporting Initiative (GRI) Standards, the CEO Water Mandate, the 10 Principles of the UN Global Compact (UNGC) and our alignment to the United Nations Sustainable Development Goals (UN SDGs).

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The reporting scope covers Molson Coors Brewing Company's (Molson Coors) direct operations: Molson Coors Canada (MCC), Molson Coors Europe (MCE), Molson Coors International (MCI) and MillerCoors. We also have employees in our Global Headquarters in Denver. Data and metrics included in this report cover our global activities and performance in the fiscal year from January 1 to December 31, 2017. We report annually on our sustainability progress. Unless otherwise noted, the 2025 goals covered in this report have been set against a 2016 baseline that incorporates the total performance of our business.

Our reporting, which also includes the separate Our Beer Print Report 2018, has been prepared in reference to the GRI Standards. This report also serves as our Communication on Progress (COP) for our commitment to the UNGC and CEO Water Mandate. The GRI Index and the UNGC COP Index can be found at the back of this report. Corporate Citizenship have assured data related to our absolute water, energy & carbon, waste, health & safety, and environmental compliance metrics in accordance with ISAE 3000. Please see the [Assurance Statement](#) for scope details.



For full details of our strategy and goals to 2025, key stories and highlights, please see [Our Beer Print Report 2018](#).

# Introduction

## Our Beer Print 2025: Raising the Bar on Beer

We believe that wherever we brew and sell our beer, we leave an imprint on our communities, on our environment and on our business. We call it Our Beer Print and by working toward our 2025 goals, we've been making sure our imprint is a positive one. For full details of Our Beer Print 2025 strategy and goals, key stories and highlights, please see [Our Beer Print Report 2018](#).

*"Since launching our goals a year ago, we've rallied our people behind them and embedded the goals across our business. There's a lot to be proud of in this report, and I'm pleased to share with you how we are making a positive impact in our communities and our environment in our first year of reporting progress against our 2025 goals.*

*With this report we're continuing our support for the UN Global Compact and renewing our ongoing commitment."*

Mark Hunter, CEO

## Identifying Key Issues

In early 2017, we updated our materiality assessment to assess the most significant environmental, social and economic issues facing our integrated global business. The assessment identified these priority issues: Alcohol Responsibility, Water Stewardship, Sustainable Packaging and Sustainable Agriculture, which became the basis for our 2025 goals.

## ENGAGING STAKEHOLDERS

We engage with stakeholders throughout the year in roundtables, meetings and discussions, particularly in the countries and key markets where we operate. This engagement keeps us current with the changing sustainability landscape and enables us to develop long-term relationships with our stakeholders to better understand their evolving expectations of us as a company.

We formally engaged with multiple stakeholders in early 2017 to gather information for our most recent materiality assessment. We surveyed stakeholder groups we believed were most relevant to Molson Coors in our local markets, including regulators, government bodies, industry groups, customers, suppliers, investors and non-governmental organizations (NGOs), about issues that they believe are most relevant to our business. These results inform strategy today, and we plan to reassess our material risks and opportunities every three to five years.



More details of the [materiality process](#) and results are available on our website.

## Our Approach to Sustainability

Our Global Senior Director of Corporate Responsibility is accountable for driving and tracking progress against Our Beer Print 2025 strategy and goals. Our sustainability performance is regularly reported to our Chief Legal and Corporate Affairs Officer, Global Chief Supply Chain Officer, Chief People and Diversity Officer, Chief Growth Officer and, at least annually, to the Executive Leadership Team and directly to the Board of Directors.

To enhance our sustainability governance and meet external stakeholder expectations, we will launch a Sustainability Leadership Council (SLC) to provide proper oversight of sustainability topics across our integrated organization. The SLC will consist of executive leadership and senior managers representing key corporate functions, who are responsible for leading our performance against Our Beer Print 2025 goals. The SLC will be accountable for aligning our business units and functional teams to meet emerging environmental, social and governance issues facing our industry. In preparation for the launch, the SLC is sent weekly sustainability newsletters that aim to increase their awareness of the emerging trends and topics in the ever-changing sustainability landscape. This will enable the SLC to proactively plan, address and participate in industry and regulatory conversations around these key issues.



Find out more about our approach to [governance and ethics](#) on our corporate website and meet our [Board of Directors and leadership team](#).

## TAX STRATEGY

As a global brewer, Molson Coors recognizes that the taxes we pay are a significant part of our economic contribution to the countries in which we operate. Additionally, we financially support governments and communities across the globe through employment of our people and our wider value chains, investment in skills and new technologies, and the manufacture and promotion of our products.

We govern the management of our tax affairs based on principles that align fully with our global commercial, sustainability and corporate

governance practices, including compliance with all local tax laws and regulations.



Find out more about our [Tax Principles](#) on our corporate website.

## RISK MANAGEMENT

At Molson Coors, the Associate General Counsel – Procurement, Supply Chain and Risk Management is responsible for the Enterprise Risk Management (ERM) process. In every region, there are individuals who oversee risk management and they report to the Global Director of Risk Management on ERM issues. The ERM process is executed and reported to the Board of Directors every six months.

As part of this process, emerging risks are identified and reported, and mitigation plans are developed where they are considered essential.

For example, geopolitical tensions and climate-related weather volatility are two emerging risks that could have potential impacts on our business. These issues may affect our ability to operate effectively by impacting the safety of our employees, security of our facilities, availability of our raw materials and consumer demand. They can also disrupt both our own and our partners' production and availability of supplies, as well as logistics and transportation. To address these possible risks, we monitor changes in the regulatory, legislative and political landscapes, analyze climate-related scenarios and prepare contingency plans to ensure business continuity.



Find out more about our [Risk Factors](#) in our [Form 10-K](#).

## Remuneration Aligned with Sustainability

Our CEO drives Our Brew, which is Molson Coors' strategic and cultural roadmap, and Our Beer Print, which is at the heart of how we operate our business. As such, our CEO also drives Molson Coors' advancement toward Our Beer Print 2025 goals.

Championing Our Beer Print and its goals is grounded in the Our Brew framework, and all Molson Coors employees are encouraged to champion Our Brew in their performance and development plans.

Functional leads who manage the achievement of Our Beer Print 2025 strategy and goals, including our Chief People & Diversity Officer, Chief Legal & Corporate Affairs Officer, Chief Growth Officer and the Global Chief Supply Chain Officer, as well as their appropriate functional teams, are all



accountable to achieve key milestones against their respective 2025 goals.

Additionally, we launched World Class Supply Chain 2.0 (WCSC 2.0), which transforms how we work to drive world class performance. WCSC 2.0 includes 12 pillars focused on key best practices – including environmental, health and safety. Each brewery is responsible for driving WCSC 2.0, including the following relevant metrics:

- Fuel used per hectoliter of production (MJ/hl)
- Electricity consumed per hectoliter of production (MJ/hl)
- Water consumption per hl of production (hl/hl)

## Ethics and Integrity

At the heart of our ethical culture is the "[Code of Business Conduct: Living Our Brew](#)." We believe we have a duty to our employees, communities, suppliers, customers and consumers to always do the right thing. Under the Vice President of Ethics and Compliance and our Executive Ethics and Compliance Committee, we work with our regional partners to promote a consistent global approach to doing things the "right way."

The Code is the cornerstone of our ethics and compliance program, which includes

communication, training, policies, and monitoring and auditing procedures on a variety of relevant topics, including:

- Accurate books and records
- Alcohol responsibility
- Anti-bribery and corruption
- Conflicts of interest
- Competition
- Data privacy
- Discrimination and harassment
- Social media
- Speaking up

All our employees, including all our leaders, are required to uphold the Code. We provide corresponding mandatory Code training globally, either online or in a live facilitated session, with the document available in all of our languages.<sup>1</sup> The Code training is also integrated into our new-hire program, which all employees are required to complete as part of their onboarding, with refresher training planned for every two years thereafter.

## ANTI-BRIBERY AND CORRUPTION

Molson Coors prohibits bribery and corruption by its employees or by anyone who is acting on behalf of the company. We expect our employees and business partners to "win the

right way” through ethical and transparent business practices. Our anti-bribery and corruption program takes employees through our policy, and an intranet site provides them with tools and other resources to recognize and report bribery and corruption. Due diligence procedures and standard contract clauses support our business partners, complemented by internal and external audits for monitoring any issues. Our anti-bribery and corruption program activities and updates on our broader ethics and compliance program are communicated to our Executive Leadership Team and the Audit Committee of our Board on a quarterly basis.

### Ethics and Compliance Helpline

Our employees have access to EthicsPoint, a third-party Ethics and Compliance helpline, 24 hours a day. The helpline allows employees, or any stakeholder, to ask a question or raise a concern in their native language in a confidential and/or anonymous way. Questions and issues raised are addressed by the Molson Coors Ethics and Compliance Office.

In 2017, we had 161 reports through the helpline. Of the reports where we followed up with investigative action, approximately 50% were substantiated and resulted in corrective or disciplinary action.

### Human Rights

Molson Coors is committed to fostering open and inclusive workplaces that are based on recognized workplace human rights, where all employees are valued, engaged and inspired to be the best they can be. Our current [Employment Principles](#) are guided by international human rights standards, including the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work and the UNGC. These Principles apply to all our operations and entities in which we hold a majority interest. Our [Standards for Suppliers](#) set out the human rights expectations we have of all our suppliers. See the Sustainable Procurement Strategy section on [page 15](#) for more details.

Molson Coors is committed to providing a workplace where all are treated with respect, differences are valued and employees’ actions are consistent with the company’s standards and values. We are dedicated to maintaining 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 our employees have access to EthicsPoint, where any human rights concerns can be reported. An employee’s responsibility to report

potential misconduct is highlighted in our Code of Conduct and in our global “Speaking Up” policy.

### POLITICAL CONTRIBUTIONS

Molson Coors actively engages in the political environment. We inform public policymakers on company and industry issues and practices, and we promote sustainability, including the responsible promotion and consumption of our products. Only designated company employees may engage in public policy work on behalf of the company, and these employees must adhere to registration, ethics and disclosure requirements in their jurisdiction. Guidance on political contributions for employees is covered in our [Code of Business Conduct](#).

In Canada, our total political donation for 2017 was approximately CAN \$29,250. Further details can be found on 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 the federal and state levels. We made contributions totaling \$530,331 to candidates for state office, state political entities and ballot initiatives. Additionally, MillerCoors (US) operates the MillerCoors Political Action Committee (PAC). The MillerCoors PAC

made contributions to candidates totaling \$102,000 in calendar year 2017, through voluntary contributions from a restricted class of eligible employees.

MillerCoors (US) 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. Contributions to candidates or parties at the state level are largely publicly available on the individual state’s website as disclosures on the campaign finance reports required by that jurisdiction. Employee contributions to the MillerCoors PAC over \$200 and expenditures by the PAC are publicly available on the PAC’s reports filed with the Federal Election Commission at [www.fec.gov](http://www.fec.gov).

We do not make political contributions at Molson Coors Europe and Molson Coors International.



See our [Political Contributions Principles](#) for more information.

### Notes

- 1 English, French Canadian, Chinese, Japanese, Spanish, Czech, Serbian, Montenegrin, Croatian, Romanian, Hungarian and Bulgarian.



# Responsibly Refreshing: Enjoying One of Life's Simple Pleasures



We help people who enjoy beer create great occasions and get the most out of every moment. Our brands are about offering choices – choices that are brewed and sold responsibly; choices around alcohol levels and choices that help everyone get home safely.

## Raising the Bar on Beer:

### Our 2025 Goals

Our priorities	2025 goals <sup>2</sup>
<b>Inspire responsible drinking</b>	<ul style="list-style-type: none"> <li>Prevention of underage drinking and drunk driving in all our countries where we have brewing and selling operations</li> <li>Partner with other global alcohol producers to achieve a 10% reduction globally in harmful alcohol use</li> </ul>
<b>Ensure responsible marketing and consumer information</b>	<ul style="list-style-type: none"> <li>Responsible marketing and advertising of all products</li> <li>Deliver nutritional information, alcohol serving facts and ingredients for all our products</li> </ul>
<b>Drive innovation</b>	<ul style="list-style-type: none"> <li>Low- or no-alcohol choices in all our countries where we have brewing and selling operations</li> </ul>



Find out more about our strategy and goals in [Our Beer Print Report 2018](#).

## Our Approach

Throughout all our business practices, we are committed to alcohol responsibility. We aim to inspire responsible drinking by providing our consumers with alcohol education and safety programs, while exploring opportunities to provide beer drinkers with alternative options through low- and no-alcohol products. We also work closely with partners to reduce harmful alcohol use, and are working toward providing nutritional information, alcohol serving facts and ingredients on all our products. Our advertising aims to comply with relevant laws and regulations in the countries where we operate, and we aim to target our advertising at people who are at least the legal drinking age or 18, whichever is the higher.



Find out more about how we implement our approach in [Our Beer Print Report 2018](#).

## RESPONSIBLE MARKETING AND EMPLOYEE TRAINING

We require all our employees to review and comply with the Molson Coors Alcohol Responsibility Policy at the start of their employment. To make sure that our people understand the important role they play in modeling responsible behavior within their families and communities, we introduce our policies during new-employee onboarding and training, with refresher training provided 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. In early 2017, we provided training for our commercial employees and advertising agency partners to

comply with company policy, industry standards and applicable laws and regulations.

We are committed to responsible advertising and marketing directed to adults who are at least the legal drinking age or age 18, 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 with the goal of ensuring they primarily reach legal-drinking-age audiences and meet our rigorous internal standards.



Learn more about our position on responsible communications, retailing and business practices on our website and in our [Alcohol Responsibility Policy](#).

## CEO ALCOHOL COMMITMENTS

We are a charter member of the International Alliance for Responsible Drinking (IARD), which represents the 11 largest global brewers, distillers and vintners. Together, we're working to strengthen efforts to reduce harmful drinking around the world in five key areas:

- Reducing under-age 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

The partners of this alliance are currently developing the next set of global commitments toward a 10% reduction in harmful use of alcohol by 2025.



For more details and to see the latest Progress Report please go to the [Producers' Commitments website](#).

## Notes

- 2 Set against a 2016 baseline incorporating 100% Molson Coors and MillerCoors data

# Sustainably Brewing: From Grain to Glass



**The ingredients of great beer? Barley, yeast, hops and water. Without these, there is no beer. So it's essential we source the resources we use responsibly, ensuring access for years to come. That's why we work closely with our employees, growers and industry partners to generate less waste, less energy and less water, and increase our resource efficiency. In doing so, we're reducing our footprint – and to that we can all raise a beer.**

## Raising the Bar on Beer: Our 2025 Goals

Our priorities	2025 goals <sup>3</sup>
<i>Make the most out of every drop</i>	<ul style="list-style-type: none"> <li>Improve water-use efficiency in our primary breweries to achieve a 2.8 hl/hl water-to-beer ratio.</li> <li>Protect local water resources in partnership with others.</li> </ul>
<i>Reduce our carbon footprint</i>	<ul style="list-style-type: none"> <li>Reduced carbon emissions across our operations by 50%, and throughout our value chain by 20%.</li> </ul>
<i>Promote a circular philosophy</i>	<ul style="list-style-type: none"> <li>Achieve zero waste to landfill at all our brewing and major manufacturing facilities.</li> </ul>
<i>Grow best practice in agriculture</i>	<ul style="list-style-type: none"> <li>Improve water-use efficiency of our agricultural supply chain and malting operations by 10%.</li> <li>100% of barley and hops sourced from sustainable suppliers in key growing regions.</li> </ul>



Find out more about our strategy and goals in [Our Beer Print Report 2018](#).

## Our Approach

We aim to ensure that the resources we use are sourced sustainably, managed effectively and to deliver products of exceptional quality. We also aim to meet the expectations our employees, customers, investors and regulators have of us as a responsible business.

We believe our position as one of the world's largest brewers means we have an opportunity to make a real impact on sustainable brewing – by protecting precious water resources, eliminating waste, reducing packaging and cutting emissions.

Within our operations, World Class Supply Chain (WCSC) 2.0 is the strategy that we have adopted to accelerate our long-range plans to improve brewery efficiency across our network.

Our [Environment, Health and Safety \(EHS\) Policy](#), launched in 2017, aims to instill employee ownership at all levels of our organization. We have sharpened our focus on Molson Coors' proactive approach to the identification and

control of EHS risks, as well as the expectation that all employees will take responsibility for EHS through the opportunities for involvement that are provided.

The Policy is available to all employees on the company intranet portal, displayed in key communication areas across our sites and promoted to our customers and suppliers. We also maintain a global Environment, Health and Safety Management System (EHSMS) that ensures we deliver on our commitments. We are currently in the process of integrating our EHSMS to reflect our new, larger business. In addition to the new EHS Policy, we have introduced a series of EHS Operating Principles and Global Minimum Requirements. These cover what we believe are the most significant EHS risks that are applicable to our business.

- Each facility will self-assess itself annually using an internal tool to determine whether there are gaps against the standard, and will then initiate its own continuous improvement actions, which will be tracked to completion.
- Each facility will be audited by internal experts at least once every three years using the same internally developed tool.
- Each business unit will be audited at least every five years by experts from another business unit or from the Global EHS team to verify conformance to the Operating Principles, identify gaps and recommend continuous improvement actions for the business unit.



## Water Stewardship

We're working to reduce water use and improve water efficiencies at our breweries. We take a comprehensive approach for each of our watersheds to ensure we mitigate the highest priority risk areas in each community. This approach helps us invest resources in the most material elements of water management in each site.

Managing water availability also means partnering with local stakeholders to protect valuable water resources in our high-risk brewery watersheds and improve water efficiency in our agricultural supply chain. By collaborating with others and engaging in public policy we take collective action to protect this precious resource.

### OUR PERFORMANCE IN OUR DIRECT OPERATIONS

We measure our water performance by the intensity of water used per unit of beer produced.

Our 2025 target is to improve water-use efficiency at our primary breweries to reach a 2.8 hl/hl water-to-beer ratio. In 2017, we achieved a water-use ratio of 3.57 hl/hl against an internal annual target of 3.48 hl/hl. Due to the closing of the Eden brewery in the US and the reduction in overall production volume, we saw a slight increase in our 2017 water-to-beer ratio in comparison to 2016.

We aim to continue to reduce water usage through strategic investments in more efficient systems in our breweries. Investments such as tertiary water reuse systems have been installed in many of our US breweries.

To optimize and improve operational efficiency, a Clean in Place (CIP) optimization team has been formed in the US to aim to continue to optimize all existing CIP circuits.

We also continue to increase efficiency across our breweries through utilization of our DollarSense utility management system to drive process improvements.

### Water Supply by Source (khl)

	2016 <sup>4</sup>	2017
Municipal	145,822	128,336
Ground	178,438	188,472
Brackish	–	–
Surface	60,994	60,347
<b>Total water usage</b>	<b>385,254</b>	<b>377,155</b>
Rain water harvested	–	–
Water restored to source	359	366

### Breakdown by Region in 2017 (khl)

	Total	MCE	MCC	MCI	MillerCoors (US)
Municipal	128,336	15,760	36,620	–	75,956
Ground	188,472	65,967	139	2,211	120,153
Brackish	–	–	–	–	–
Surface	60,347	9,024	–	–	51,323
<b>Total water usage</b>	<b>377,155</b>	<b>90,751</b>	<b>36,759</b>	<b>2,211</b>	<b>247,432</b>
Rain water harvested	–	–	–	–	–
Water restored to source	–	366	–	–	–

### Primary Brewery<sup>5</sup> Water Intensity (hl/hl)

hl of water used per hl of beer produced

2016 <sup>4,6</sup>	3.55
2017	3.57

### WATERSHED MANAGEMENT IN OUR BREWERIES

Following detailed watershed risk assessments and completion of our Water Risk Index at our breweries, we set action plans to drive the right behaviors, and we track and manage our progress to reduce risk at each of our high-risk brewery watersheds.

We have identified the following breweries as being at water risk: Fort Worth, Texas; Irwindale, California; Golden, Colorado; Burton-on-Trent, UK; Ploiesti, Romania; Apatin, Serbia; Bócs, Hungary; Ostrava and Smichov, Czech Republic; and Bhankarpur and Saha, India. As part of our 2025 goals, we set out management and mitigation plans.

Our strategy is governed by the global water management team responsible for the company's water supply, management and sustainability. In addition, each brewery has dedicated employees responsible for water and environmental sustainability.

### WATERSHED PARTNERSHIPS

We recognize that achieving sustainable water resources is a task that we cannot do on our own. It requires concerted effort and the adoption of best practice across industries. That's why we partner with local, national and international organizations to work collectively on watershed issues.

In addition to regular Water Risk Index assessments to identify and understand the most significant water challenges, particularly at our at-risk breweries, we engage with local stakeholders, including other major water users, non-profits and representatives from municipalities and local government. We discuss the latest water risk findings, as well

as ways the groups can take local action to collaborate in addressing priority areas. This bottom-up process helps ensure sites have a risk mitigation action plan that takes into account our stakeholders' feedback and provides a comprehensive approach to address the unique challenges of our local watersheds.



Find out more about collaborative watershed stewardship work in [Our Beer Print Report 2018](#).

### PUBLIC POLICY

Each brewery is in a unique water situation based on location, local government and national government structure. Some of the breweries are served from municipal sources, while others are on well or direct-flow sources. Regulatory and pricing changes that affect our sites are monitored by our global and regional EHS teams and our Government Affairs department.

Our heritage and position on water sustainability has enabled us to have a voice at the table as it relates to policy and regulatory guidance. We are actively engaged in conversations on how to manage water risk at global, regional and local levels and we also participate in collaborative efforts, such as the CEO Water Mandate, the Beverage Industry Environmental Roundtable (BIER) and with national regulatory departments. Engagement with the industry and with government entities at all levels enables us to identify risk and trends ahead of regulation and compliance. We believe that we have the responsibility as a water user to take a leadership position in our communities to reduce our operating risks and ensure the security and sustainability of the water source where we operate.



## Energy and Carbon

Our strategy includes a continued focus to reduce our overall energy consumption within our operations, with strong execution of our sustainability strategy within our breweries and improved process control that delivers energy savings. In 2017, we executed numerous process improvement projects to optimize our supply network and completed investments in several low-carbon technologies, such as a more efficient pasteurizer at our St. John's and Tadcaster breweries and a heat recovery unit in our Ploiesti brewery.

As we continue toward our 2025 goal of reducing our emissions in our direct operations and value chain, we aim to expand the use of onsite renewable energy, where possible, and develop a robust portfolio for offsite purchased renewable electricity.

### OUR PERFORMANCE

We measure our performance in energy and carbon based on the intensity of energy used and carbon emissions per unit of beer produced. To accurately show our performance, we rebaselined the 2016 data presented in this Energy and Carbon section to account for our acquisition of 100% of MillerCoors. To see prebaselined data, please see our ESG Report 2017.

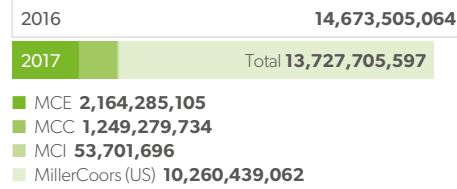
### ENERGY

- We set an annual target of 108.5 (MJ/hl) for our primary breweries<sup>5</sup> and achieved that goal coming in at 105.69 MJ/hl which is a decrease of 6.8% from 2016.
- In 2017, we used 13.73 billion MJ total energy across all our operational sites versus a target of 13.52 billion MJ. This is a decrease in total energy of 6.45% from 2016.
- The decrease in the amount of renewable energy generated was a result of the Eden Brewery closure in the US.

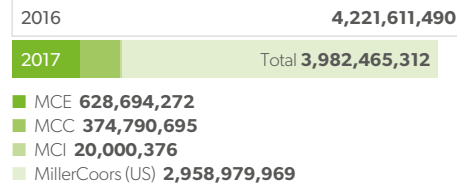
### CARBON

- In 2017, we committed to a 1.8% reduction of Scope 1 and Scope 2 GHG emissions and achieved a 6.97% reduction in Scope 1 and Scope 2 emissions.

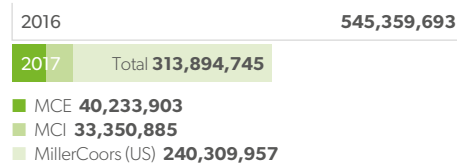
### Energy Use (MJ)



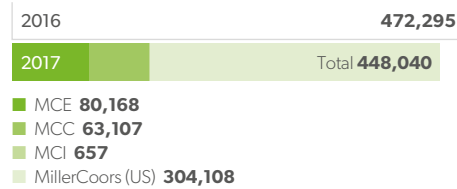
### Total Electricity Purchased (MJ)



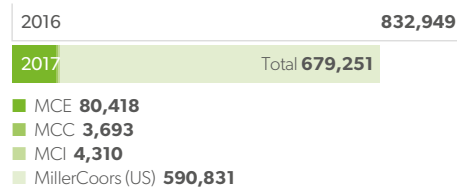
### Renewable Energy Generated (MJ)



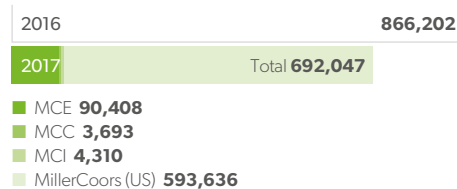
### Scope 1 Emissions (tonnes CO<sub>2</sub>e)



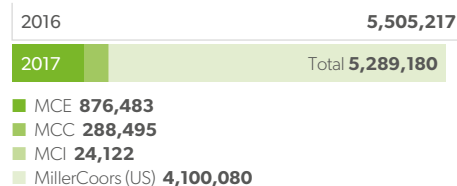
### Scope 2 Emissions (tonnes CO<sub>2</sub>e): Location-based



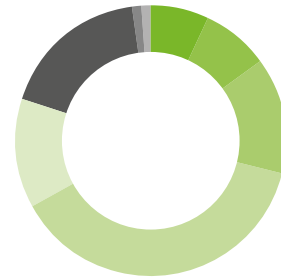
### Scope 2 Emissions (tonnes CO<sub>2</sub>e): Market-based



### Scope 3 Emissions<sup>7</sup> (tonnes CO<sub>2</sub>e)

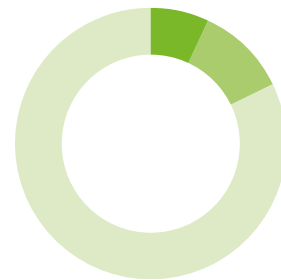


### 2017 GHG Emissions – Breakdown by Segment



- 7% Agriculture
- 8% Processing brewing ingredients
- 14% Manufacturing
- 38% Packaging materials
- 13% Logistics
- 18% Product cooling
- 1% End of life
- 1% Other

### 2017 GHG Emissions – Breakdown by Scope



- 7.0% Scope 1
- 10.8% Scope 2
- 82.3% Scope 3

The risks related to emissions and energy use have been disclosed to investors in our 2017 Annual Report on Form 10-K as part of the evaluation of climate change risk. 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 [Carbon Disclosure Project](#) website.

### Packaging Emissions

Packaging materials are the largest source of emissions in our value chain footprint, accounting for 38% of the total. That's why, as part of our 2025 target to cut absolute carbon emissions across our supply chain by 20%, we aim to reduce emissions from packaging materials by 26% (or -6.88 kgCO<sub>2</sub>e/hl), based on a 2017 baseline.

A centralized Global Packaging Council oversees and shares best practice in packaging, packaging technology, innovation and sustainability. Increased focus on our customer and consumer needs means we deliver solutions fit for purpose. The Council's strategic approach includes collaborating with global and regional

organizations, such as the Sustainable Packaging Coalition, the Beverage Industry Environmental Roundtable (BIER), the Packaging Association of Canada (PAC) and the Brewers Association of Canada (BAC), to ensure we continue to adopt best practice and leading technologies.

The Council is committed to evaluating alternative materials and design modifications to optimize the weight of our packaging, without negatively impacting its performance.


Our Molson Coors Standards for Suppliers outline our commitment to source from suppliers who produce and deliver packaging materials in line with our sustainability standards.

**Waste Reduction**

We recognize that the creation and disposal of waste through our products' lifecycle is a major factor in our overall environmental footprint. Our 2025 goal is for all of our major<sup>8</sup> brewing and manufacturing facilities to be zero waste to landfill. At the end of 2017, 14 major brewing and manufacturing facilities, including every MillerCoors brewery, have already achieved or sustained this goal, and others are making progress toward it.

Our resource efficiency agenda is also important beyond our zero waste to landfill target. Our Environment, Health and Safety Management System (EHSMS), part of our World Class Supply Chain 2.0 program, helps oversee our progress and eliminate waste across our operations. Waste streams have been characterized and quantified

at our facilities, enabling us to understand how each waste stream is generated. Armed with this data and working in tandem with our suppliers and customers, we are now seeking solutions to reduce, reuse or recycle each waste stream, or – even better – eliminate them. Our Global EHS teams have developed localized glidepaths for each facility and oversee each site's progress toward reaching our zero waste to landfill goal.

 Find out more about circular philosophy in Our Beer Print Report 2018.

**OUR PERFORMANCE**

Increasing recycling rates and reducing the total waste we generate is a key focus. By the end of 2017:

- We disposed of only 2,252 tonnes (0.2%) 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 29% compared with 2016 when 3,164 tonnes were disposed of in this way.
- 14 major brewing and manufacturing facilities have achieved or are sustaining zero waste to landfill – nine in the US, three in Europe and two in Canada.

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

**Resource Efficiency (tonnes) by Region 2017**

	Total	MCE	MCC	MCI	MillerCoors(US)
Landfill	2,252	1,439	756	0	56
Solid waste to incineration	7	7	0	0	0
Solid waste to energy	5,673	2,474	1,683	0	1,515
Compost and soil amendment	62,269	2,368	83	532	59,285
Waste recycled	79,391	19,696	17,651	1,489	40,555
Reused total	967,350	313,903	66,670	4,579	582,198
Total solid waste	1,116,942	339,887	86,843	6,600	683,609
<b>Percentage (landfill / total solid waste)</b>	<b>0.20%</b>	<b>0.42%</b>	<b>0.87%</b>	<b>0.00%</b>	<b>0.01%</b>



## Environmental Compliance

As part of our EHSMS, we track the number of environmental releases as a Key Performance Indicator (KPI). We set annual targets that strive for continuous reduction and performance is reviewed monthly by the Global Chief Supply Chain Officer.

We have robust protocols in place to manage compliance. If an environmental release incident occurs, we take immediate steps to restore compliance and prevent future occurrences, including investigations with senior leadership and environmental experts, and all corrective actions are implemented.

In 2017, there were 25 environmental releases, compared with 21 in 2016.

### Environmental Violations

#### Environmental Violations of Legal Obligations/Regulations<sup>9</sup> (number)

2016 <sup>10</sup>	1
2017	1

#### Environmental Releases<sup>11</sup> (number)

2016 <sup>10</sup>	21
2017	25

### 2017 Environmental Releases (number)

	Employees
<b>Total</b>	<b>25</b>
Global Headquarters (Denver)	0
MCE	12
MCC	1
MCI	1
MillerCoors (US)	11

## Agricultural Supply Chain

### AGRICULTURAL WATERSHEDS

Agricultural inputs make up a significant part of our product ingredients. That’s why we are committed to protecting and preserving the watersheds located in our agricultural supply chain. Watershed risk assessments are carried out in our agricultural supply chain to identify and mitigate against any potential concerns.

In the UK, the Molson Coors Growers Group works with UK-based agricultural charity Linking Environment and Farming to support the development of their water-management tool for farmers. In the US, this is the second year of our Grower Direct Web Portal, which offers barley farmers valuable data to help them manage water use more efficiently. As we build out this platform, we aim to provide individual growers with a scorecard to measure and benchmark performance, and ultimately, use the information to influence decisions that will maximize resource efficiency.



Find out more about water stewardship work with growers in [Our Beer Print Report 2018](#).

### STANDARDS FOR AGRICULTURAL BREWING INGREDIENTS

Building sustainable supply chains that reduce price volatility, risk and negative environmental and social impact are critical to the long-term viability of both Molson Coors and our agricultural suppliers.

In 2018, we updated our [Agricultural Brewing Ingredients Policy](#) to align our expectations with growers who produce and deliver our agricultural brewing ingredients in a manner that recognizes our Molson Coors sustainability standards. We updated a list of sustainability

metrics that we track, including yield, land use, water, nitrogen, pesticides and GHG emissions, as well as programs such as farm worker management and traceability.

This enables us to monitor the progress of our suppliers’ impact on the environment and drive continuous improvement.

We consulted both internal and external experts to refresh the policy to include updated sustainability standards that all of our direct growers will track, measure and report. We are rolling out this process across our barley and hops producers in key growing regions.

#### Notes

- Set against a 2016 baseline incorporating 100% Molson Coors and MillerCoors data.
- 2016 data has been rebaselined to be comparable to 2017 data.
- Primary breweries are: Albany, Ft. Worth, Golden, Irwindale, Milwaukee, Shenandoah, Trenton, Moncton, St. Johns, Montreal, Toronto, Vancouver, Apatin, Bocs, Burton, Haskovo, Ostravar, Ploiesti, Smichov, Tadcaster, Trebjesa, Zagreb.
- The scope has been refined to include Molson Coors’ primary breweries.
- Scope 3 emissions include: agriculture, processing brewing ingredients, manufacturing, packaging materials, logistics, product cooling, end of life. This year, emissions from distribution of finished product including transport and warehouses have been assured.
- Those with 75 or more employees.
- We use the Dow Jones Sustainability Index (DJSI) definition of a violation, i.e., a violation occurs when an authorized body (for example, 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.
- 2016 data does not include MillerCoors.
- We use an internal definition of Environmental Release Incidents, which matches the legal reporting requirements in our areas of operation.



# Collectively Crafted: For Our People and Communities



We're a global company, with dozens of breweries and offices around the world. However, our roots and character have remained local. Our employees and our brands have become part of the fabric of their local communities, the places in which we work, live and connect. It's this connection with communities all around the world that is right at the heart of our approach of working together for the benefit of all.

## Raising the Bar on Beer: Our 2025 Goals

Our priorities	2025 goals <sup>12</sup>
Be known as a <b>great place to work</b> for our people	<ul style="list-style-type: none"> <li>Recognition on the Great Places to Work® Index.</li> <li>Greater health and safety in the workplace with a 40% reduction in Lost Time Accident (LTA) rate.</li> </ul>
Be a good <b>global citizen</b>	<ul style="list-style-type: none"> <li>\$100 million investment aiming to improve livelihoods, foster empowerment and build resilient communities.</li> </ul>
Strengthen our <b>supply chain</b>	<ul style="list-style-type: none"> <li>Ethical and sustainable supply chain practices.</li> <li>Supplier diversity across the business.</li> </ul>



Find out more about our strategy and goals in [Our Beer Print Report 2018](#).

## Our Approach

The core of our success is attracting and retaining the best talent. To help us achieve that, we prioritize the development, engagement and well-being of our employees. After all, teams that are highly engaged deliver the best results for the business. We listen to our employees' views, using their feedback to continuously inform and drive improvements in our programs and ways of working.

## Our Global Employees

	Approx. no. of employees	Approx. % represented under union agreement <sup>14</sup>
<b>2017<sup>13</sup></b>		
Global Headquarters (Denver)	270	0%
MCC	2,400	55%
MCE	6,250	40%
MCI	400	0%
MillerCoors (US)	7,900	28%
<b>TOTAL</b>	<b>17,200</b>	<b>-</b>

## Demographic Data<sup>15</sup>

	2015	2016	2017
Employee turnover rate (total)	16%	12%	10.4%
Total – male	6,622	6,408	12,522
Total – female	2,115	2,144	4,695
Fatalities (including contractors)	0	0	0
Percentage of all management that is female	30%	26%	32%
Percentage of top <sup>16</sup> management that is female	28%	31%	18%

## EMPLOYEE ENGAGEMENT

One of the most important challenges facing us as an employer is attracting, developing and retaining the best talent. Employee engagement directly feeds into our business performance, as well as helping improve safety records and absenteeism levels.

### Global People Survey<sup>17</sup>

We measure employee engagement through our Global People Survey. Conducted by an independent third party, the survey asks employees a number of ethical, social and environmental questions that relate to employee engagement.

The biennial survey helps teams focus efforts on action planning against survey indicators. Our most recent survey, in 2017, saw a participation rate of 80% and a global engagement score of 81%, even in the midst of great change as we integrated the Molson Coors and MillerCoors businesses. This past year, MillerCoors employees were fully integrated into the survey audience.

The global survey is just one part of our larger continuous listening approach that solicits real-time employee feedback throughout the year. We also have two pulse surveys every other year. These short, online employee surveys measure staff satisfaction and engagement levels. We also carry out exit surveys for voluntarily departing employees. This continuous listening approach allows us to be much more agile and connected to employees in addressing opportunities in our business.

### Global People Survey results

#### Annual Survey Participation Rate

2013	83%
2015	84%
<b>2017</b>	<b>80%</b>

#### Employee Engagement

2013	57%
2015	65%
<b>2017</b>	<b>81%</b>

**Believe company is an environmentally and socially responsible company (champions Our Beer Print)<sup>18</sup>**



**DEVELOPMENT AND REWARDS**

Engaging and developing our people is a top priority at Molson Coors – in fact, it is one of four focus areas for the company in our strategic plan. We see career paths and developmental opportunities as cornerstones of employee engagement.

**People Training and Performance Management**

12.5 hours of training and development per full-time employee (FTE) on average in 2017.

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214,151 hours of training and development were logged in 2017:

- 67.1% was spent on supply chain and commercial topics
- 16.5% was spent on on-boarding
- 7.8% was spent on leadership development programs, including Living Leadership

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2,685 live sessions were delivered globally, an increase of more than 150% from 2016. The number of attendees for these training sessions was 74,908, which represents more than four attendances on average per FTE.

We encourage our employees to continue to learn and develop their career at Molson Coors, through our Performance Management process and our First Choice Learning Center. In-person and online training programs enable our employees to build competencies, share best practices and advance their leadership capabilities. Employee performance is assessed at year-end, with performance evaluated against goals (the “What”) and Molson Coors’ cultural values (the “How”).

Employee self-evaluations are calibrated by managers across functions to give a consistent, global method for getting the right people with the right skills in the right roles, at the right time.

In addition, our Talent Management Planning process reviews the current performance and future potential of all management employees. We believe we offer an outstanding total compensation package, including a competitive salary, results-based bonus program and flexible benefits, enabling our employees to choose what’s most important for them.

**DIVERSITY AND INCLUSION**

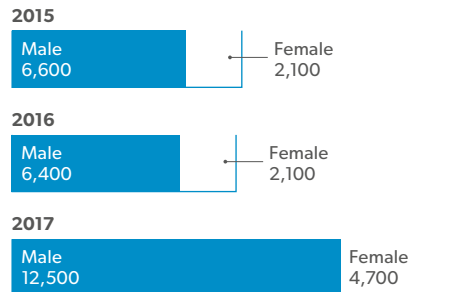
Key to our success is attracting, developing and retaining the best talent that reflects the diversity of our marketplace.

Molson Coors also continues to have a dedicated Diversity and Talent Management team who help live out the language in “Our Brew” – our company’s shared value system, which states “We are people who embrace diversity and inclusion” as part of “Who We Are.”

In the last employee engagement survey, 83% of our employees said they believe Molson Coors supports diversity and inclusion. Building on the progress we’ve made in the US, in 2017, we launched a new global Diversity and Inclusion strategy directly linked to our strategic ambition and growth imperative to ensure we continue to embed this in our culture. The strategy has four pillars: employees, consumers, customers and communities. Over the next three years, we continue to expand our activations across all four business units in locally relevant ways.

**Gender Breakdown**

(approximate number of total employees)



The Executive Leadership Team and the Global Human Resources team work to ensure there is a diverse pool of candidates for all executive and key roles throughout the company. Presently, 31% of top management (including executives and senior management) is female, including two chief officers.

In the UK & Ireland, we have produced our first report covering the gender pay gap. Our results show that our pure pay gap in the UK & Ireland is less than 1%, while the proportions of male and female employees receiving bonuses are exactly the same. (This does not account for elements such as car cash allowances and shift pay.) This reinforces that we are working to have a strong reward philosophy that ensures fair, transparent and consistent processes.

**Female Employees (Global)**

(%)	2016 <sup>19</sup>	2017
Female share of total workforce (%)	25.07	27.27
Females in management positions (% of total management workforce)	25.08	32.13
Females in junior management positions (% of total junior management workforce)	32.63	32.55
Females in top management positions (% of total top management workforce)	22.66	17.86
Females in management positions in revenue-generating functions (% of all such managers)	27.13	33.70



**EMPLOYEE WELLNESS**

We seek a workplace culture that embraces employee well-being. Our health and safety standards are applied across the enterprise and are based on all applicable regulatory requirements, as well as industry best practices. We promote healthy lifestyles across our global enterprise by offering our employees numerous health benefits, wellness and work-life balance programs that are tailored to employees’ needs and culture by business unit and work location.

In many locations, employees can select the medical plans, dental coverage, vision coverage, short-term disability insurance and long-term insurance that work for them. Some work sites have onsite medical care available, providing biometric screenings, seasonal flu shots and an onsite nurse.

We stress the importance of workplace and personal safety, and 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 stringent [Alcohol Responsibility Policy](#) and the consequences for non-compliance, they are also encouraged to be champions for alcohol responsibility, on the job, with their families and in their communities.

Most of our facilities have quiet rooms or break areas where employees can take a short break, play a quick game of pool/billiards or foosball, or enjoy a cup of coffee or tea with a colleague. There are also defined areas where employees can have a beer after work. Many of our production and office locations have provision for cyclists, including secure storage, lockers and showers. This provides employees with the flexibility of alternative transport options and the health benefits of choosing to cycle. Our global Employee Assistance Programs (EAP) provide free and confidential assistance in areas such as family and personal relationships, personal crises, depression, anxiety, family care, financial and legal concerns, as well as health and well-being issues. All of Molson Coors’ business units comply with minimum required maternity leave laws and go further to take care of new parents.

**Health and Safety**

Health and safety at work is part of our global commitment to doing business the right way. We believe the safety and wellness of our people is fundamental to their engagement and we actively work to build a workplace culture that embraces wellness and safety.

Our approach to managing health and safety is guided by our [Environment, Health and Safety \(EHS\) Policy](#). EHS the Molson Coors Way formalizes our approach and provides the framework of our EHS Management System.

**OUR PERFORMANCE**

Safety is a central focus of Our Beer Print 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 per 200 thousand hours for employees and contractors’ workplace injuries as well as any employee occupational illnesses that result in lost time.

**Lost Time Accident (LTA) Rate**

(lost time rate/200,000 hours worked)

2017 Target	2017 Actual
0.41	0.39

In addition, we are also reporting Lost-Time Injury Frequency Rate, which measures the number of lost time injuries occurring in a workplace per 1 million hours worked. Although we continue to focus on safety, the LTIFR for employees increased in 2017.

**Lost Time Injury Frequency Rate (LTIFR)<sup>15</sup>**

(number/million hours worked)

	2015	2016	2017
Overall	0.99	1.17	1.75
Employees	1.18	1.08	1.71
Contractors	0.21	1.56	1.97

**2017 Lost Time Injury Frequency Rate (LTIFR) by Region**

	Total	Global Headquarters (Denver)	MCE	MCC	MCI	MillerCoors (US)
Overall	1.75	0.00	2.19	1.35	0.63	1.72
Employees	1.71	0.00	2.32	0.96	0.00	1.73
Contractors	1.97	N/A	1.72	7.07	1.13	1.68






## Community Engagement

We have a long history of investing in the regions where we do business and of supporting initiatives that improve the communities of which we are a part. We adopt standards, ethics and sponsorship practices that are aligned to Our Beer Print, chosen at a regional level, and represent the company as an active and valued member of our communities.


Toward 2025, we aim to invest \$100 million in cash and in-kind donations to improve livelihoods, foster empowerment and build resilient communities to make the places where we work better places to live.

 Find out more about our recent work with communities in [Our Beer Print Report 2018](#).

### EMPLOYEE VOLUNTEERING

We encourage and enable our people to make a difference in their communities and to the environment. We support volunteering through company-sponsored and other approved Our Beer Print events. Volunteering has become a part of our employees' lives around the world. While volunteering efforts are regionally specific, we have a Global Volunteer Policy to align our regional best practices.

In 2017, our employees volunteered time equivalent to \$606,602.

 Find out about our employees' achievements globally during Our Beer Print Month in [Our Beer Print Report 2018](#).

### 2017 Community Contributions (Total US\$)



## Procurement Practices

### SUSTAINABLE PROCUREMENT STRATEGY

Since the day we were formed, we've always believed in doing business the right way. It's part of our heritage and guides our collective journey toward becoming a top-performing global brewer. Our key areas of focus in our procurement strategy are environmental sustainability, social and economic sustainability (including employment standards and human rights), ethical business, community responsibilities, environmental impact and data security. We achieve our aspirations by respecting human rights, demanding quality, and embracing diversity and inclusion. We believe we have a responsibility to our communities,

suppliers, customers and consumers to always operate with integrity, honesty and respect.

An integral part of doing business the right way is adopting the best-practice standards and techniques to achieve sustainable procurement. We aim to balance economic development, social development and environmental protection with our commercial needs for quality, reliability, innovation and value.

We actively monitor regulations regarding Genetically Modified Organism (GMO) ingredients in all our markets and are committed to compliance with health, food, safety, labeling and ingredients regulations. As well as adopting best-practice sourcing standards and techniques, we aim to work with suppliers who have the same ambition. 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.

We recently updated [Our Standards for Suppliers](#), which set out our minimum compliance standards. We strive to consistently

improve standards, together with our suppliers, to achieve excellence. Where the use of subcontractors or other third-party organizations is permitted, we also expect our suppliers to implement the Molson Coors Standards for Suppliers throughout their supply chains. Our standards are communicated as an ongoing requirement to 100% of our global supply base through our standard terms and conditions.

### SUPPLIER MONITORING

As a global company with a wide and diverse range of suppliers, we recognize that achieving these standards presents unique challenges. 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. We use a variety of tools and services to perform initial screenings of potential suppliers and may perform additional due diligence screenings for various purposes. We utilize the Supplier Ethical Data Exchange (Sedex) risk assessment tool, an online database for managing ethical supply chain data.

#### Stage 1 – Screening

- This year, we conducted an initial screening, using the Verisk Maplecroft methodology, of our current supplier base. 11,000 suppliers (of our 25,000+ supplier base) were screened initially to identify potential supply chain risks based on category, spend and geographic location. Screening focuses on: employment standards and human rights, ethical business

practices and regulatory compliance, and business continuity preparedness and key environmental indicators.

#### Stage 2 – Identification

- During the tendering process, suppliers will be requested to provide data and comments to questionnaires on areas of concern within each category. High-risk 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.

#### Stage 3 – Supplier development

- We are working with our suppliers to address any concerns and provide guidance to enable continuous improvement against our standards.

#### Stage 4 – Audit

- Suppliers identified as representing the highest potential risk during the SAQ process are required to undergo an audit. After an audit is conducted, and all findings recorded, a corrective action plan is established. This helps to 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.



Find out more about how we're partnering with suppliers to enhance sustainability performance in [Our Beer Print Report 2018](#).

### SUPPLIER DIVERSITY

At Molson Coors, we are committed to promoting diversity and inclusion in our procurement strategy, which foster mutual benefits for us and for our suppliers, as well as supporting economic growth in our hometown communities. Diversity and inclusion are formally incorporated into our quarterly procurement scorecards, with oversight from leadership to ensure our goals are met. We're excited about working with our suppliers to drive progress toward our 2025 goals of promoting a diverse and ethical supply chain.

#### Notes

- 12** Set against a 2016 baseline incorporating 100% Molson Coors and MillerCoors data.
- 13** As of December 2017.
- 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.
- 15** 2015 and 2016 data does not include MillerCoors.
- 16** Includes Executives and senior management.
- 17** Not a direct comparison, as 2017 was the first year in which both Molson Coors and MillerCoors organizations participated in the survey.
- 18** This question changed in 2015 so there is no applicable data for 2013.
- 19** 2016 data does not include MillerCoors.





## 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
<b>ORGANIZATIONAL PROFILE</b>		
102-1	Name of the organization.	<a href="#">OBP Report</a> (pg. 2, 4); <a href="#">ESG Report</a> (pg. 1)
102-2	Primary brands, products, and/or services	<a href="#">OBP Report</a> (pg. 4); <a href="#">2017 Annual Report on Form 10-K</a>
102-3	Location of organization's headquarters	<a href="#">OBP Report</a> (pg. 2); <a href="#">2017 Annual Report on Form 10-K</a>
102-4	Number of countries where the organization operates, and countries with major operations or relevant to sustainability issues	<a href="#">OBP Report</a> (pg. 2); <a href="#">2017 Annual Report on Form 10-K</a>
102-5	Nature of ownership and legal form	<a href="#">2017 Annual Report on Form 10-K</a>
102-6	Markets served	<a href="#">2017 Annual Report on Form 10-K</a>
102-7	Scale of the reporting organization	<a href="#">OBP Report</a> (pg. 2); <a href="#">2017 Annual Report on Form 10-K</a>
102-8	Employees by employment contract and gender	Breakdown by gender in <a href="#">ESG Report</a> (pg. 12)
102-9	Description of supply chain	Our supply chain starts from the barley and hops field where our farmers supply our agricultural brewing ingredients. Our packaging, such as bottles and cans, also make 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	<a href="#">2017 Annual Report on Form 10-K</a>
102-11	Whether and how the precautionary approach or principle is addressed	<a href="#">ESG Report</a> (pg. 7–11)
102-12	External initiatives	<a href="#">OBP Report</a> (pg. 2, 9, 18); <a href="#">ESG Report</a> (pg. 2, 6, 8)
102-13	Membership of associations	<a href="#">OBP Report</a> (pg. 2, 9, 18); <a href="#">ESG Report</a> (pg. 2, 6, 8)
<b>STRATEGY</b>		
102-14	CEO statement	<a href="#">OBP Report</a> (pg. 3)
<b>ETHICS AND INTEGRITY</b>		
102-16	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	<a href="#">ESG Report</a> (pg. 4); <a href="#">Molson Coors corporate website</a>
<b>GOVERNANCE</b>		
102-18	Governance structure.	<a href="#">ESG Report</a> (pg. 4); <a href="#">Molson Coors corporate website</a>
102-20	Executive-level responsibility for economic, environmental, and social topics	<a href="#">ESG Report</a> (pg. 3); <a href="#">Molson Coors corporate website</a>
102-21	Consulting stakeholders on economic, environmental, and social topics	<a href="#">ESG Report</a> (pg. 3); <a href="#">Molson Coors corporate website</a>
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	<a href="#">ESG Report</a> (pg. 4)
<b>STAKEHOLDER ENGAGEMENT</b>		
102-40	Stakeholder groups engaged by the organization	<a href="#">ESG Report</a> (pg. 3); <a href="#">Molson Coors corporate website</a>
102-41	Percentage of employees covered by collective bargaining agreements	<a href="#">ESG Report</a> (pg. 12)
102-42	How stakeholders are identified and selected	<a href="#">ESG Report</a> (pg. 3); <a href="#">Molson Coors corporate website</a>
102-43	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	<a href="#">ESG Report</a> (pg. 3); <a href="#">Molson Coors corporate website</a>
102-44	Key concerns raised through stakeholder engagement, and how the organization responded	<a href="#">ESG Report</a> (pg. 3); <a href="#">Molson Coors corporate website</a>
<b>REPORTING PRACTICE</b>		
102-45	Entities included in consolidated financial statements and if any are not in report	<a href="#">OBP Report</a> (pg. 2); <a href="#">ESG Report</a> (pg. 2); <a href="#">2017 Annual Report on Form 10-K</a>
102-47	Material aspects identified	<a href="#">Molson Coors corporate website</a>
102-48	Effect of restatements	N/A
102-49	Significant changes from previous reporting period	<a href="#">OBP Report</a> (pg. 2); <a href="#">ESG Report</a> (pg. 2);
<b>REPORT PROFILE</b>		
102-50	Reporting period	<a href="#">OBP Report</a> (pg. 2); <a href="#">ESG Report</a> (pg. 2)
102-51	Most recent report	<a href="#">OBP Report</a> (pg. 2); <a href="#">ESG Report</a> (pg. 2)
102-52	Reporting cycle	<a href="#">OBP Report</a> (pg. 2); <a href="#">ESG Report</a> (pg. 2)

**GENERAL DISCLOSURES**

INDICATOR	DESCRIPTION	LOCATION AND NOTES
102-53	Contact for sustainability report	For questions and comments, please email <a href="mailto:corporate.responsibility@molsoncoors.com">corporate.responsibility@molsoncoors.com</a>
102-54	Claims for reporting in accordance with the GRI standards	<a href="#">OBP Report</a> (pg. 2); <a href="#">ESG Report</a> (pg. 2)
102-55	GRI Content Index	<a href="#">ESG Report</a> (pg. 17); <a href="#">Molson Coors corporate website</a>
102-56	External assurance	<a href="#">Molson Coors corporate website</a>

**MATERIAL TOPICS**

INDICATOR	DESCRIPTION	LOCATION AND NOTES
<b>ECONOMIC</b>		
<b>ECONOMIC PERFORMANCE</b>		
201-1	Direct economic value generated and distributed	<a href="#">OBP Report</a> (pg. 4); <a href="#">2017 Annual Report on Form 10-K</a>
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change	<a href="#">2017 CDP submission</a>
<b>ANTI-CORRUPTION</b>		
205-2	Communication and training on anti-corruption policies and procedures	<a href="#">ESG Report</a> (pg. 4)
<b>ENVIRONMENTAL</b>		
<b>ENERGY</b>		
302-1	Energy consumption within the organizations	<a href="#">ESG Report</a> (pg. 9)
302-3	Energy intensity	<a href="#">ESG Report</a> (pg. 9)
302-4	Reduction of energy consumption	<a href="#">ESG Report</a> (pg. 9)
<b>WATER</b>		
303-1	Total water withdrawal by source	<a href="#">ESG Report</a> (pg. 8)
<b>EMISSIONS</b>		
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	<a href="#">ESG Report</a> (pg. 9)
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	<a href="#">ESG Report</a> (pg. 9)
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	<a href="#">ESG Report</a> (pg. 9)
305-4	Greenhouse gas (GHG) emissions intensity	<a href="#">ESG Report</a> (pg. 9)
305-5	Reduction of greenhouse gas (GHG) emissions	<a href="#">ESG Report</a> (pg. 10)
<b>EFFLUENTS AND WASTE</b>		
306-2	Total weight of waste by type and disposal method	<a href="#">ESG Report</a> (pg. 10–11)
<b>ENVIRONMENTAL COMPLIANCE</b>		
307-1	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	<a href="#">ESG Report</a> (pg. 11)
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>		
308-1	New suppliers that were screened using environmental criteria	<a href="#">ESG Report</a> (pg. 15, 16)
<b>SOCIAL</b>		
<b>EMPLOYMENT</b>		
401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Total turnover in <a href="#">ESG Report</a> (pg. 12)
<b>OCCUPATIONAL HEALTH AND SAFETY</b>		
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	LTA and LTIFR reported in <a href="#">ESG Report</a> (pg. 14)
<b>TRAINING AND EDUCATION</b>		
404-1	Average hours of training per year per employee by gender, and by employee category	Average training hours in <a href="#">ESG Report</a> (pg. 13)
404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	<a href="#">ESG Report</a> (pg. 13); <a href="#">OBP Report</a> (pg. 30)
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>		
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 <a href="#">ESG Report</a> (pg. 13)

**MATERIAL TOPICS**

INDICATOR	DESCRIPTION	LOCATION AND NOTES
<b>LOCAL COMMUNITIES</b>		
413-1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	100 percent of our direct operations implement local community engagement. More information can be found in <a href="#">OBP Report</a> (pg. 31–33) and <a href="#">ESG Report</a> (pg. 15).
<b>PUBLIC POLICY</b>		
415-1	Total value of political contributions by country	<a href="#">ESG Report</a> (pg. 5)
<b>CUSTOMER HEALTH AND SAFETY</b>		
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 drink driving issues with audiences above the legal drinking age. More information can be found in <a href="#">OBP Report</a> (pg. 8–16) and <a href="#">ESG Report</a> (pg. 5–6).
<b>PRODUCT AND SERVICE LABELING</b>		
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	<a href="#">OBP Report</a> (pg. 8–9)

**Communication on Progress****UN GLOBAL COMPACT**

The UN Global Compact and CEO Water Mandate are consistent with our global commitment to sustainability. We continue to support the ten principles of The Global Compact and six 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.

ISSUE AREA	UN GLOBAL COMPACT	FURTHER INFORMATION
Human rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	<a href="#">ESG Report</a> (pg. 5); <a href="#">Employment Principles</a>
	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	<a href="#">ESG Report</a> (pg. 5); <a href="#">Employment Principles</a>
	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	<a href="#">ESG Report</a> (pg. 5, 7–11); <a href="#">OBP Report</a> (pg. 14–25); <a href="#">Environmental, Health and Safety Policy</a> ; <a href="#">Agricultural Brewing Ingredients Policy</a> ; <a href="#">Packaging Policy</a>
	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	<a href="#">ESG Report</a> (pg. 4); <a href="#">Code of Conduct</a>
	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	

**CEO WATER MANDATE**

COMMITMENTS	FURTHER INFORMATION
Direct Operations	<a href="#">ESG Report</a> (pg. 8); <a href="#">OBP Report</a> (pg. 16)
Supply Chain and Watershed Management	<a href="#">ESG Report</a> (pg.11); <a href="#">OBP Report</a> (pg. 18)
Collective Action	<a href="#">ESG Report</a> (pg.8); <a href="#">OBP Report</a> (pg. 18)
Community Engagement	<a href="#">OBP Report</a> (pg. 18)
Public Policy	<a href="#">ESG Report</a> (pg. 8)
Transparency	Our Beer Print Report discusses our water stewardship targets, practices and current performance. Our water data is verified according to ISAE 3000 by a third party, Data Assurance. We report on water and climate risk in our <a href="#">2017 Annual Report on Form 10-K</a>



## MOLSON *Coors*

This report contains "forward-looking statements" within the meaning of the US federal securities laws. Generally, the words "believe," "expect," "intend," "anticipate," "project," "will" 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, 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; costs of resources and raw materials; force majeure events; changes in our supply chain system; availability or increase in the cost of packaging materials; 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; 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.