



Our Water Disclosure Journey: From Local Engagement to Global Strategies

Highlight Three Areas

- 💧 Role of Water
- 💧 Water Risk
- 💧 Reducing Risk

In One Simple Easy to Use Chart...

Thank you, any questions?



Quick Discussion

- 💧 **Why Water Matters to Molson Coors**
- 💧 **Our Global Water Strategy**
- 💧 **3 “Aha Moments” to our Evolving Strategy**
- 💧 **Disclosure and Transparency as the Glue**
- 💧 **What All Stakeholders Should be Doing**

Why Water Matters to Molson Coors

💧 **Heritage:** Water Defined our Place in the World

- 💧 John Molson - 1786 Banks of the St. Lawrence River in Montreal, **Canada**
- 💧 Adolph Coors - 1873 Banks of Clear Creek in Colorado, **USA**
- 💧 William Bass – 1777 Burton-on-Trent for the “Burton Salts” in the **UK**

💧 **Community:** We have a History of Community Engagement

💧 **Risk:** Water Presents a Risk Globally to the Business and to the Communities in which we Operate



“We’re all members of a larger community which depends on everyone playing a part”. John Molson (1763-1836)

Our Global Water Strategy

Be good stewards of the drops we use.

(Direct Operations)

Be community minded about the ripples we leave.

(Supply Chain & Watershed)

Understand and educate others about emerging global water issues.

(Collective Action)

Engage with local stakeholders to promote sustainable fresh water for ourselves and others wherever we do business.

(Community Engagement)

Say what we're doing and show others we're doing it.

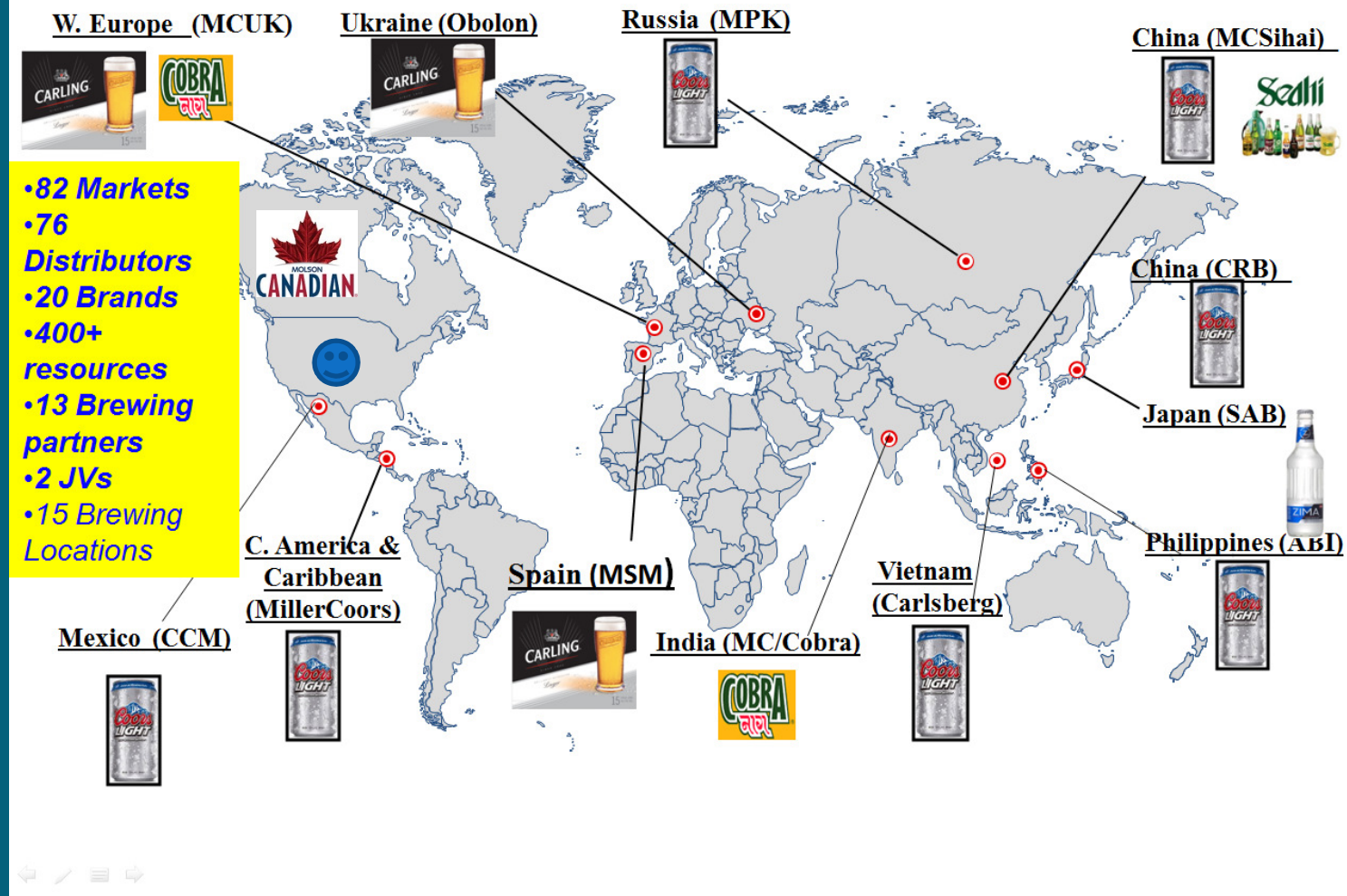
(Public Policy and Transparency)

CEO Water Mandate



Global Growth, Increased Complexity

Current Supply Chain Dimension





3 “Aha Moments” to our Evolving Strategy

- 💧 Collaboration versus Litigation
- 💧 Risk versus Efficiency
- 💧 Supply Chain versus Direct Operations

Collaboration versus Litigation

- 💧 1953 Collective Action Around Public Policy.
- 💧 1990's - Noticed spending more on lawyers and engineers than on the watershed.
- 💧 1997 Collective Action and Community Engagement with the Creation of the Clear Creek Watershed Foundation.

Watershed Community Engagement

Stakeholders...

- 💧 NGO's
- 💧 Municipalities
- 💧 Agriculture
- 💧 Industry
- 💧 Environmental Interests
- 💧 Recreational Interests
- 💧 Governmental Agencies
- 💧 Educational Institutions
- 💧 Suppliers
- 💧 Employees!

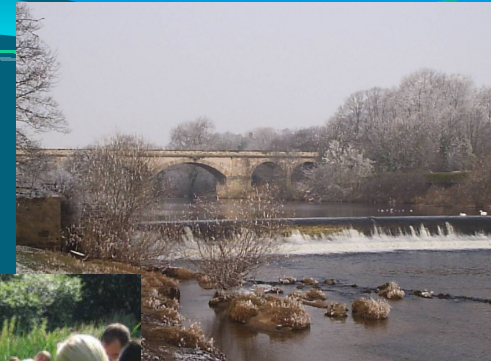
Watershed Assessments

Local Challenges



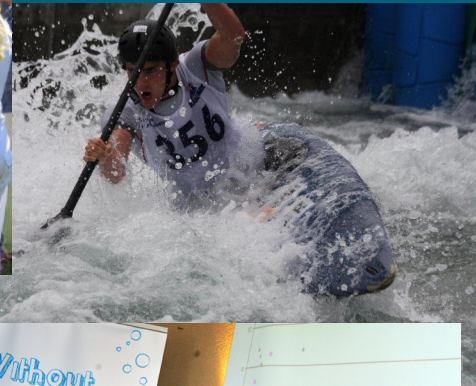
Watershed Forums

**TADCASTER RIVER WHARFE
COMMUNITY USER GROUP, UK**



2010
UK

1997
USA



MOLSON Coors

Watershed Happy Hours!



MOLSON CANADIAN RED LEAF PROJECT

The Molson Canadian Red Leaf Project is our ongoing commitment to give back to the land that gives us so much. We're hosting 20 events across the country with Evergreen, and we'll plant 100,000 trees from coast to coast in partnership with Tree Canada. But that's just the beginning. Join us and millions of Canadians as we help make our awesome land even better.



Canada



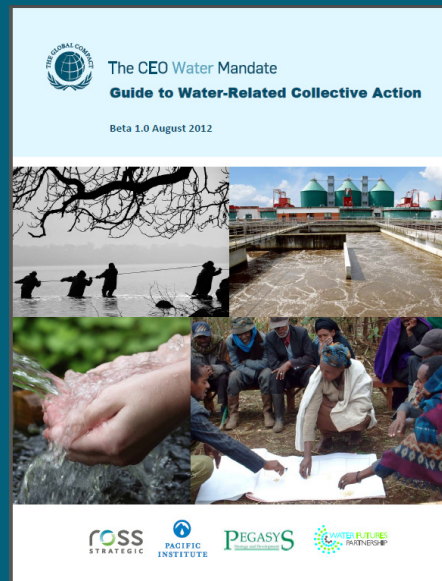
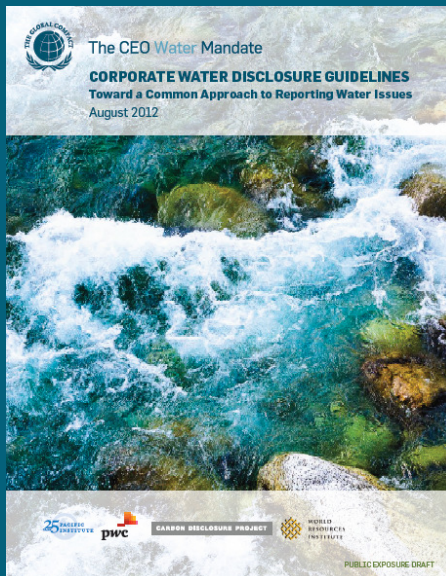
The Power of Collective Action



Beverage Industry Environmental Roundtable



COLORADO WATER CONGRESS



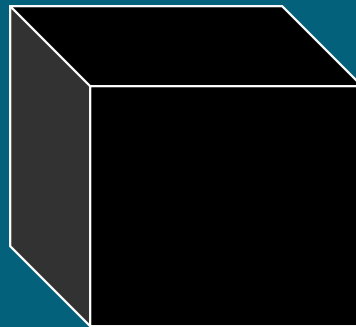
Risk versus Efficiency

- 💧 Water is local
- 💧 Beyond the “black box”
- 💧 Look at Risk Comprehensively

(2009 Internal and External Discussions)

Beyond The Black Box (aka: Operations)

Water Demand Ratio
(WDR)



Water Quality and Quantity
Upstream Users

- Operations
- Stormwater
- Orphan Sites
- Urban Development
- Wildfires

Water Consumption Ratio
(WCR)



Water Quality and Quantity
Downstream Users (Reuse)

- Drinking Water
- Agriculture
- Recreation
- Endangered Species

Water Risk Index

- 💧 *Watershed: hydrological watershed.*
- 💧 *Supply and Discharge: quality, interaction of ops and watershed.*
- 💧 *Onsite: black box performance. Efficiency, infrastructure.*
- 💧 *Compliance and Regulation: Requirement challenges.*
- 💧 *Corporate Responsibility and Governance: how ensure positive and responsible impacts with employees and communities.*

Supply Chain versus Direct Operations (e.g., Agricultural Suppliers)

- 💧 90% of our Water Footprint
- 💧 Long Term Partners
- 💧 Best Practice Sharing



Collective Action through Supplier Education and Outreach



Partnership with our Barley
Farmers



Water Foot printing and
Supplier Engagement



Linking Environment
And Farming



USA

UK



So what have we learned from these
“aha moments?”

**Through Internal AND External
Disclosure, Education and Outreach,
All Stakeholders Can Stand Together
to Reduce Water Risks**



Transparent Disclosure

Set stretch targets and regularly report progress

Water Use (hl)

	2008	2009	2010
Abstracted Water	-	126,442,012	121,233,857
Purchased Water	-	126,254,286	118,488,018
Total Water Use	246,344,906	252,442,012	239,721,876

2010 Water Use by Region (hl)

	UK	Canada	US
Groundwater Abstraction	42,174,761	0	79,059,096
Direct Surface Withdrawals	0	0	18,518,539
Purchased Water	10,397,440	48,552,972	59,537,606
Total Water Use	52,572,201	48,552,972	138,596,703



Common Approach to Disclosure



- 💧 Internal Discipline
- 💧 External Engagement

Disclosure – Audits, Verification and Review



Corporate
Citizenship



THE POWER TO MAKE
A DIFFERENCE



CARBON DISCLOSURE PROJECT

DJSI North America

600 largest North American companies* of the Dow Jones Total Global Stock Market Index
55 Sectors
2 Countries

Selection of top 20 % in terms of Sustainability in each sector

45 % target market cap coverage in each supersector

140 Components
49 DJSI Sectors
Review 2012:
17 ADD /16 DEL



“Corporate sustainability leaders achieve long-term shareholder value by gearing their strategies and management to harness the market's potential for sustainability products and services while at the same time successfully reducing and avoiding sustainability costs and risks.” DJSI 2012

DJSI World

2,500 largest companies of the Dow Jones Total Global Stock Market Index
58 DJSI Sectors
52 Countries

Selection of top 10% in terms of Sustainability in each sector

15% target market cap coverage in each supersector

340 Components
58 DJSI Sectors
30 Countries
Review 2012:
41 ADD /41 DEL

Continuous Education, Outreach and Engagement



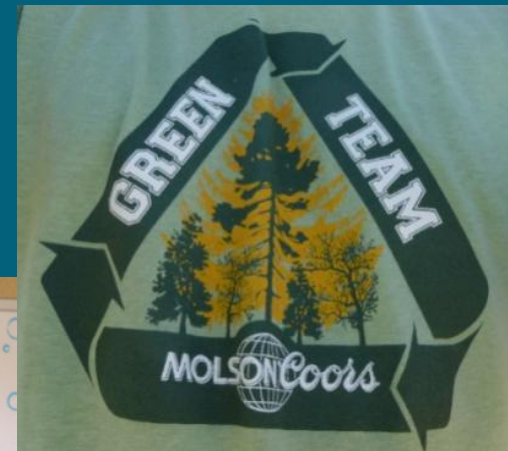
Employee and Community

Engagement/Awareness

Commitments

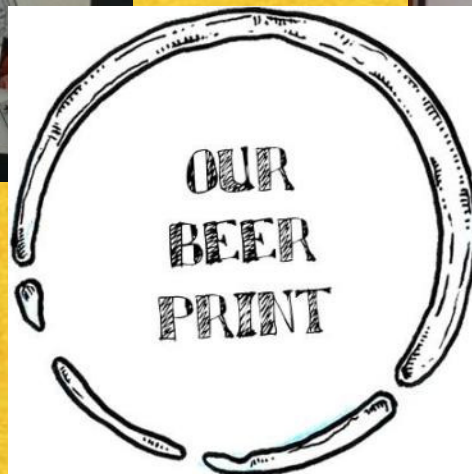
Action

Tools



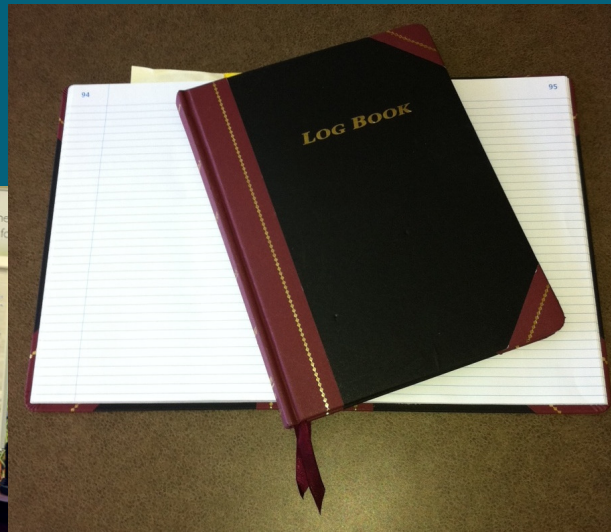
Commitments...

"Every Employee Makes a Difference!"



What Every Company Should Be Doing

- 💧 Transparent Disclosure, Common Approach
- 💧 Watershed Community Engagement
- 💧 Education and Outreach



Thank you!

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<http://www.molsoncoors.com>

<http://www.everydropeveryripple.com>

<http://www.redleafproject.ca>

<http://www.clearcreekwater.org>

