



# Our Approach to Water Stewardship



- Who we are
- What drives us to be good water stewards?
- Water Management at Molson Coors
- Lessons Learned

# MOLSON COORS – WHO WE ARE

 Core Markets

 Molson Coors International

## Molson Coors Canada

Brewing Capacity: 12 Million HL Annually  
41 % Share of Market



## MillerCoors

Brewing Capacity: 103.7 Million HL Annually  
29% Share of Market



## Molson Coors Europe

Brewing Capacity: 30.6 Million HL Annually  
Share of market:  
UK and Ireland 19%  
Montenegro: 90%  
Serbia 52%  
Croatia: 44%  
Bulgaria: 34%  
Bosnia-Herzegovina: 27%  
Hungary: 25%  
Romania: 16%  
Czech Republic: 15%  
Slovakia: 5%

# THE MAKING OF A GREAT BEER

## The Secret's in the Water:

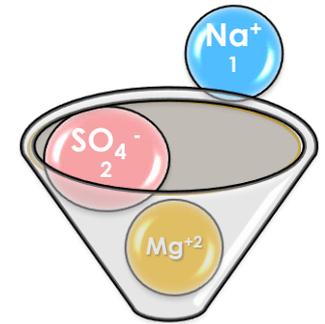
- ***“Beer is about 90 percent water, and the quality of local water supplies has been critical to brewing beer for centuries.”***



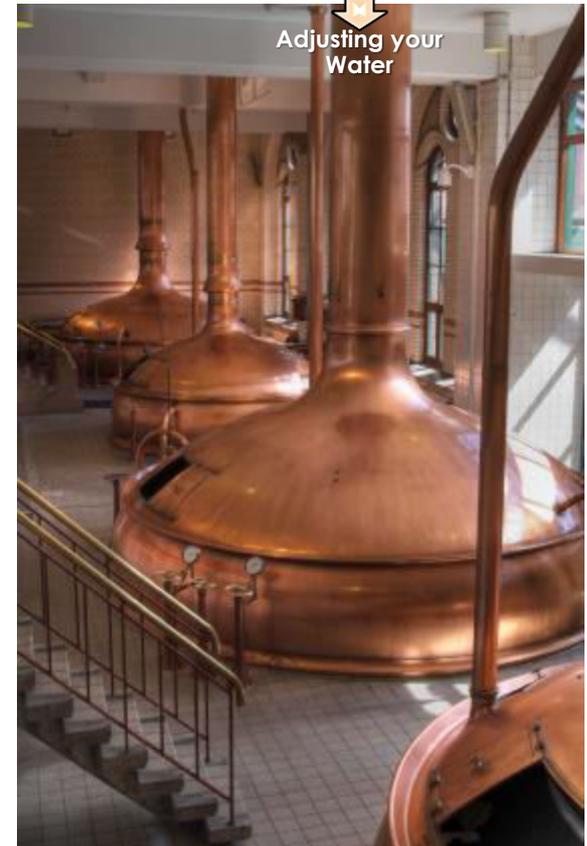
## BREWING WATER – HARD OR SOFT?

Different styles of beer require different water profiles. Often a particular beer is associated with the water profile of the city in which the beer originated, for example:

- ❑ **Dublin** has hard water well-suited to making stout, such as Guinness;
- ❑ The clarity and hoppiness of England's finest India Pale Ales, brewed since the 1700s in **Burton-on-Trent**, result from relatively high levels of calcium (gypsum) in local water. To such a degree that brewers of pale ale will add gypsum to the local water in a process known as Burtonisation.
- ❑ The unusually soft water of Plzen, from the **Czech Republic**, helped create what is considered the original gold standard of pilsner beers.



Adjusting your Water



# 2014 WATER USAGE IN THE BREWING INDUSTRY TRENDS AND OBSERVATIONS

## Water and Energy Use ratio drivers for Breweries include:

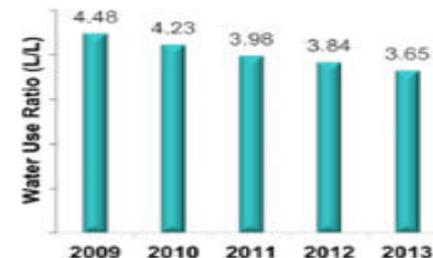
- ✓ Variations in brewing processes
- ✓ Level of cleaning process automation & use of high efficiency equipment
- ✓ Water use differences based in package type: small packaging (12 oz. bottles or cans) vs. larger or bulk packaging (kegs or tanks).
- ✓ Refillable container use
- ✓ Facility production volume (facilities with larger production volumes tend to report lower water and energy use ratios).
- ✓ Pasteurization type
- ✓ Prevalence of on site refrigeration.

Figure 10: Brewery (Beer Only)  
Water Use Ratio Performance

N=361

Range (2013) – 3.01 – 6.27 L/L

WUR  $\Delta$  = -19%



# WHAT DRIVES US TO BE GOOD WATER STEWARDS

## Evolution of Water Management at Molson Coors:

- ✓ Focused on local compliance up to 2007
- ✓ 2008 – Signed the CEO Water Mandate
- ✓ 2009 - Developed more comprehensive strategy on water management
- ✓ 2013 – Adopted risk-based integrated sustainability strategy with water at the forefront.

## Drivers:

- ✓ Stakeholder expectations on environmental stewardship
- ✓ Business risk



# WATER MANAGEMENT AT MOLSON COORS

## Principles of the CEO Water Mandate:

- ✓ Operations
- ✓ Supply Chain and Watershed Management
- ✓ Collective Action
- ✓ Community Engagement
- ✓ Transparency

# WATER MANAGEMENT AT MOLSON COORS

## 2015 CLIMATE CHANGE COMMITMENT:

- ✓ BIER Members are committed to water conservation and have achieved a reduction in water use per unit of product of close to 14% over the last 4 years. We will work to further reduce our water footprint and will leverage the tools developed in collaboration amongst members to help other sectors minimize water use.

### Joint Commitment on Climate Change



# OPERATIONS

## Operations

*Valuing Our Resources to Fuel Our Brands*

### Waste

- Zero Landfill globally

### Water

- Risk-based approach to setting targets and allocating resources for water reduction
  - We commit to breweries subject to high water supply risk achieving world-class water intensity
  - Organic efficiency savings in all breweries
  - Anaerobic Digestion of Effluent and Energy Recovery is a Strategic Technology for Molson Coors

### Energy

- 25% energy intensity reduction
- Publically commit to Alternative Energy
  - Transition from managing to carbon

# WATER MANAGEMENT AT MOLSON COORS

## Supply Chain and Watershed Management

- ✓ Partnerships with suppliers to build water management capacity
- ✓ Supplier Sustainability Scorecard
- ✓ Engage with environmental authorities to address local issues



## SIMPLY SUSTAINABLE WATER

Six Simple Steps for managing  
water quality and use on your land



ASDA

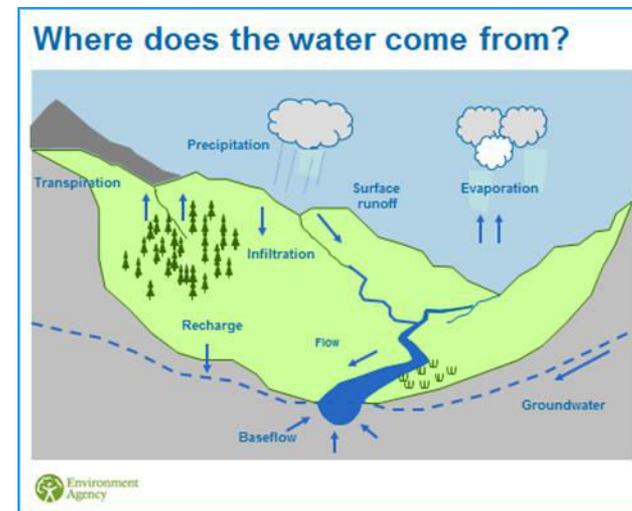
LEAF  
LINKING ENVIRONMENT AND FARMING  
Improved Farm Management

MOLSON Coors

# WATER MANAGEMENT AT MOLSON COORS

## Collective Action:

- ✓ Pilot projects – Partners in Project Green
- ✓ Develop industry tools – BIER True Cost of Water Tool
- ✓ Build community partnerships for water education and outreach – Tadcaster River Wharfe Community Group



# WATER MANAGEMENT AT MOLSON COORS

## Community Engagement:

**Colorado, USA**  
Clear Creek Watershed  
Foundation



**Patna, India**  
Water for People



**Tadcaster Swimming Pool Trust Ltd**  
**Duck Race and Family Fun Day**  
Saturday 29<sup>th</sup> September 12noon – 4pm



### **Tadcaster River Bank**

Ducks launched at 2pm

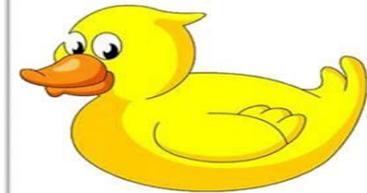
Get your ticket now - only £1 each  
First duck over the line wins £100!

Anyone interested in holding a stall, please contact  
Fiona Garnett on 01937 833001 or  
[fiona@tadcasterpool.org.uk](mailto:fiona@tadcasterpool.org.uk)

Come and try canoeing from 11am

Learn about the importance of Tadcaster's water  
from members of the River Wharfe  
Community User Group

All proceeds to Tadcaster Swimming Pool Trust Ltd,  
Charity Number 5165102



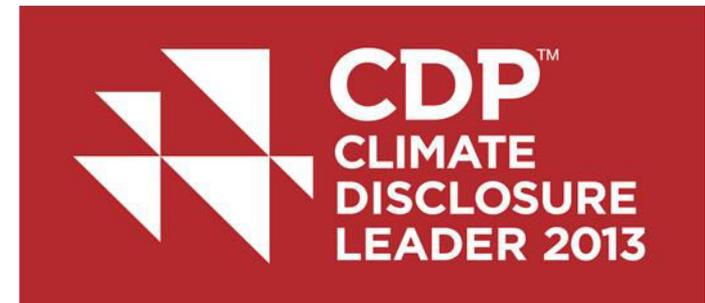
**MOLSON Coors**



# WATER MANAGEMENT AT MOLSON COORS

## Transparency:

- Our strategy and transparency is helping us to get recognised by some of the leading sustainability indexes.
- Long term proof of our water strategy will be the our ability to continue to Brew our brands in an increasingly resource constrained world with out impacting on our communities.
- Delighting the worlds beer drinkers !



## LESSONS LEARNED

- ✓ Conduct a materiality assessment to identify the issues and how important it is to you – use this to develop a business case for resources
- ✓ Consumers care increasingly about traceability and social/environmental stewardship of the products they consume.
- ✓ Engagement with the community in the watershed and with your supply chain can provide the visibility and 'good story' that you need to connect with consumers