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# GREAT BEER GREAT RESPONSIBILITY

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MILLERCOORS 2014  
SUSTAINABILITY REPORT



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# LETTER FROM LEADERSHIP

**W**hen we formed MillerCoors six years ago, we had one goal: to create America's best beer company. We knew it would require a team of great people dedicated to our heritage of brewing the highest-quality beer. It would also take a commitment to sustainability because with great beer comes great responsibility. That is why we are committed to addressing key economic, environmental and social issues from the barley fields to our breweries, to the bar room.

## GREAT RESPONSIBILITY STARTS WITH OUR PEOPLE

Throughout this report, you'll see how our people are continually identifying new ways to bolster our sustainability efforts. From expanding our flagship Free Rides program, to enhancing sustainable farming practices, to reducing our water and energy use to all-time lows, our people are embracing sustainability.

## AS A BREWER, RESPONSIBLE MARKETING AND CONSUMPTION ARE AT THE CORE OF OUR SUSTAINABILITY COMMITMENT

We must do our part to ensure our products are marketed appropriately and enjoyed responsibly by legal-age consumers, and we must offer solutions that help prevent drunk driving. Our responsibility programs grew significantly in 2013. We expanded our Free Rides program to two new cities and provided nearly 640,000 people a safe ride home. We also took our efforts digital to prevent drunk driving, by partnering with

mobile app companies to connect people with a safe ride through their smartphones. We exceeded our goal to encourage 10 million people to participate in planning ahead and taking a safe ride home.

## WE NEED HIGH-QUALITY WATER TO MAINTAIN THE EXCEPTIONAL QUALITY OF OUR BEER

We are focused on conserving and improving water resources at every link along our value chain. We work with barley growers to reduce the amount of water used for irrigation, look for opportunities to reduce water use in our breweries, and help local communities understand the importance of water quality and conservation. We've signed the U.N. Global Compact's CEO Water Mandate to reinforce our commitment to water stewardship. We also won a 2013 U.S. Water Prize from the U.S. Water Alliance, recognizing our "innovative and comprehensive strategies to protect and conserve water throughout its life cycle."

## EACH REALIZED GOAL BRINGS US CLOSER TO CREATING AMERICA'S BEST BEER COMPANY

We achieved several of our goals early—including those related to responsibility, environmental stewardship and ethics and transparency—and are on track to achieve the remaining goals by 2015. But we still have a long way to go.

Even with 12.1 million consumers supporting our efforts to help prevent drunk driving, one accident is one too many. That is why responsibility will always remain a key focus for us.



**MILLERCOORS SENIOR LEADERSHIP TEAM (BACK ROW, FROM LEFT); NEIL KIELY; ANDY ENGLAND; ED MCBRIEN; TOM CARDELLA; NEHL HORTON; (FRONT ROW, FROM LEFT) TRACEY JOUBERT; KELLY GREBE; TOM LONG; FERNANDO PALACIOS; KAREN ALBER; CHRIS KOZINA.**

Water is a precious resource and vital to our business. So while we achieved our lowest water-to-beer ratio to date in 2013, we remain motivated to develop and promote our water stewardship efforts.

We will place increased attention on community partnerships and spending with diverse suppliers to ensure we achieve our goals in these areas as well. Throughout the coming year, we will also look to the future and begin developing our next set of sustainability targets.

We have come a long way in six years, and we have our people to thank for our success. They have been the driving force behind our sustainability initiatives. We have dedicated the first half of this report to sharing their stories and highlighting some of their accomplishments. The second half of this report provides a more in-depth look at our progress throughout 2013. We invite you to learn more, and we hope you enjoy our story.

**TOM LONG**  
Chief Executive Officer

**TRACEY JOUBERT**  
Chief Financial Officer

**KAREN ALBER**  
Chief Information Officer

**NEIL KIELY**  
Chief Business Transformation Officer

**TOM CARDELLA**  
President and Chief Executive Officer, Tenth and Blake Beer Company

**CHRIS KOZINA**  
Chief Human Resources Officer

**ANDREW J. ENGLAND**  
Executive Vice President and Chief Marketing Officer

**ED MCBRIEN**  
President, Sales and Distributor Operations

**KELLY GREBE**  
Chief Legal and Corporate Services Officer

**FERNANDO PALACIOS**  
Executive Vice President and Chief Integrated Supply Chain Officer

**NEHL HORTON**  
Chief Public Affairs and Communications Officer

# PROGRESS TOWARD 2015 GOALS



**ENCOURAGE 10 MILLION PEOPLE TO PARTICIPATE IN PLANNING AHEAD & TAKING A SAFE RIDE HOME**



**ANNUALLY EXCEED 2 MILLION IN UNITED WAY CONTRIBUTIONS**



**ACHIEVE RECOGNITION AS A FORTUNE 100 BEST COMPANIES TO WORK FOR®**

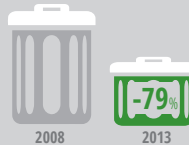
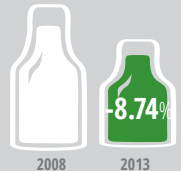


**REDUCE WATER USAGE IN OUR BREWERIES BY 15% TO 3.5:1.0**



**REDUCE TOTAL ENERGY USAGE BY 15% TO 137 MJ/HL**

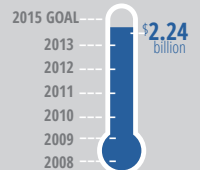
**REDUCE TOTAL PACKAGING THROUGHOUT SUPPLY CHAIN BY 2% BY WEIGHT**



**REDUCE REMAINING 1% OF WASTE TO LANDFILL BY 50%**



**CUMULATIVELY SPEND MORE THAN \$2.5 BILLION WITH DIVERSE SUPPLIERS**



**IMPROVE OVERALL SAM SCORE BY 25%**



**NOTE:** Goals are measured against a baseline year of 2009, except for the Environmental Stewardship goals, which are measured against a baseline year of 2008. Progress against goals is measured as of December 31, 2013.

# ABOUT MILLERCOORS

Through our diverse collection of storied breweries MillerCoors brings American beer drinkers an unmatched selection of the highest-quality beers steeped in centuries of brewing heritage. We are the second-largest beer company in the U.S., capturing approximately 30 percent of beer sales in the U.S. and Puerto Rico in 2013. MillerCoors seeks to create America's best beer company through an uncompromising promise of quality, a keen focus on innovation and a deep commitment to sustainability. From the barley field to our breweries and throughout our business, we have 8,134 people (as of Dec. 31, 2013) working together to enhance the way America enjoys beer. MillerCoors is a joint venture of SABMiller plc and Molson Coors Brewing Company.

## LOCATIONS

Headquartered in Chicago with additional corporate offices in Milwaukee and Golden, Colo., MillerCoors operates eight major breweries in Albany, Ga.; Eden, N.C.; Elkton, Va.; Fort Worth, Texas; Golden, Colo.; Irwindale, Calif.; Milwaukee and Trenton, Ohio, as well as the Leinenkugel's craft brewery in Chippewa Falls, Wis. We also operate two microbreweries—the Tenth Street Brewery in Milwaukee and the Blue Moon Brewing Company on Blake Street at Coors Field in Denver.

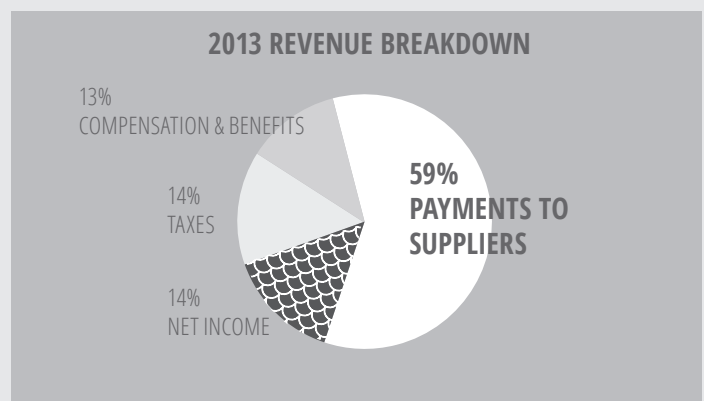
## BRAND PORTFOLIO

Led by two of the best-selling beers in the industry, MillerCoors has a broad portfolio of brands across every major industry segment. The portfolio is led by our premium light brands: Coors Light and Miller Lite. We brew premium beers, Coors Banquet and Miller Genuine Draft, and economy brands, Miller High Life and Keystone Light. Tenth and Blake Beer Company, MillerCoors craft and import division, imports Peroni Nastro Azzurro, Pilsner Urquell and Grolsch, and features Summer Shandy from the Jacob Leinenkugel Brewing Co. and Blue Moon Belgian White from Blue Moon Brewing Co., along with ciders from Crispin Cider Co.



## REVENUE ALLOCATION

In 2013, MillerCoors generated total revenue of nearly \$8.97 billion and returned approximately \$7.71 billion to society through goods and services provided by suppliers, compensation for employees, taxes to the government and grants to nonprofit organizations as part of our community commerce and partnership strategy.



# OUR STORY



We are fortunate to have an engaged and diverse workforce with a steadfast commitment to sustainability. By building strong ties with each other, our suppliers and surrounding communities, we've proven we can make a difference when we're all working toward a common cause. We act as ambassadors for safe and responsible beer consumption, volunteer to improve our lakes, rivers and watersheds, and help reduce our impact on the environment.

In the following pages, our people share how their passion for brewing and marketing great quality beer is helping write our sustainability story. Our 8,134 employees work together as a single team rising to meet—and even exceed—our challenges. Our people are our most valuable asset, and their impact on our business is visible in each statistic and accomplishment detailed in this report.

More information about our overall sustainability efforts in Responsibility, People and Communities, Environmental Stewardship, Supply Chain and Ethics and Transparency, including data and commentaries from external stakeholders, can be found in the second half of this report.



# RESPONSIBILITY

**W**e work hard to develop and grow our responsibility programs. From our ethical marketing practices that focus on legal-age consumers to our Free Rides programs that help prevent drunk driving, our responsibility is to the safety of our consumers and those around them.

Drunk driving fatalities are on the decline in the U.S., and we're doing our part to contribute to that success. Last year was one of our strongest for drunk driving prevention in MillerCoors history. We expanded our flagship Free Rides program and nearly 640,000 people took advantage of a safe ride home. We also took our responsibility programs digital through partnerships with Autopilot, Hailo and Uber, mobile apps that connect consumers with a safe ride with a touch of their smartphone. Our employees care deeply about this cause and helped develop innovative programs to ensure driving drunk is never an option.

**DRUNK DRIVING IS COMPLETELY PREVENTABLE, AND WE ARE SERIOUS ABOUT EDUCATING AND HELPING CONSUMERS ENJOY OUR PRODUCTS RESPONSIBLY. WE INVEST IN PROGRAMS AND PROVIDE SUPPORT FOR INITIATIVES THAT HAVE BEEN PROVEN TO HELP PREVENT DRUNK DRIVING.**

DIANE WAGNER, RESPONSIBILITY COMMERCE MANAGER





MILLERCOORS BRINGS ITS SIGNATURE FREE RIDES PROGRAM TO PHOENIX FOR THE FIRST TIME. FROM LEFT: EXPLORER 1; ROCKY ARREDONDO, FIELD MARKETING MANAGER, ARIZONA/SOUTHERN NEVADA; JAMES (BUBBA) MOFFETT, CRESCENT CROWN DISTRIBUTING PRESIDENT; RAJ KANDYIL, GENERAL MANAGER; EXPLORER 2.

## CELEBRATING SAFELY IN PHOENIX: FREE RIDES

It's not enough to make great beer—we also have a responsibility to help prevent drunk driving. One of the ways we do this is through our flagship Free Rides program, which we have brought to 16 cities across the U.S. Launched 26 years ago, Free Rides has provided more than 4.1 million people a safe ride home. We continue to see year-over-year ridership increases and are exploring new communities for expansion.

This past New Year's Eve, we brought Coors Light Free Rides® to Phoenix for the first time. Area residents and visitors were encouraged to ring in the New Year safely by taking advantage of free transit on Valley Metro light rail and bus routes. "Free Rides is so important to area residents," said Rocky Arredondo, Field Marketing Manager, Arizona/Southern Nevada. "As an Arizona native, I'm thrilled to have the opportunity to build relationships with local leaders in order to keep people safe and give back to my community."

The program was supported by various Valley Metro member agencies, the Phoenix Suns, the Arizona Governor's Office of Highway

Safety and local law enforcement. Local elected officials, including Phoenix Mayor Greg Stanton and Tempe Mayor Mark Mitchell, were also supportive of the program.

"The support of our partners is so important to a program's success," said Rocky. "I'm especially grateful for the support of Bubba Moffett and the team at Crescent Crown Distributing. They have been such valuable partners and helped us widely promote the program."

The ridership numbers were impressive—37,098 individuals took advantage of Coors Light Free Rides® on New Year's Eve in Phoenix. In total, Phoenix saw a 63 percent increase in holiday light rail riders over the previous year, as well as a 36 percent decrease in the number of DUI arrests between Christmas and New Year's Eve.

"I'm really proud of what we've achieved in 2013," said Rocky. "And I look forward to continuing our work with partners to help more people celebrate safely."



## TAKING THE HIGH ROAD: MILLER HIGH LIFE & HARLEY-DAVIDSON



Brooke Little, Associate Marketing Manager, Channel Marketing – Innovations, and her friends are avid motorcycle enthusiasts and spend most weekends riding their Harleys and enjoying the open road. Brooke lives the High Life by appreciating the simple moments that can happen every day.

Because of this, she knows just how important it is to celebrate those moments responsibly. Brooke helped us partner with Harley-Davidson to encourage bikers to ride safely.

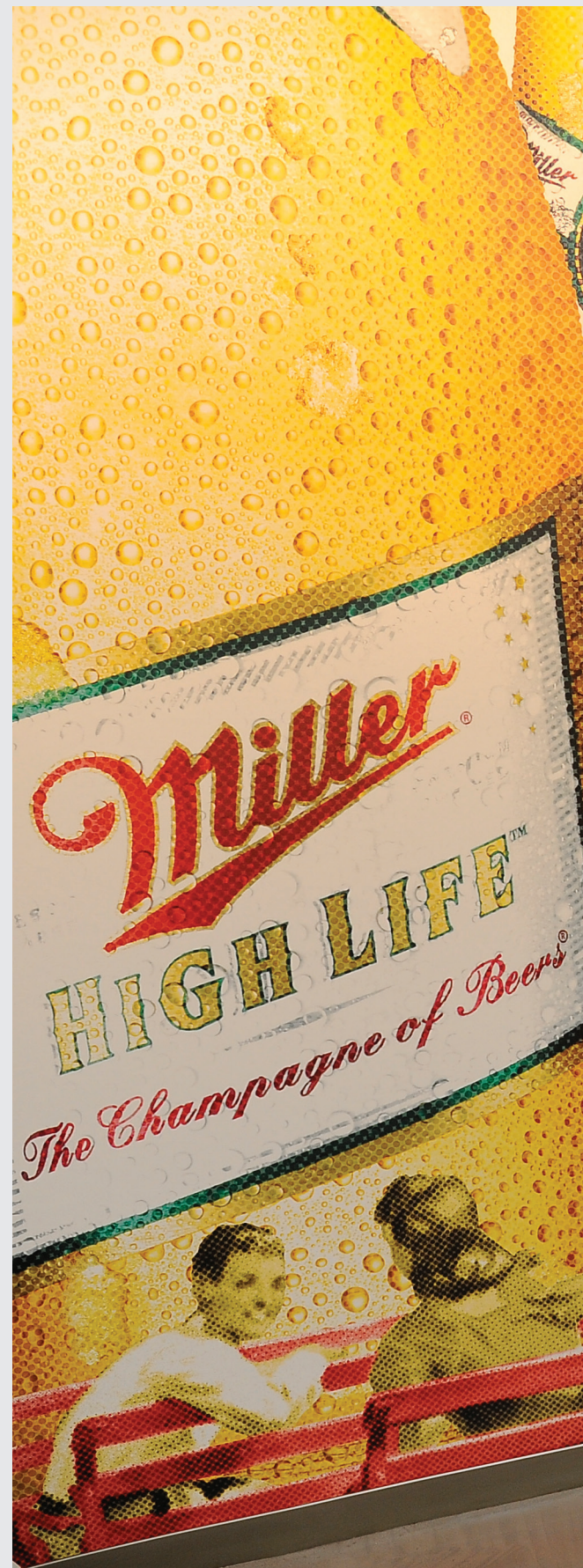
“MillerCoors and Harley-Davidson are Milwaukee-born neighbors and our shared commitment to quality, heritage and American craftsmanship make us ideal partners,” said Brooke. “Since we were both celebrating milestone anniversaries—110 years in business this past year—it made sense to team up and reach out to our shared consumers.”

Miller High Life and Harley-Davidson wanted to use their landmark anniversaries to promote their shared values. Brooke and her team developed a responsibility campaign that encouraged riders to take the high road by riding safely and celebrating responsibly at anniversary events across the country.

“Over the summer, we hosted anniversary celebrations at motorcycle rallies in Milwaukee; Sturgis, S.D.; and Daytona Beach, Fla.,” Brooke said. “Pledge booths were set up at every event, and we encouraged riders to pledge to never ride under the influence and to be a designated driver for others.” Those unable to attend the events could also take the pledge online.

In all, 14,646 bikers pledged at events, on Facebook and through an app to ride safely. They were also entered for a chance to win a one-of-a-kind leather jacket displaying a joint Miller High Life/Harley-Davidson logo. The app allowed riders to share their pledge via Facebook and Twitter, to encourage friends and family to also ride safely and celebrate responsibly.

“Our shared dedication to safety and alcohol responsibility made this an ideal collaboration,” said Brooke. “It’s great when two major brands can come together. Seeing the responsibility message in action really made our commitment to drunk driving prevention come to life.”





**BROOKE LITTLE, ASSOCIATE MARKETING MANAGER, PROMOTED RESPONSIBLE RIDING WITH HARLEY-DAVIDSON ENTHUSIASTS.**



# PEOPLE & COMMUNITIES

We support our people and our brewing communities by investing in their future. Through mentoring, educating and networking, we provide the tools and opportunities to promote growth and positive change both inside and outside our company.

Internally, we teach our employees valuable skills to help them grow into more effective team members and managers. Externally, we focus on educating and empowering others. Our programs give people the opportunity to learn, share their ideas and grow professionally and personally.

**THROUGH EDUCATIONAL PROGRAMMING,  
ENTREPRENEURIAL INVESTMENT AND PROFESSIONAL  
DEVELOPMENT, WE ARE INVESTING IN THE FUTURE OF OUR  
PEOPLE AND IN THE COMMUNITIES WE TOUCH EVERY DAY.**

CHRIS KOZINA, CHIEF PEOPLE OFFICER



STEVE CANAL (RIGHT) AWARDS EVAN WRAY AND SEAN O'BRIEN FROM TEXTPRIDE WITH THE MILLER LITE TAP THE FUTURE GRAND PRIZE.

## A NEW MILLER TIME MOMENT: TAP THE FUTURE

Miller Lite has always been about great friends and great taste—now it's also about great business partners and great ideas. Launched in 2013, Miller Lite Tap the Future is a competition that pits teams of entrepreneurs against each other for a chance to claim a piece of a \$400,000 prize pool.

“According to the U.S. Small Business Administration, small businesses make up nearly half of all private sector jobs in America,” said Steve Canal, Community Commerce and Partnerships Manager and one of the architects of Miller Lite Tap the Future. “We are on a mission to give back to that segment of the community, create more jobs and empower the innovators of tomorrow.”

It's not just about giving away money: The program is focused on providing economic opportunities to aspiring entrepreneurs. Throughout the process, applicants learn about financial literacy, receive advice on their business plans, and get a chance to pitch and receive feedback from some of the sharpest business minds in the country, including Daymond John from ABC's *Shark Tank*.

Steve and his team did extensive research to ensure they were reaching a wide range of eligible participants. They scoured the entire country for

applicants, partnering with LinkedIn®, Hispanic Business, Inc. Magazine and the Dallas Cowboys, among others. In its first year, Miller Lite Tap the Future received more than 2,000 applications.

From the pool of applicants, 25 semifinalists were selected to compete in live pitch events in Atlanta, Chicago, Dallas, Philadelphia and Phoenix. Daymond John and a panel of expert judges selected one business from each city to win a \$20,000 grant and advance to the finals. The five finalists then presented before a national panel of judges for a chance to win the \$250,000 grand prize. Miller Lite fans also voted online, and the five teams with the most fan votes each received a \$10,000 grant.

The 2013 grand prize winner was Ohio-based TextPride, a company founded by college roommates that makes branded stickers and emojis for mobile messaging apps to sell as upgrades. TextPride, which already has licensing agreements with more than 250 brands, will use the contest winnings to gain licensing with additional brands.

In 2014, Miller Lite Tap the Future will bring the program to two new markets: Los Angeles and Miami. “We're looking forward to reaching even more people,” said Steve. “We want to contribute to positive change by promoting and supporting innovation across the country.”



JAY ANDERS, DIRECTOR OF LEADERSHIP DEVELOPMENT, AND TRISH DUNN, LEADERSHIP DEVELOPMENT MANAGER, HELP GROW TALENT AT MILLERCOORS UNIVERSITY.

## SUPPORTING EMPLOYEE GROWTH & DEVELOPMENT: MILLERCOORS UNIVERSITY

**E**arly on, our leadership identified professional development as a top priority and an important factor in creating America's best beer company. One objective of our business strategy is to build a learning culture. We've brought that strategy to life by creating our very own professional learning environment, called MillerCoors University (MCU). Through MillerCoors, we offer blended learning solutions that include live classroom sessions, virtual courses, social learning sites, readings, Ted Talks and on-the-job applications.

"We're focused on developing the next generation of leaders," said Jay Anders, Director of Leadership Development, who played a pivotal role in the formation of MCU and has collaborated with colleagues across the business to create a series of leadership development programs.

"I'm most proud of our mentoring work," said Jay. "While it's not a new concept or learning tool, the ways in which we mentor employees throughout the organization are rather creative, including group mentoring and action learning projects."

Jay has experienced the benefits of mentorship in his own career and sees the value these relationships can bring to a person's professional growth. "These relationships are fundamental to the development of our people and, ultimately, to the success of our company," said Jay.

Jay and his colleague Trish Dunn, Leadership Development Manager, believe senior leadership has been instrumental in the success of MCU. Both credit MillerCoors unwavering commitment to investing in its people as a driving force behind the company's progress in developing the next generation of leaders.

"I chose to work at MillerCoors because I could see the investment that the company makes in its people," said Trish. "I've seen what can happen when companies don't appreciate or invest in their employees—it often results in a loss of great talent."

Every new employee's introduction to MillerCoors starts with MCU's "Welcome to MillerCoors" class. New hires learn about our history, the beer business and even how to pour a perfect pint. And beyond employees' initial introduction to the company through MCU, all employees are encouraged to grow their managerial skills through a series of leadership classes entitled "The Leader in You," as well as their general knowledge of the beer industry through classes like "Beer Merchant."

"The MCU team has done an outstanding job. Before taking the 'Welcome to MillerCoors' training, I was proud to tell family and friends that I work for MillerCoors. Now, with confidence, I can tell them that I am an ambassador of MillerCoors," said Aneesh Arora, Procurement Analyst Specialist.

Launched in 2009, MCU's curriculum and program development are the result of an engaged, cross-functional group of senior leaders who work together with the MCU team to identify the most important skills needed for cultivating talent. MCU was recognized as the "Best Overall Corporate University" in 2013 by CorpU, the leading talent development insight and education provider. The CorpU Awards for Learning Excellence and Innovation are the longest-running independent evaluation of corporate learning and talent programs.

"The investment we make in employees is what makes MillerCoors a great company to work for," said Trish. "And it's what will make us great for years to come."



## ENVIRONMENTAL STEWARDSHIP



**E**nvironmental stewardship means doing more with less to reduce our impact on the environment. Thanks to the efforts of our people, 2013 was a record-setting year for reducing our environmental footprint. We achieved our lowest water-to-beer ratio to date and added two more breweries to our landfill-free portfolio.

**OUR PEOPLE ARE PASSIONATE ABOUT HELPING US BREW BEER MORE SUSTAINABLY. EMPLOYEES ARE ENGAGED AT ALL LEVELS OF OUR ORGANIZATION, FROM THE BOTTLING LINE TO THE BOARD ROOM, AND THEY DRIVE OUR SUSTAINABILITY SUCCESS.**

JIM SMITH, VICE PRESIDENT EDEN BREWERY





**FERNANDO PALACIOS, EXECUTIVE VICE PRESIDENT AND CHIEF INTEGRATED SUPPLY CHAIN OFFICER, FOSTERS AN ENVIRONMENT OF MUTUAL LEARNING AND IMPROVEMENT ACROSS MILLERCOORS OPERATIONS.**

## A COMMON CAUSE: WATER CONSERVATION

Without water, we can't brew great beer. MillerCoors employees share a passion for brewing quality beers and rally around efforts to conserve and protect water so we can continue brewing for years to come.

"Having access to quality water has always been a concern for us," said Fernando Palacios, Executive Vice President and Chief Integrated Supply Chain Officer. "Not having access to water at all is an even greater concern. Everyone here at MillerCoors understands the importance of water to our business and does their part to conserve it."

Thanks to our brewery employees, MillerCoors reduced its water use by 9.1 percent from 2012, surpassing the gains of the previous three years combined. "The key to our success has been fostering an environment where we learn from each other and operate as a single team across our eight major breweries," said Fernando.

Fernando has been central to growing the company's water conservation strategy. He has facilitated teamwork across the company and created a vision for sustainability that reaches every employee and supports the missions of the Sustainability Improvement Team (SIT) and the FEWER (Fuel Energy Water Emissions Reduction) Team.

Led by Jim Smith, Vice President of the Eden Brewery, SIT is a corporate-level team that focuses on reducing water use within MillerCoors through its people, processes and technologies. "Our strategy is to focus on

people and processes as our major levers for improvement, with technology as an enabler," said Fernando.

Soon after its formation, SIT traveled to SABMiller's Latin American breweries, the industry leaders in water reduction, to benchmark and tour the facilities. The team gained an understanding of best practices in water management and assisted MillerCoors in implementing short-interval controls, a way to track where and how water is used throughout the brewing process and empower employees to make adjustments when needed. "We learned how to pay better attention to where water was being wasted and how to fine-tune our processes to conserve it," said Fernando.

The FEWER team, led by Todd Washing, Technical Service Manager at the Trenton Brewery, is a working group that creates multiyear action plans to reduce our environmental impact. Each brewery creates its own action plan that best aligns with the facility's goals and current footprint, which is then shared with the larger group in order to build best practices across the business.

"Clear, focused leadership at all levels was the catalyst for the step change improvement we experienced," said Fernando. "We fostered a collective mindset that saving water was the right thing to do, not just for the environment but for our business."



TYLER SHANNON, ENVIRONMENTAL HEALTH AND SAFETY SPECIALIST, DISPLAYS A HANDFUL OF PVC STRIPS THAT WILL GET RECYCLED TO SUPPORT THE GOLDEN BREWERY'S LANDFILL-FREE EFFORTS.

## NOTHING WASTED: GOLDEN & ALBANY BECOME LANDFILL-FREE

**B**ill Coors famously said, “Waste is a resource out of place” when he supported efforts that led to the invention of the recyclable aluminum can more than 50 years ago. Bill’s commitment to sustainability lives on at MillerCoors today. In 2013, we celebrated a groundbreaking year, achieving landfill-free status at our breweries in Golden, Colo. and Albany, Ga. Six of our eight major breweries are now landfill-free.

Our journey toward landfill-free operations began in 2009 when our Trenton Brewery became our first landfill-free facility. It started with Kelly Harris, a production specialist at the brewery, who thought they could recycle more. “As I was driving my forklift out to dump a hopper of trash, I realized that almost everything there looked like it could be recycled,” said Kelly. He wrote up a business plan to make Trenton landfill-free in five years and implemented the plan with the support of brewery leadership. The Trenton Brewery accomplished the goal in just 23 months. Since then, Kelly has been working with other breweries to help them achieve landfill-free status as well.

“Kelly’s insights from Trenton were extremely beneficial in helping us eliminate more than 135 tons of waste each month in Golden, Colo.” said Tyler Shannon, Environmental Health and Safety Specialist at MillerCoors Golden Brewery, the largest single-site brewery in the U.S. Since joining MillerCoors eight years ago, Tyler has been at the center of waste reduction efforts at the brewery, where more than 99.9 percent of waste is reused or recycled and diverted from landfills.

We know that achieving landfill-free status takes teamwork. At the Albany Brewery, representatives from every operating department brainstormed ways to reduce and reuse waste. “Every person at the brewery is involved,” said Tim Dill, Vice President at MillerCoors Albany Brewery. “It’s more than where we send our waste. It’s about using less and recycling more. We recycle everything from office paper to scrap aluminum. The result: We’re brewing beer more responsibly.”

By making small changes to everyday activities and modest investments in infrastructure and equipment, MillerCoors has been able to cut waste to landfills across its eight major breweries by 79.2 percent since 2008.

Tyler, Tim, Kelly and our brewery employees across the company remain focused on ensuring processes continue to work well and finding other ways to become more sustainable. With the help of regular conference calls and meetings, the environmental coordinators at all of our breweries have been able to share best practices and further their sustainability efforts.

“Our success shows how everyone at MillerCoors takes environmental stewardship to heart. It was the employees on the floor who really drove this program and who keep it successful. They have taken ownership of sustainability in our brewery, and it shows with the rapid success of this program,” said Tyler. “Achieving landfill-free status is a milestone, but it is not the end of our journey.”



SUPPLY  
CHAIN

rewing high-quality beer involves more than our breweries. Our success depends on forging and maintaining strong relationships with the people that supply us with goods and services.

Our suppliers—just like our employees—come from varied backgrounds, and each plays a part in our sustainability story. To address the social and environmental impacts that occur in our supply chain, we support diversity by working with woman- and minority-owned suppliers and we collaborate with our growers to make agricultural processes more sustainable.

**WE ARE EXTREMELY THANKFUL FOR OUR LONG-TERM PARTNERSHIPS WITH OUR GROWERS. TOGETHER WE HAVE WORKED TO ESTABLISH A HIGH-QUALITY, SUSTAINABLE SUPPLY CHAIN, AND WE LOOK FORWARD TO CONTINUING OUR WORK TOGETHER TO ENSURE WE CAN BREW GREAT BEER FOR YEARS TO COME.**

STEVE ROCKHOLD, DIRECTOR BREWING MATERIALS



**KATE ARMSTRONG, SUPPLIER DIVERSITY AND SUSTAINABILITY MANAGER, WORKS TO INCREASE SPEND WITH DIVERSE SUPPLIERS AND ASSISTS THEM IN GROWING THEIR BUSINESS.**

## SUPPORTING OUR DIVERSE SUPPLIERS: TUCK SCHOOL OF BUSINESS

The Supplier Diversity Program at MillerCoors has been a driving force behind our growth and is an integral part of our heritage. We are actively engaged with woman- and minority-owned businesses. The premise is not just to be business partners with these diverse suppliers, but more importantly, to identify innovative ways to help develop and grow their businesses.

“Supplier diversity is a cornerstone of our business,” said Kate Armstrong, Supplier Diversity and Sustainability Manager. “We market to a wide range of consumers, and we want our supply base to actively mirror our customer base.”

One way we help foster growth in our diverse suppliers is through education. Each year we select two suppliers to attend a week-long, intensive program through the Tuck School of Business at Dartmouth College. The program was specially developed for high-potential, minority business leaders with a goal of developing a company's growth trajectory to better compete with large, global companies.

Jamie Sugar-Butter, Vice President of Acme Merchandise and Apparel, was selected by MillerCoors to attend Tuck's advanced program, “Growing the Minority Business to Scale,” in August 2013. As a trusted

supplier to our Sales division with deep knowledge of our brands, Jamie was an ideal candidate for the program.

“My experience at the Tuck School was excellent,” said Jamie. “In addition to making connections with other business owners, I was able to share what I learned with my team and put those new planning skills to use in our 2014/2015 planning meetings.”

“When our diverse suppliers are able to expand their capacity, it provides MillerCoors with more opportunities to work with them,” said Kate.

In addition to the Tuck program, we engage our diverse suppliers in other opportunities for growth, including invitations to conferences and networking events. Additionally, we work with our largest suppliers to encourage their increased engagement and spend with diverse suppliers.

“I was so pleased to join MillerCoors, a company that had an established program and is genuinely devoted to supplier diversity,” said Kate. “Looking ahead, we're focused on taking this program to the next level by building more awareness amongst our colleagues and suppliers as well as increasing our diverse supply base in new areas.”



**JUDY JOLLY, SOUTHERN COLORADO AGRONOMIST, IS IDENTIFYING BEST MANAGEMENT PRACTICES AROUND WATER AS A MODEL FOR OTHER GROWING REGIONS.**

# SUSTAINABLE WATER MANAGEMENT: SAN LUIS VALLEY

**M**illerCoors has a deep history in Colorado's San Luis Valley. We have been a landowner there for more than 50 years, and we source barley from nearly 150 independent growers in the Valley.

Home to a robust agriculture community dating back to 1850, the San Luis Valley is at a critical juncture. Many farms in the region depend on the aquifers that run beneath the Valley floor for irrigation. Those aquifers have been steadily declining over the past 44 years and are currently at record lows.

"Water is a huge concern in the San Luis Valley," said Judy Jolly, Southern Colorado Agronomist and San Luis Valley native, who is personally familiar with the challenges facing growers in the region. "The majority of people who live here are involved in agriculture. Their livelihood and our community depend on water."

This past year, Judy and her team conducted a grower survey to determine which management practices are applicable across the Valley's farms and which could serve as a model to other growing regions. One of the best practices reviewed was shutting off end guns. These are the sprinkler nozzles at the end of watering arms which can save 100 to 200 gallons of water per minute when turned off. Replacing nozzles with more efficient ones was another best practice.

In addition, MillerCoors is researching new varieties of barley that require less water while maintaining quality, and the feasibility of shutting off irrigation earlier in the season. It's possible that growers may be able to stop watering seven to 14 days before harvest and still produce high-quality barley.

We test many of these practices, along with other growing and irrigation techniques, at the MillerCoors Farm. Located in the Valley, the farm was established in 1949 and is one of Judy's strongest resources when consulting with the barley growers in her region. Using data collected at the MillerCoors Farm, Judy is able to share proven successes with growers to help them save more water, maintain soil health, reduce pollutant runoff and increase productivity.

"It's one thing for us to have great ideas, but never have to implement them ourselves," said Judy. "By using the MillerCoors Farm to pilot those ideas first, we're showing leadership and that we're committed to playing a key role in securing the local water supply and maintaining crop quality."

We will continue to provide learning opportunities and share best practices through one-on-one meetings with our growers and at other regional gatherings through our Grower Direct program. This platform allows us to contract directly with 864 barley growers in Colorado, Montana, Idaho and Wyoming, and gain closer alignment on sustainable farming practices that produce quality barley. We will also extend our partnerships throughout the San Luis Valley region by engaging stakeholders like the Natural Resources Conservation Service and the Rio Grande Headwaters Restoration Project. We look forward to participating in conservation district meetings and water management forums to find new techniques for water and energy conservation.

"The bottom line is that if you're not on top of technology and new varieties, the odds are against you in the long run," said Judy. "Our growers have been really proactive in water conservation and one of the best things we can do as a company is to continue to be supportive and lead by example."

# UPDATE

ON PROGRESS:  
2013



During 2013, we made significant progress in all areas of our sustainability program, and we are proud to provide a detailed update in the following pages. Data and information about our programs, targets and achievements are organized by our five pillars: Responsibility, People and Communities, Environmental Stewardship, Supply Chain and Ethics and Transparency.

This report includes standard disclosures from the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines (see page 56 for the GRI Content Index). GRI's reporting framework enables greater organizational transparency and provides companies with a consistent means of reporting their economic, environmental and social performance and impacts. The Guidelines are widely accepted by diverse organizations around the world and are recommended by the U.N. Global Compact. Our reporting against these Guidelines is voluntary.

## REPORT PROFILE

The MillerCoors 2014 Sustainability Report covers our activities for calendar year 2013. A key exception to this is our Sustainability Assessment Matrix (SAM) score results, which are aligned with the fiscal year of our parent company SABMiller plc (April 1, 2013, to March 31, 2014). We have reported annually on our sustainability activities since our company was formed in 2008.

The data in our 2014 report represents the business activities over which MillerCoors has direct control or ownership. The data in this report is included in the SABMiller plc and the Molson Coors Brewing Co. annual reports on a segment or geographic basis.

To develop this report, we adopted the same scope, boundary and measurement methods used to develop our previous reports, unless otherwise specified. Specific assumptions used in measuring or calculating data are explained within the relevant content areas.

Note that our report does not include extensive information on our economic performance because that information is already disclosed at length in the annual reports of our parent companies.

## MATERIALITY

When setting our goals, tracking our progress and reporting on sustainability, we focus on the issues that are the most material to the long-term success of MillerCoors and our stakeholders. To identify which issues are the most material, in 2011 we commissioned Corporate Citizenship to conduct a formalized, strategic stakeholder assessment with key external and internal stakeholders. We have since built on this assessment through ongoing engagement with our various stakeholder groups.

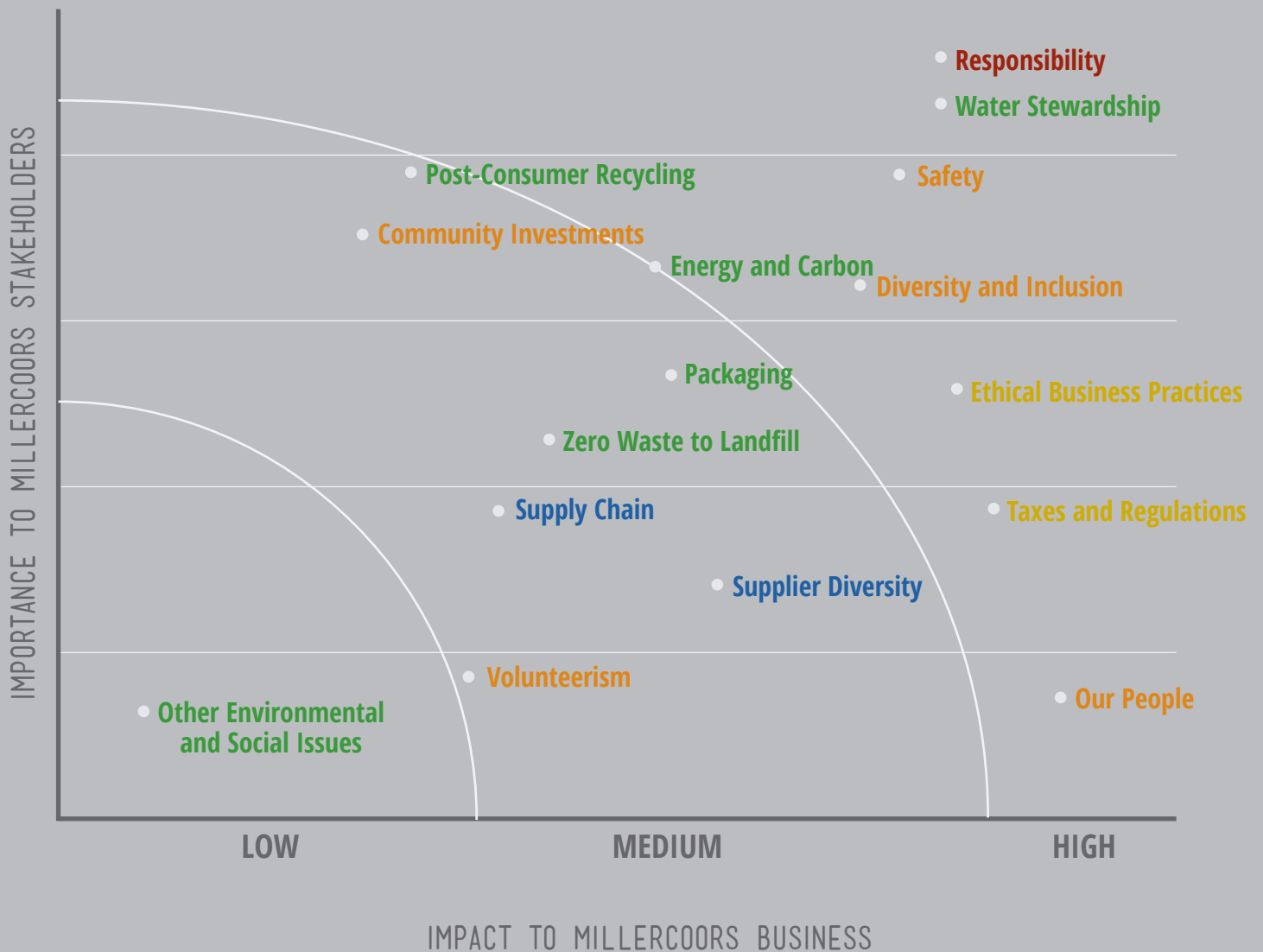
As part of our process for determining materiality, we filter issues by considering:

- How does an issue align with our business strategy and goals?
- How does an issue align with the business strategy and goals of our parent companies?
- Does the issue affect our operations, brand or reputation?
- Does the issue have a potential impact on our employees, suppliers, customers or communities?
- Could the issue affect our societal license to operate or the regulations that govern our industry?



# MATERIALITY MAP

WE REVIEW OUR MATERIALITY ASSESSMENT EVERY THREE YEARS. THE NEXT REVIEW WILL OCCUR IN 2014.





# RESPONSIBILITY

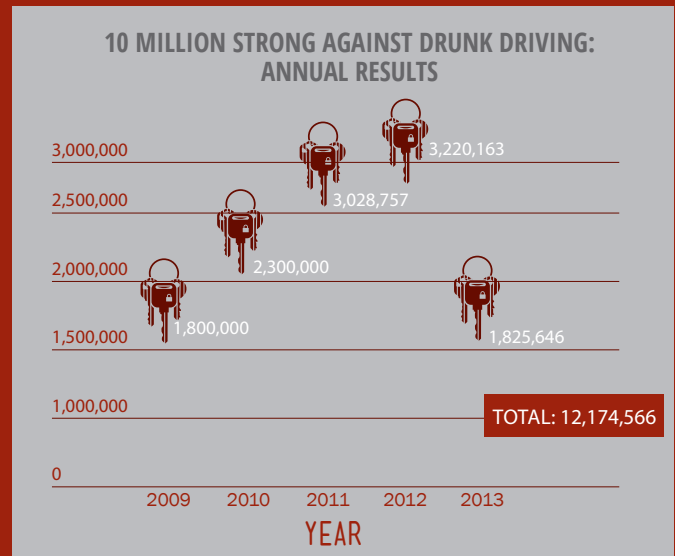
Our responsibility strategy focuses on promoting the responsible consumption of our beers and includes drunk driving prevention and underage access prevention. We describe some of our initiatives in each of these areas below. We also describe our responsible marketing practices and how we provide training to employees to ensure they are informed, engaged representatives inside and outside the company.

## 2015 GOAL: 10 MILLION STRONG

As part of our strategic plan for responsibility, we set a 2015 goal to encourage 10 million people to participate in planning ahead and taking a safe ride home. In 2013, we provided 1.8 million people with opportunities to take advantage of a safe ride program. That brings our cumulative total to more than 12.1 million people since 2009.

**O**ur commitment to responsible beer marketing and consumption is rooted in these seven core beliefs:

- We believe that with great beer comes great responsibility.
- We recognize that our beers are enjoyed responsibly by millions of adults every day.
- We engage consumers and stakeholders, and work collectively with them to promote responsible enjoyment of our products.
- We care about the harmful effects of irresponsible beer consumption.
- We respect that beer consumption is for legal-age adults and is a matter of individual judgment and accountability.
- We ensure that our marketing practices comply with laws, regulations and voluntary advertising and marketing codes.
- We value responsibility in our business culture, and our employees demonstrate high levels of conduct.



## RESPONSIBILITY: 2013 BY THE NUMBERS

- 1.8 MILLION STRONGER
- 639,157 FREE RIDES
- 262,666 DESIGNATED DRIVER PLEDGES

## DRUNK DRIVING PREVENTION

We continue to work with law enforcement, community organizations, government agencies and our distributors and retailers, to educate the public and develop initiatives to help prevent drunk driving. Combined with our responsible marketing practices and our efforts to prevent underage access, our drunk driving prevention programs are giving people the tools they need to make safe, responsible choices. See page 8 for information on our partnership with Harley-Davidson and how we collaborate with others to prevent drunk driving.

### Free Rides Program

We brought our flagship Free Rides program to two new cities this past year—Philadelphia for the Eagles’ opening day and Phoenix for New Year’s Eve (see page 7 for more information on the Phoenix Coors Light Free Rides® program). We also added a Free Rides program in Madison, Wis., over Labor Day weekend.

Over the years, we have brought our Free Rides program to 16 cities throughout the U.S. and provided more than 4.1 million people a safe

ride home. Launched 26 years ago on New Year’s Eve in Milwaukee, the program has gained the support of law enforcement, public safety agencies and community organizations nationwide. Year-over-year we continue to see ridership increase, and we are always looking to expand the program into new cities.

### Drunk Driving Prevention Goes Digital

We also took our efforts digital to prevent drunk driving, developing partnerships with the mobile apps AutoPilot, Hailo and Uber. These apps make it easier than ever for consumers to find a safe ride home.

Through our partnership with these companies and our distributors, legal-drinking-age consumers in Boston, Charlotte, N.C., Chicago, New York and Washington, D.C., were able to celebrate the 2013 holiday season safely by accessing a safe ride through their smartphones. With easy access to safe, alternative transportation and discounted fares, these programs are a big step forward in preventing drunk driving.

FREE RIDES ACROSS THE COUNTRY	
<p><b>Madison, Wis.: 18,056</b></p> <ul style="list-style-type: none"> <li>• Labor Day weekend: 13,075</li> <li>• New Year’s Eve: 4,981</li> </ul> <p><b>Milwaukee: 28,211</b></p> <ul style="list-style-type: none"> <li>• St. Patrick’s Day: 15,211</li> <li>• New Year’s Eve: 13,000</li> </ul> <p><b>Philadelphia (Eagles home opener): 36,165</b></p> <p><b>Panama City, Fla. (Month of March): 63,078</b></p> <p><b>Valparaiso, Ind. (Popcorn Festival): 670</b></p> <p><b>Louisville, Ky. (Derby Eve): 6,394</b></p> <p><b>Waukesha, Wis. (New Year’s Eve): 291</b></p>	<p><b>Chicago: 165,120</b></p> <ul style="list-style-type: none"> <li>• St. Patrick’s Day: 881</li> <li>• New Year’s Eve: 164,239</li> </ul> <p><b>Minneapolis/St. Paul: 81,411</b></p> <ul style="list-style-type: none"> <li>• St. Patrick’s Day: 39,272</li> <li>• New Year’s Eve: 42,139</li> </ul> <p><b>San Diego (St. Patrick’s Day): 200</b></p> <p><b>Green Bay, Wis. (New Year’s Eve): 2,463</b></p> <p><b>Denver (New Year’s Eve): 200,000</b></p> <p><b>Phoenix (New Year’s Eve): 37,098</b></p>
<p><b>2013 TOTAL: 639,157</b></p>	



### 1-800-TAXICAB

Miller Lite is the exclusive sponsor of 1-800-TAXICAB, a national dispatch service that connects passengers to locally owned cab companies. During 2013, more than 704,000 calls were placed to 1-800-TAXICAB, and the 1800taxicab.com website was visited almost 126,000 times.

### Responsible Fan Behavior

According to the National Highway Traffic Safety Administration, “Designated driver programs are key components of comprehensive community-based impaired driving prevention efforts ... these programs give people the information they need to make informed choices and seek alternatives to driving drunk. Designated drivers are effective because many of the risks related to impaired driving are removed. Nine out of 10 Americans who participate in social events where alcohol is available believe that people should use designated drivers.”

Together with sports leagues and concessionaires, MillerCoors promotes designated driver programs and encourages fans to stay in control and get home safely. We partner with the Techniques for Effective Alcohol Management (TEAM) Coalition to prevent drunk driving and promote responsible fan behavior. As part of this partnership, we invest in TEAM Coalition training for operations and concession personnel at sports

and entertainment venues across the country. Our goal is to promote the responsible enjoyment of our beers and the use of designated drivers at the venues we sponsor.

Throughout 2013, we worked to get more than 262,600 fans to pledge to be designated drivers at our sponsored sports and entertainment venues.

### NASCAR® | TEAM Coalition Partnership

Miller Lite, NASCAR® and Ford Motor Company, in partnership with TEAM Coalition, held a summer sweepstakes to reward consumers for being responsible and pledging never to drive drunk. Between June and November 2013, 30,801 fans took a pledge to be a designated driver and were given a chance to win a 2013 Ford Fusion.

Pledge booths were set up at various NASCAR® races, and fans could also enter for a chance to win the Ford Fusion by taking the pledge on our Facebook pledge page. The prize was delivered personally to Michelle Rogers by reigning NASCAR® Sprint Cup Champion Brad Keselowski, who drives the Miller Lite No. 2 Ford Fusion. Michelle said it was an easy pledge to make. With children of her own—two of whom are driving—she recognizes the importance of being a role model and doing her part to prevent drunk driving.

### UNDERAGE ACCESS PREVENTION

MillerCoors position on underage drinking is simple: 21 means 21. We work with a number of partners, including local law enforcement, parents, retailers, distributors, universities, community groups and industry associations, to help prevent underage access to alcohol.

### Respect 21®

Respect 21® is a program that raises retailers’ awareness about underage drinking and enhances their ability to prevent underage access to alcohol. We developed Respect 21® in partnership with Brandeis University and the Responsible Retailing Forum. Through the program, we provide participating retailers with point-of-sale materials

and the H.E.L.P. (Hire smart, Educate and manage well, Look at and validate identification and Point-of-sale) Guide, based on a federal guidance document on best practices for retailers. Legal-drinking-age mystery shoppers visit participating retailers to test a cashier's response in requesting identification prior to a sales transaction. Results of these visits and suggested practices are presented confidentially to the retailer. Key stakeholders and MillerCoors also receive quarterly summary reports for each community involved with the program.

In partnership with our distributors, local community groups and law enforcement, Respect 21® includes Training for Intervention Procedures (TIPS®). This nationwide program trains servers to recognize and intervene in potential alcohol-related irresponsible behaviors. In 2013, more than 3,300 people were provided with TIPS® training by MillerCoors certified trainers and our distributor partners. Over the

past 21 years, MillerCoors and our distributor partners have trained more than 11,800 bartenders and servers on how drinking can affect behavior, preventing underage access and helping prevent alcohol abuse.

MillerCoors worked with the Responsible Retailing Forum to establish a Wisconsin Responsible Retailing program, transforming the Respect 21® program model into a statewide initiative that allows retailers from any location in Wisconsin to participate in the program for a low annual fee. MillerCoors continues to support the administrative costs and collateral materials for the program in Wisconsin. Work is underway to expand the Wisconsin model to Texas, Utah and New Mexico.

In 2013, we expanded the Respect 21® program to eight communities and 131 retailers. Since its inception in 2005, 48 communities and 1,664 retailers have participated in Respect 21®.

## RESPECT 21® PARTICIPATING COMMUNITIES



\*Ongoing in 2013



## Great Plays Grant Program

Each day, college students have the ability and opportunity to make decisions that result in positive outcomes—the great plays in their lives that help them thrive and be successful. This includes choosing to be responsible and lawful when consuming alcohol. 2013 marked the third year of our Great Plays Grant Program, through which we awarded \$220,000 in grant funding to 18 universities, including seven new recipients. Recipients use Great Plays grants to fund programs that change students’ drinking behavior and raise awareness on the harmful effects of excessive consumption.

The Great Plays Grant Program is administered by ABMRF/The Foundation for Alcohol Research, a private foundation that supports research to understand the effects of drinking on health and behavior. The Foundation serves as an independent, scientific consultant for the review of the grant applications and helps to ensure that the evaluation metrics are robust and attainable.



### Great Plays Grants 2013 Awards

Colorado State University	\$10,000	New
Mississippi State University	\$10,000	New
Tulane University	\$10,000	Continuation
University of Arkansas	\$10,000	Continuation
University of Houston	\$10,000	New
Gonzaga University	\$10,000	Continuation
Louisiana State University	\$10,000	Continuation
The Ohio State University	\$10,000	Continuation
Ohio University	\$10,000	Continuation
San Diego State University	\$10,000	Continuation
University of Cincinnati	\$10,000	Continuation
University of Kansas	\$10,000	Continuation
University of Miami	\$10,000	Continuation
University of Nevada, Las Vegas	\$10,000	Continuation
University of New Mexico	\$10,000	Continuation
University of Oregon	\$10,000	Continuation
University of Texas at Austin	\$30,000	New
Washington State University	\$30,000	Continuation

## Family Circle Stadium Partnership

Our distributors are essential allies in our efforts to prevent the sale of our products to anyone under the age of 21. Since 2003, when we began monitoring more closely where underage people access alcohol, there has been a 20 percent decrease in access.

In 2013, we partnered with Lee Distributors, a Reyes Beverage Group Company, to deploy new technology that helps staff at Family Circle Stadium in Charleston, S.C., better detect fake IDs.

ID check stations utilize software developed by Bar & Club Stats to electronically determine whether identification is authentic. Since the program's onset, Family Circle Stadium has become known as a venue that does not tolerate underage consumption.

"We are proud to be part of the solution in helping this community prevent underage drinking," said Mike Johnson, General Manager at Lee Distributors. "Family Circle Stadium is in a great community, and this technology makes it easy and convenient for stadium employees to detect fake identification and deter minors from consuming alcohol."

## RESPONSIBLE MARKETING PRACTICES

We self-regulate our marketing and advertising to ensure they primarily reach legal-drinking-age audiences and meet our rigorous internal standards. We adhere to the Beer Institute Advertising and Marketing Code and our own stringent marketing compliance standards. We fully participate in periodic industry-wide investigations run by the Federal Trade Commission (FTC), whose most recent report has affirmed our self-regulatory practices.

Our extensive, formal marketing review process involves our legal team and Marketing Compliance Committee. The committee includes representatives from our responsibility, marketing, communications and legal teams. We also conduct audits of our media buys twice per year and make any necessary adjustments to comply with our industry standard of at least a 71.6 percent adult, 21-and-older audience.

The most recent report by the FTC found that more than 97 percent of the industry's digital media placements were made where the demographics conformed to those standards. In addition, it found that

99.5 percent of all alcohol advertisements that were placed on sites owned by others, such as news, entertainment and sports sites, also met the 71.6 percent adult, 21-and-older standard. Finally, on more traditional measured media, 93.1 percent of placements met the adult audience threshold.

At least every two years, we train our advertising agency partners and conduct in-depth training with all sales and marketing employees to ensure they abide by all industry and company standards.

As specified in the MillerCoors Marketing Code for College Communities, we focus our marketing on legal-drinking-age consumers and do not advertise directly to undergraduate students. Because of the importance of our responsibility message to collegiate sports audiences, 12 percent of our media buys with the NCAA in 2013 focused on underage drinking prevention.

## EMPLOYEE TRAINING

As a beer company, we realize we have an obligation to model responsible behavior. To help employees make responsible decisions, MillerCoors has established an Employee Alcohol Policy that includes guidance regarding personal conduct, company-sponsored events, impaired driving and underage drinking. We require every employee to read and acknowledge this policy at hiring and every three years thereafter, and we ask all employees to support our policy in their professional and personal lives.

Our Alcohol, Behavior and Communication (AB&C) training program was developed to affirm employees' understanding of the Employee Alcohol Policy. The training program addresses key alcohol issues affecting our industry and promotes responsible consumption. Current employees repeat the AB&C training every three years, and 86 percent of employees completed the training by December 31, 2013.

Because our distributors play an important role in preventing underage access and modeling responsible consumption behavior, we make a subset of our AB&C training available to them on a voluntary basis. MillerCoors 550+ distributors received the training on a flash drive and through an internal website.



## 2015 GOALS

### Recognition as one of FORTUNE's 100 Best Companies to Work For®

Placement on the list of best companies is based on a third-party evaluation of a company's policies and culture and a survey of the company's employees. While we have not yet achieved this goal, we continue to improve our performance as an employer. We have developed plans that will help us achieve our goals, and we hope these will also allow us to gain recognition on the list. We will apply again in 2015, and look forward to receiving the results in 2016. We are using what we have learned to refine our overall business strategy, improve our approach to diversity and inclusion, and address workplace challenges identified by our employees.

### Exceed \$2 Million Annually in United Way Contributions

Each October, we kick off our annual United Way campaign, a key part of our community investment. Our employees donate funds and participate in volunteer activities in their local communities. MillerCoors matches employee donations and donates \$2 for each volunteer hour logged by employees. In 2013, our total investment was about \$1.7 million to United Way, which is less than our goal to donate \$2 million annually. While we have not achieved our goal, we will continually strive to reach this important milestone.

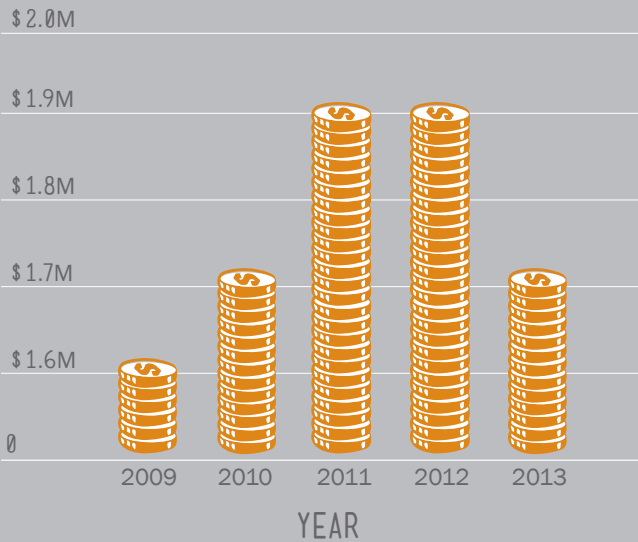
Great people and healthy communities are essential ingredients to creating America's best beer company. We believe it's important to help develop our employees' careers, celebrate our diversity and create a safe, inclusive and engaging work environment. We seek diversity, and we leverage diversity by creating an inclusive environment where ideas flourish and meet our customers' needs. We also dedicate our time and resources to improve environmental and social conditions in our brewing communities.

## PEOPLE & COMMUNITIES: 2013 BY THE NUMBERS

- \$11.37 MILLION TOTAL DONATIONS TO NONPROFITS
- 8,134 EMPLOYEES
- 311,894 HOURS OF TRAINING THROUGH MCU
- 47,146 TOTAL VOLUNTEER HOURS



## ANNUAL UNITED WAY CONTRIBUTIONS



## MILLERCOORS WORKFORCE

As of December 31, 2013, we employed 8,134 people on a permanent basis at our offices, breweries and other manufacturing facilities. In 2013, total turnover was 1,070 people (about 13 percent of our permanent workforce). Retirements comprised almost 30 percent of total turnover. In addition, we hired 698 permanent employees in 2013, of which 663 were still employed at the end of the year.

We adhere to all local, state and federal labor and employment laws wherever we operate, including those respecting freedom of association. Approximately 35 percent of our employees are represented by independent trade unions or covered by collective bargaining agreements.

## DIVERSITY

We are creating an inclusive work environment that is flexible and inspires innovative solutions, business results and lasting relationships with all our people. We seek to empower all employees to confidently contribute their best.

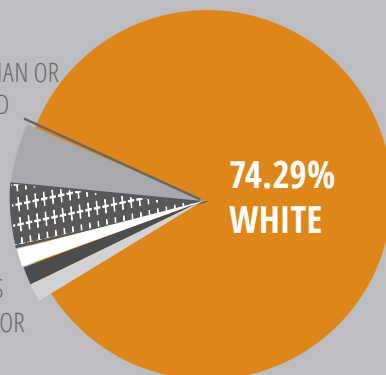
In 2013, MillerCoors achieved its 10th consecutive 100 percent rating from the Corporate Equality Index, which rates U.S. workplaces on lesbian, gay, bisexual and transgender (LGBT) equality.

We have nine Employee Resource Groups that support our diverse employee network, help us connect to the diverse marketplace and support community outreach activities. We held our fifth annual Diversity and Inclusion Awareness Week in April 2013. We also held our Women's Day of Enrichment, which drew nearly 300 women from across the organization to focus on networking and mentoring, as well as our second annual African American Forum entitled "Release Your Leader to Accelerate Performance."

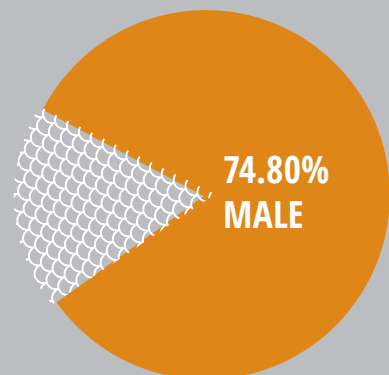
MillerCoors forms and maintains partnerships with external organizations that provide insight and bring value to our diversity and inclusion strategy. Launched in 2011, our Inclusion and Diversity Advisory Council is comprised of outside business and community leaders who advise MillerCoors on best practices, strategies, tools and research that advance diversity, inclusion and multiculturalism. While our advisory council members are not paid as employees or contractors, MillerCoors made a contribution on behalf of each member to the United Way charity of his/her choice. Because our members went from nine to seven, our total contribution to United Way through this program was \$175,000 in 2013.

## MILLERCOORS DIVERSE WORKFORCE

0.06% NATIVE HAWAIIAN OR OTHER PACIFIC ISLAND  
 11.32% BLACK OR AFRICAN AMERICAN  
 10.98% HISPANIC/LATINO  
 2.03% ASIAN  
 0.90% TWO OR MORE RACES  
 0.42% AMERICAN INDIAN OR ALASKA NATIVE



25.20%  
**FEMALE**





## EMPLOYEE ENGAGEMENT

We survey our employees annually to gather feedback on awareness of and performance against our sustainability efforts. In 2013, we had a strong response rate of 83 percent. The survey revealed the following strengths:

- MillerCoors is creating a positive impact on the environment through its sustainability efforts. This item increased to 77 percent favorable from 76 percent in 2012. Additionally, awareness of sustainability efforts at MillerCoors is strong, with 77 percent of employees responding favorably.
- MillerCoors is considered an engaged organization, with an engagement index of 72 percent favorable.
- MillerCoors has made progress in becoming a more diverse and inclusive organization, with favorability increasing by 2 percent. The Inclusive Leader Program, an instructor-led course that focuses on diversity and inclusion in the workplace, was cited as a big win for the organization.

The survey also revealed two areas where improvements can be made: retaining top talent and achieving a work-life balance. These areas will be key focal points for 2014 as we roll out improved employee engagement initiatives, and enhance both our Flexible Work Options and Parental Leave policies.

## PROFESSIONAL DEVELOPMENT

We invest in the professional development of our employees by providing training, mentoring and financial support for continuing education. In 2013, we encouraged employees to continue their education by providing tuition reimbursement to 185 employees for a total investment of more than \$565,000.

## MillerCoors University

MillerCoors University (MCU) offers both online and classroom training at facilities in Milwaukee, Chicago and Golden, Colo., and at our individual breweries and offices. Employees logged 311,894 training hours through MCU in 2013, through course offerings focused on job skills development, business and sales, diversity, leadership, health and safety, ethics and more. (See page 13 for more information on MCU leadership training.)

We continued to invest in the development of our employees with a \$1.47 million expansion of the MCU campus in Milwaukee. Construction was completed in December 2013. The new facility includes two large classrooms that seat up to 150 people when combined, 10 large breakout rooms, state-of-the-art videotaping technology, and the ability to video conference with leaders and teachers from across the organization.

MillerCoors was recognized in 2013 by the Corporate University Xchange through the receipt of five CorpU Learning Excellence and Innovation Awards, including Best Overall Corporate University 2013. The program is independently judged by industry leaders and experts and is the longest-running, most prestigious awards program in the corporate learning arena. In addition to winning the Corporate University Awards, MillerCoors University was named one of the Top 60 Learning Organizations by eLearning Magazine (#14).

## WORKPLACE SAFETY

To maintain high safety standards, we engage and empower every employee at MillerCoors to participate in making our workplace free of injury and illness.

A total of eight MillerCoors facilities have achieved Voluntary Protection Program (VPP) Star designation from the U.S. Occupational Safety and Health Administration (OSHA). The Star designation recognizes exemplary workplaces that have achieved injury and illness rates at or below the national industry average and are proactive in finding and controlling workplace hazards.

## VOLUNTARY PROTECTION PROGRAM (VPP) STAR DESIGNATION

- FORT WORTH BREWERY AT VPP MERIT, 2013
- GRAIN ELEVATORS AT VPP STAR:
  - WORLAND, WYO., 2007
  - HUNTLEY, MONT., 2008
  - BURLEY, IDAHO, 2009
  - MCINTYRE, COLO., 2009
  - LONGMONT, COLO., 2011
- SHENANDOAH BREWERY (ELKTON, VA.) AT VPP STAR, 2008
- ROCKY MOUNTAIN METAL CONTAINER ENDS PLANT (GOLDEN, COLO.) AT VPP STAR, 2006

Employees can volunteer to join safety teams to assess current processes and address attitudes and beliefs regarding workplace safety in their locations. In 2013, more than 500 employees were represented in 57 grassroots safety teams across MillerCoors.

### Safety Council

Professionals across MillerCoors joined together to form our Safety Council, a sub-council of our Environmental, Health and Safety (EHS) Council. Chartered in February 2012, the Safety Council has four working teams addressing four top priorities: safety management system, EHS information system, safety training and incident investigation process. The Council's goals are to:

- Share information regarding workplace injuries, understand why they occurred and prevent their recurrence;
- Comply with regulatory requirements; and
- Address our top risks by developing solutions that work for all of our facilities.

The Safety Council recently formed a sub-team to develop a program that addresses ergonomics, our leading cause of injuries. The program will launch in 2014.

### OSHA Compliance

MillerCoors received one OSHA citation at our Golden Brewery for inadequate labeling of ammonia lines, eyewash not being readily available when cutting open ammonia lines and insufficient knowledge by contractors of hazardous material risks. Corrective actions have been put in place to address these concerns.

### Accident and Injury Reporting

The safety of our employees is our top priority. We had zero fatalities in 2013. A total of 109 employees (1.78 percent) were injured over the year and required days away from work, restrictions or job transfers (DART). Of these, 63 percent were sprains and strains, and 50 percent of those sprains and strains were related to ergonomic issues.

## COMMUNITY COMMERCE & PARTNERSHIPS

We have a long tradition of supporting community-based initiatives. We joined together with our distributors and internal stakeholders to form our Community Advisory Councils in Milwaukee, Chicago and Golden, Colo. Each council meets quarterly to review local community investments, discuss opportunities to increase commercial impact, consider new funding requests and partnerships, and recommend MillerCoors representation in community organizations. The councils also assist in creating employee volunteer opportunities with community partners, including our holiday meals program in which we help provide meals to tens of thousands of people in 14 communities.

In addition to these local initiatives, we focus our hometown, brewery and multicultural community investments in CREW: **civic leadership, responsibility, economic empowerment and water stewardship**. Examples of programs in each of these areas are described below.

### Civic Leadership

We solidify our position as civic leaders through support of select programs with significant and enduring relevance to our headquarters, hometown and brewery communities.



**PEDRO TOLEDO (CENTER WITH AWARD), DIRECTOR OF COMMUNITY AND GOVERNMENT RELATIONS FOR REDWOOD COMMUNITY HEALTH COALITION, CELEBRATES BEING THE 2013 MILLERCOORS LÍDER OF THE YEAR WITH MILLERCOORS EMPLOYEES AND FRIENDS.**

MillerCoors supports Chicago United in its advocacy efforts to enrich the economic fabric of the region by building sustainable diversity in business leadership. We accomplish this through general sponsorship of efforts like the Changing Color of Leadership Conference and by participating in Chicago United's Diversity Officer Roundtables.

The United Performing Arts Fund (UPAF) Ride for the Arts has been sponsored by Miller Lite for the last 24 years and is one of the nation's largest one-day recreational bike rides. This annual fundraising event helps to keep the performing arts vibrant in the Milwaukee community. More than 275,000 participants have joined in the Ride for the Arts since it began in 1981, generating more than \$8 million in funds to support approximately 38 UPAF member groups and affiliates.

### **Lesbian, Gay, Bisexual and Transgender Community Support**

MillerCoors is a corporate partner of the National Gay and Lesbian Chamber of Commerce (NGLCC), which advocates for LGBT businesses. MillerCoors was also the first national sponsor of the Matthew Shepard Foundation, and our manager of community commerce and partnerships serves on its board of directors. Annually, we support a wide range of LGBT sports teams and leagues, including the North American Gay Amateur Athletic Alliance's annual Softball World Series and the National Gay Flag Football League.

### **Responsibility**

We promote the responsible marketing, sale and consumption of our beers and combat the misuse and abuse of alcohol through programs

addressing drunk driving, underage access and overconsumption. Learn more about how we promote responsible consumption on pages 24-29.

### **Economic Empowerment**

We strengthen our hometown and multicultural communities through higher education, entrepreneurship, job creation and workforce readiness initiatives that empower people for economic success. See page 11 for information about our Miller Lite Tap the Future program, which provides entrepreneurs with funding to expand their businesses.

### **¡Adelante! Leadership Fund**

We are a founding sponsor of the ¡Adelante! U.S. Education Leadership Fund, which invests in Latino students through scholarship, internship and leadership training programs. ¡Adelante! has provided more than \$1.65 million in scholarship awards to more than 5,000 Latino college students throughout the country since its inception in 1993. We invested \$250,000 in 2013 to support ¡Adelante!'s programs, including 30 MillerCoors scholarships.

### **Líderes**

Since 2006, the MillerCoors Líderes program has raised awareness and highlighted the achievements of emerging leaders within the Hispanic community through an online public voting competition and a national advertising campaign. The program offers up-and-coming Latino professionals leadership tools, counsel and the opportunity to network

online. Since the program's inception, we have invested more than \$3.6 million and more than 100 Latino leaders have been recognized.

Pedro Toledo, Director of Community and Government Relations for Redwood Community Health Coalition, was selected by a public online vote as the 2013 MillerCoors Líder of the Year. Pedro received a \$25,000 grant to implement an educational program for Latino parents with MillerCoors at the Redwood Community Health Coalition, which is dedicated to helping underserved families gain access to healthcare.

### Thurgood Marshall College Fund

We are the founding corporate sponsor of the Thurgood Marshall College Fund (TMCF), which provides four-year merit scholarships to students attending the country's 47 historically black colleges and universities. Over 25 years, TMCF has awarded more than \$100 million in scholarships and support to students and member schools. Our total support for TMCF in 2013 was \$500,000, including annual scholarship programs and special promotions and donations. In honor of TMCF's 25th anniversary, MillerCoors committed \$1.5 million to be paid over three years beginning in 2013.

### Water Stewardship

We protect water resources through programs addressing water quality, availability and watershed management. Learn more about our efforts to reduce water use in our breweries on page 15, as well as how we work within our supply chain to help growers reduce their water use on page 21.

### Great Water Month

Our largest annual volunteer event is Great Water Month, which brings together employees from across the country to protect local water resources. Throughout the month of September, more than 2,100 MillerCoors volunteers partnered with distributors and local nonprofits to improve and preserve water in 20 communities where we operate.

In recognition of our employees' efforts during Great Water Month, MillerCoors donated \$2 to United Way for every volunteer hour they logged, for a total donation of \$94,000.

Here are some of the events that took place near our headquarter locations, eight major breweries and five regional sales offices:

- **Albany Brewery:** The brewery teamed up with Flint Riverkeeper to clean up river banks.
- **Chicago Headquarters:** Employees joined Friends of the Chicago River on water improvement projects.
- **Eden Brewery:** Employees partnered with the Dan River Basin Association to clean up trash and debris from a 1.5 mile stretch of the river.
- **Fort Worth Brewery:** Employees partnered with Trinity River Fort Worth Nature Center.
- **Golden Brewery:** The brewery hosted its sixth annual Friends of the Forest Day in partnership with the U.S. Forest Service and the National Forest Foundation to repair the streambed along the Clear Creek Watershed.
- **Irwindale Brewery:** The brewery teamed with Beauchamp Distributing as part of Coastal Cleanup Day to cleanup about a mile of beach and record the pollution.
- **Milwaukee Brewery:** Employees cleaned up the Milwaukee River and removed trash at Kern Park with partner Milwaukee Riverkeeper.
- **Shenandoah Brewery:** Employees volunteered with Shenandoah Valley Pure Water Forum to restore a community storm water and retention pond at Spotswood High School.
- **Trenton Brewery:** The brewery worked with the Ohio River Foundation on cleanup efforts.



**DICK LEINENKUGEL, BUSINESS DEVELOPMENT MANAGER, AND RYAN TOHILL, DISTRIBUTOR SALES MANAGER, SUPPORT THE LEINENKUGEL FAMILY'S COMMITMENT TO ENSURING OUR COMMUNITIES ENJOY ACCESS TO CLEAN WATER FOR MANY YEARS TO COME.**

### Leinenkugel's Canoes for a Cause

Canoes for a Cause supports efforts around the U.S. to improve and protect the water resources we share. In 2013, the program expanded to 14 markets—including Cleveland, Tampa, Fla., Baltimore and Dallas. To raise awareness about the need to clean up America's rivers and waterways, Canoes for a Cause encourages people to get out onto the rivers where they can see the problems firsthand.

For the third straight year, we continued our partnership with the Friends of the Chicago River, recruiting more than 70 Leinie's fans to clean up the river during the Annual Chicago River Day in May. Over 100 canoes floated down the Chicago River at our annual Leinie's Friendly Float to showcase the river as a recreational resource and drive awareness for preservation efforts.

We also continued our partnership with Milwaukee Riverkeeper, recruiting local Leinie's fans and employees to clean up a section of

the Milwaukee River. In Minneapolis, we continued to work with the Minnehaha Creek Watershed District. In 2013, 1,200 volunteers collected more than 4,000 pounds of trash.

And in northern Wisconsin, the Leinenkugel Brewery expanded its public-private partnership with businesses, organizations and public agencies, to improve the future of Little Lake Wissota, a body of water near the original brewery. In 2013, the partnership worked with high-discharge agricultural livestock facilities and completed watershed inventories of crop rotation and tillage practices. It also installed nine additional groundwater ponds with buffers. These efforts resulted in 7.9 million gallons of water infiltrating back into the water cycle and a reduction of 8,000 pounds of algae, among other environmental benefits. This project is helping to improve water quality, keep the lake fishable and swimmable, and increase the number of days the lake can be used for recreation.

**PURE, CLEAN WATER IS THE MOST IMPORTANT INGREDIENT IN OUR BEER. BUT WE ALSO VALUE WATER FOR THE SAME REASONS YOU DO: SWIMMING, JUMPING, PADDLE BOARDING, FISHING AND CANOEING. IT'S THAT SIMPLE, AND THAT'S WHY WE'RE HELPING TO BUILD AWARENESS AND APPRECIATION OF WATER RESOURCES IN CHIPPEWA FALLS, WIS., AND IN SO MANY OTHER COMMUNITIES.**

JACOB LEINENKUGEL, PRESIDENT LEINENKUGEL BREWING COMPANY



## ENVIRONMENTAL STEWARDSHIP

In 2013, MillerCoors made great strides in reducing our environmental footprint. Our Sustainability Improvement Team (SIT) drives the company's overall strategy for improving environmental performance, while our FEWER (Fuel, Energy, Water, Emissions Reduction) Team, with representatives at each of our breweries, develops multiyear action plans to improve results (see page 15 for more information). The key to our success is how well our employees are sharing best practices and working together as a team—not just in their own breweries or sales offices, but across the organization. This approach is reaping huge gains in water, energy, packaging and waste reductions.

We regularly monitor progress toward our 2015 goals. We prepare a monthly scorecard that tracks water use, energy use and solid waste disposal across our breweries. We perform routine audits of our operations to help ensure we are maintaining compliance with environmental laws and regulations, and we implement corrective actions wherever needed.

### 2015 GOALS

#### **Reduce Water Use by 15 Percent to Achieve a 3.5:1.0 Water-to-Beer Ratio**

We track our water use and beer production at each of our breweries, and we use those numbers to calculate an average for the company's overall water-to-beer ratio. In 2013, we achieved an average water-to-beer ratio of 3.48:1.0 across our eight major breweries, thus achieving our 2015 goal earlier than planned.

#### **Reduce Energy Use by 15 Percent to 137 Megajoules/Hectoliter of Beer**

We track our energy use and beer production at each of our breweries and calculate an average of the megajoules (MJ) of energy used to brew one hectoliter (hl) of beer. In 2013, we improved energy use across our eight major breweries to 123 MJ/hl, a 15.6 percent reduction from 2012.

#### **Reduce Packaging by 2 Percent by Weight**

Our 2015 goal is to reduce overall annual weight of all our packaging in the supply chain by 2 percent from the 2008 base year. Our calculation method considers the average weight of all packaging materials per barrel of beer. Through a combination of light-weighting initiatives and changes in product mix, we have surpassed our goal and reduced packaging weight by 8.74 percent since 2008.

#### **Reduce Remaining Waste to Landfill by 50 Percent**

We set a target to reduce our remaining waste to landfill by 50 percent compared to our 2008 baseline. In 2013, we reduced remaining waste to landfill by more than 1,300 tons, a 9.2 percent improvement from the previous year and a 79.2 percent improvement over our baseline.

## ENVIRONMENTAL STEWARDSHIP: 2013 BY THE NUMBERS

- 675 MILLION GALLONS OF WATER SAVED
- 1.6 BILLION MEGAJOULES OF ENERGY SAVED
- 3.5 MILLION POUNDS OF ALUMINUM SAVED FROM PACKAGING REDUCTIONS
- 99 PERCENT RECYCLING RATE
- 6 LANDFILL-FREE BREWERIES

# WATER STEWARDSHIP ROAD MAP

MillerCoors



IN THE BREWERY:

## EMPOWER EMPLOYEES

to make real-time adjustments to water-intensive processes



IN THE BARLEY FIELD:

## INVEST IN SUSTAINABLE BARLEY PRODUCTION

and research new breeds of barley that require less water



## PARTNER WITH AGRICULTURE AND WATER CONSERVATION GROUPS

to identify and share best practices for sustainable farming

## WATER

Water flows through every step of the brewing process, from the barley field to the bottling line. The availability of clean, fresh water is critical to MillerCoors and to others in our surrounding communities. We continuously seek new ways to use less water.

To help protect and sustain the supply of our most essential ingredient, we have established a four-part water stewardship strategy:

- **Water usage:** Improve water efficiency in our operations.
- **Wastewater:** Protect water quality with modern treatment technology and strict wastewater management controls.
- **Watershed assessments:** Understand our breweries' and agricultural supply chain's watersheds through risk assessment.
- **Community investments:** Support water stewardship in our communities.





## INTEGRATE TECHNOLOGIES

to reduce water use throughout our breweries

## IN OUR COMMUNITIES: VOLUNTEER

to clean up local lakes, rivers & watersheds

## AWARDED U.S. WATER PRIZE

for water conservation efforts

Our water stewardship strategy supports the elements outlined in the U.N. Global Compact's CEO Water Mandate. The CEO Water Mandate is an initiative designed to assist companies in the development, implementation and disclosure of water sustainability policies and practices. In July 2013, MillerCoors officially endorsed the U.N. CEO Water Mandate and will integrate a Communication of Progress report in accordance with the mandate's annual transparency policy.

We were honored to receive a 2013 U.S. Water Prize from the U.S. Water Alliance. The award was given to MillerCoors in recognition of our innovative water conservation efforts in our agricultural supply chain, where we estimate approximately 90 percent of our water use occurs.

Water usage, wastewater and watershed assessments are discussed below. For more information on our watershed work with communities and growers, please see pages 42 and 49.

### Water Performance

In order to best monitor our water performance, we report a water-to-beer ratio, rather than total water use. In 2013, we achieved an average water-to-beer ratio of 3.48:1.0 across our eight major breweries. Our Eden Brewery achieved our lowest water-to-beer ratio last year at 3.09 hl/hl. Our breweries in Eden, N.C., and Trenton, Ohio, both logged months in 2013 below the 3.00 hl/hl threshold. We also had four breweries below 3.30 hl/hl for the year.

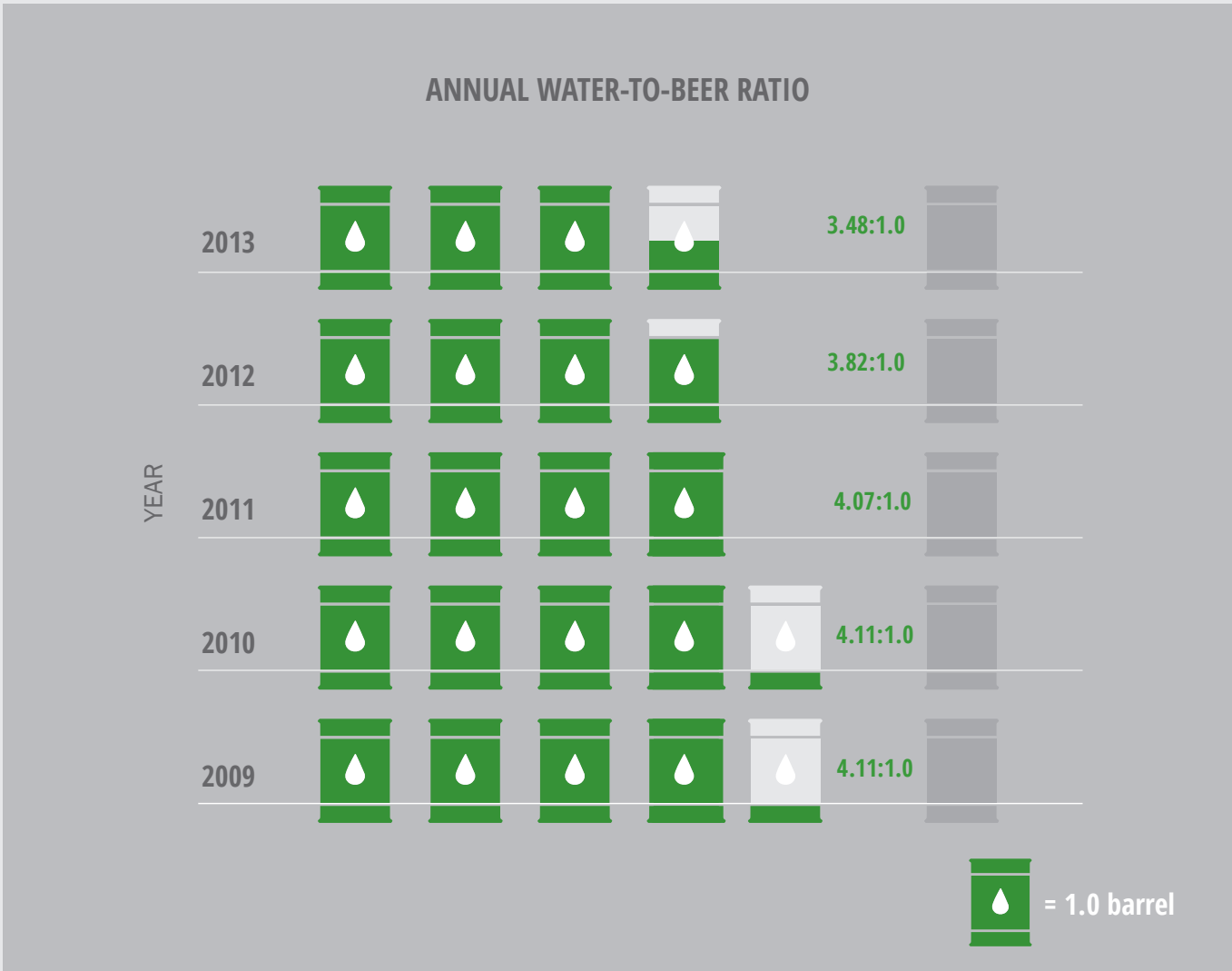


We reduced our water use by more than 9 percent compared to 2012, surpassing the gains of the previous three years combined. From 2011 to 2013, MillerCoors has saved more than 1.1 billion gallons of water, enough to fill 1,783 Olympic-size swimming pools, which would meet the needs of more than 11,500 average American households for an entire year.

Over the past few years, we've implemented a number of measures to reduce water use, including short interval controls, shortening rinse durations and cycles, and using waterless lubrication. At our Fort Worth Brewery, two processes were converted from steam heating to a

pasteurizer reclaim system, which uses recirculated water rather than fresh, incoming water to cool beer after pasteurization. This water does not come into contact with our products and is a best practice for MillerCoors. We've installed water reclaim systems in six of our eight major breweries, saving us tens of millions of gallons of water annually.

Our Irwindale Brewery received the Water Stewardship Award from the Irwindale Chamber of Commerce for its water conservation work, including converting 50 percent of the brewery turf to Dryscape, which reduces its water use by more than 15 million gallons annually.





**MILLERCOORS MAINTAINS HIGH WATER QUALITY WHEN DISCHARGING INTO CLEAR CREEK AT ITS GOLDEN BREWERY.**

## Wastewater

After the brewing process, we capture and reuse water in our operations—although we do not reuse water as an ingredient in our beer or in any area where it would come into contact with our products. When we do discharge wastewater directly to rivers or streams, we do so carefully to minimize effects on the environment.

We have implemented tertiary water reuse systems at several of our breweries. Tertiary reuse involves using effluent water (treated water that is permissible to discharge into the river from our onsite wastewater treatment plants) for specific uses in non-production areas, including at the wastewater plant and in the utilities areas. Our breweries in Albany, Ga., and Eden, N.C., implemented tertiary water reclamation for their cooling towers.

Our Trenton Brewery received a Green Business Award for its innovative tertiary water reclaim system. The award program is administered by the Business Courier and U.S. Green Building Council Cincinnati Regional Chapter. After wastewater is treated, it is reused in cooling

towers and in other non-beer-making processes. Over the course of a year, the water reclaim system saves 55 million gallons of water.

Our Albany Brewery's wastewater treatment plant (WWTP) received a "2013 Plant of the Year" award in the Direct Biological Treatment category from the Georgia Association of Water Professionals, due to the outstanding work of our WWTP operators and the Tech Services/Utilities Department.

## Watershed Assessments

Of our eight major breweries, watersheds serving Irwindale, Calif., Fort Worth, Texas, and Golden, Colo., pose the highest water supply challenges. We have participated in joint pilot watershed risk assessments with our parent company SABMiller plc, looking at potential changes in the quantity and quality of our water resources. Based on these results, we are involving stakeholders and developing plans to mitigate potential negative effects to our water resources.



## Chambers Creek Water Quality Initiative

Our Fort Worth Brewery uses about 771 million gallons of water each year. Its water comes from the Trinity River Basin, the most populated river basin in the state of Texas. The Trinity River watershed supplies more than 40 percent of the water used in the state.

Texas is expected to double its population in the next 50 years, primarily in the Dallas-Fort Worth and Houston areas. The population explosion will increase demand for water, placing greater pressure on the river with each passing year.

To ensure the Fort Worth Brewery will have enough high-quality water to operate well into the future, MillerCoors sponsors the Chambers Creek Water Quality Initiative. This is a partnership with the local soil and water conservation district, local nonprofit Trinity Waters and the Natural Resources Conservation Service (part of the U.S. Department of Agriculture). These organizations partner with landowners and conservation groups to protect and restore watersheds on private lands.

The Natural Resources Conservation Service, through the National Water Quality Initiative (NWQI), works with farmers and ranchers in 165 small watersheds—including Chambers Creek in the Trinity River Water Basin—to implement conservation practices and improve water quality. To encourage voluntary conservation practices, farmers and ranchers get reimbursed from NWQI for the costs to implement watershed projects that naturally manage water runoff, reduce soil erosion, improve water quality and advance the economic viability of farms. By the end of 2013, more than 60 landowners signed agreements to improve more than 25,000 acres of land.

## Compliance With the Clean Water Act

All of our wastewater discharges are governed under the U.S. Clean Water Act or state counterparts. Our operators target 100 percent regulatory compliance, whether we discharge directly to a waterway or to a local wastewater treatment plant. In 2013, our Fort Worth Brewery received a notice of violation for discharging wastewater below the allowed pH limit. We corrected the issue and reviewed our existing practices to prevent recurrence.

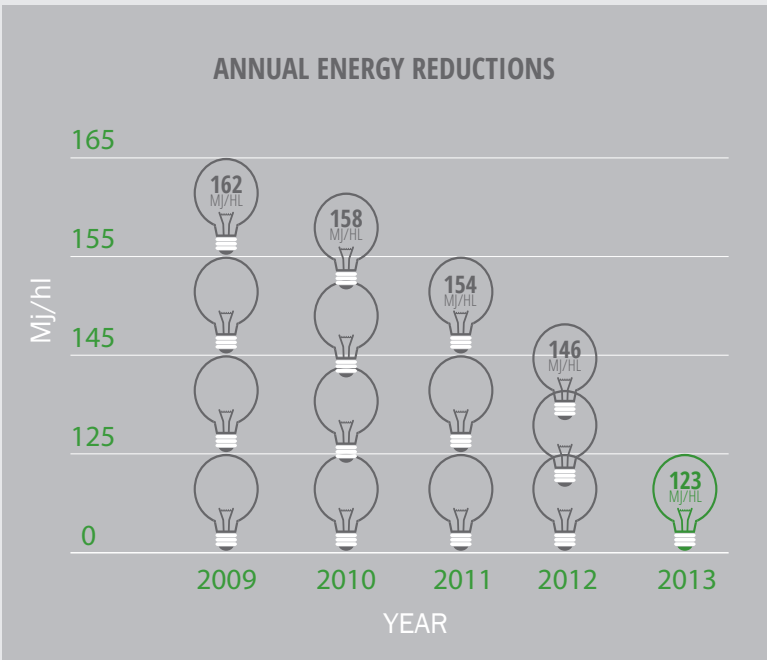
## ENERGY & CARBON

We are making significant strides in reducing our energy consumption and carbon footprint. The 2013 Virginia Governor’s Environmental Excellence Awards recognize the significant contributions of environmental and conservation leaders in two categories: sustainability and land conservation. Awards are given to businesses and industrial facilities, not-for-profit organizations and government agencies. MillerCoors Shenandoah Brewery, located in Elkton, Va., received a Gold Medal for its efforts to reduce the brewery’s environmental footprint, making it one of the most energy-efficient breweries in the world.

### Energy Performance

In 2013, we improved energy use across our eight major breweries to 123 MJ/hl, a 15.6 percent reduction from 2012. All eight major breweries reduced energy consumption from 2012. Until this past year, MillerCoors was successful at getting only one brewery below 110 MJ/hl. We now have three: Fort Worth, Texas, Irwindale, Calif., and Shenandoah, located in Elkton, Va. From 2011 to 2013, MillerCoors has saved more than 2.3 billion megajoules of energy. This is enough to power 59,000 U.S. households for one year.

We also put our new Golden Brewery Kiln 10 into production in June 2013. Since it began malting barley, we have achieved about a 30 percent overall reduction in steam usage for the brewery.



## Greenhouse Gas Emissions

To calculate our greenhouse gas (GHG) emissions, we follow the Greenhouse Gas Protocol® developed by the World Resources Institute and the World Business Council for Sustainable Development. We also follow Beverage Industry Environmental Roundtable (BIER) guidance.

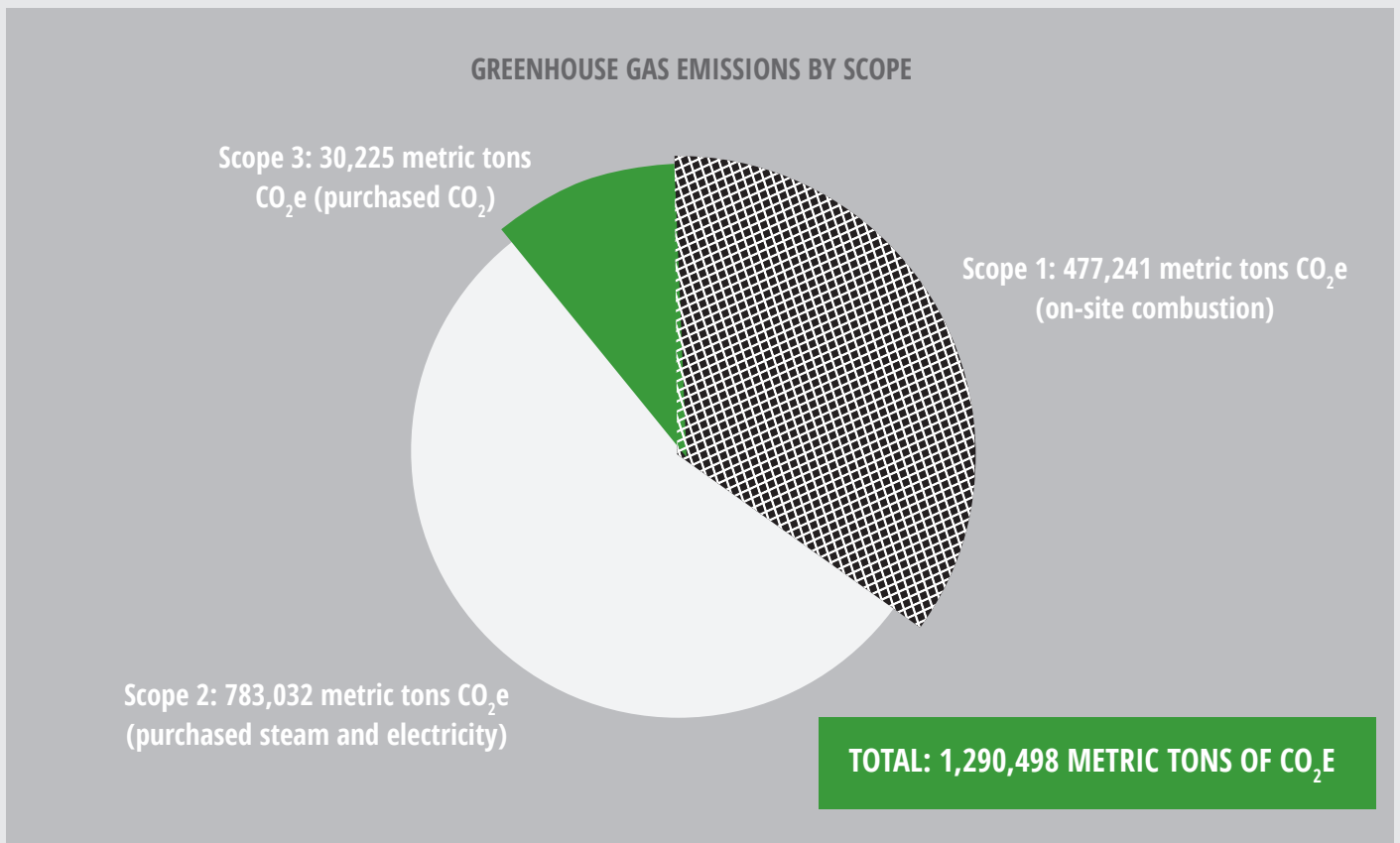
These systems place greenhouse gas emissions in three categories:

- Scope 1 emissions come directly from our operations. For instance, our on-site brewery power plants are a source of Scope 1 emissions.
- Scope 2 emissions result indirectly from our operations when we purchase electricity, heat or steam. We track the Scope 1 and Scope 2 emissions from operations we own or control: our breweries, offices and manufacturing facilities.

- Scope 3 emissions are other indirect emissions that can result from a company's operations. For instance, employees driving to work in their cars are a source of Scope 3 emissions. Under the Greenhouse Gas Protocol, reporting Scope 3 emissions is optional.

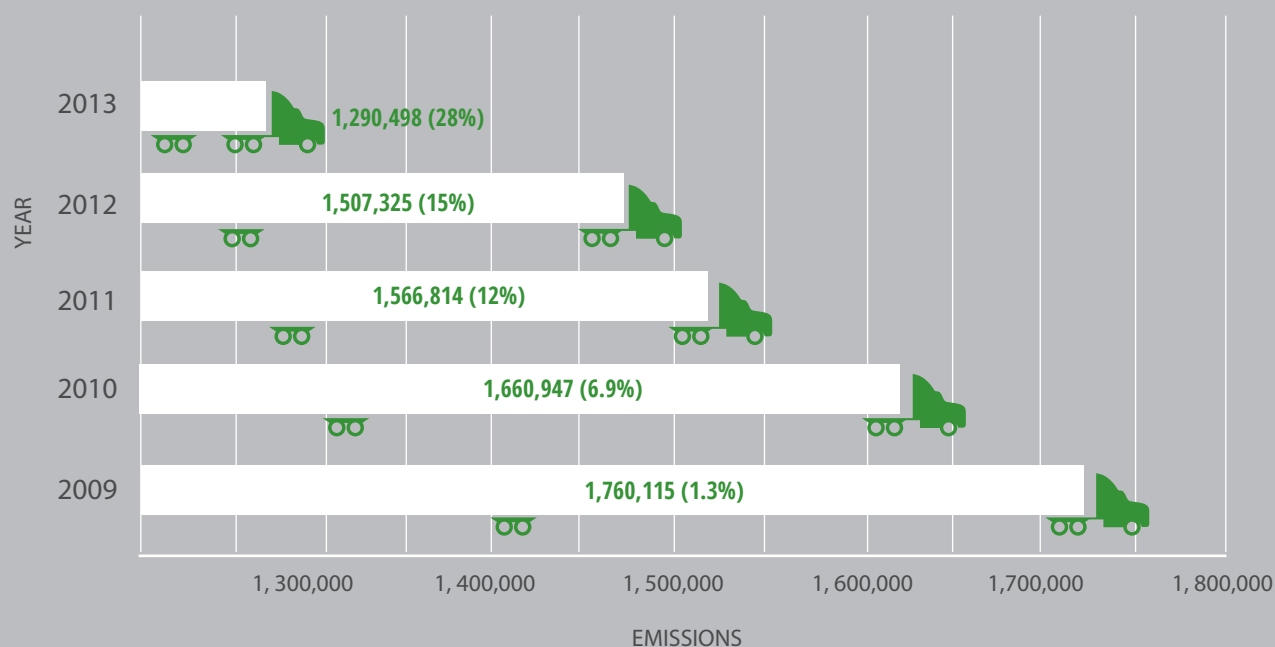
We reduced total GHG emissions by 14 percent over 2012. Our Golden Brewery reduced CO<sub>2</sub> emissions by 28 percent over the past year by optimizing equipment use and upgrading meters. This is a significant accomplishment for the largest single-site brewery in the U.S.

Our Shenandoah Brewery reduced CO<sub>2</sub> emissions by 15 percent over the past year, largely by reusing biogas produced from anaerobic wastewater treatment to generate electricity.





### ANNUAL CO<sub>2</sub> EMISSIONS REDUCTIONS (IN METRIC TONS)



### Compliance With the Clean Air Act

Our air emissions are governed by the U.S. Clean Air Act and other federal, state and local regulations. Our policy is to always meet laws and regulations governing our business. However, we received one notice of noncompliance related to a single emission control device in 2013 at our Irwindale Brewery. It was shut down immediately upon discovery.

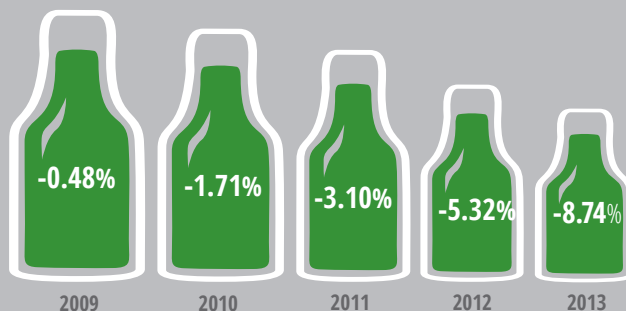
### PACKAGING

We work with our suppliers to develop new ways to lighten materials and eliminate unnecessary packaging in our beverage containers, in our operations, at retail and throughout our supply chain.

### Packaging Performance

Packaging weight can be affected by light-weighting initiatives, as well as changes in product mix (for example, bottles are heavier than cans). In 2013, we used 55.34 pounds of non-returnable packaging material per barrel of beer produced, reducing packaging by 3.6 percent compared to the previous year.

### ANNUAL PACKAGING REDUCTIONS



### Packaging Reduction Initiatives

Last year, we reduced the height of our 24-ounce can trays to reduce the weight of cardboard used per tray by 12.6 percent. This saved more than 800,000 pounds of paper in 2013.

We introduced a 12-ounce “Stubby” bottle for certain Coors Banquet SKUs. This new bottle weighs 10.7 percent less than the long-neck bottle and saved more than 900,000 pounds of glass in 2013.

We also reduced the weights of our 12-, 16- and 24-ounce cans. Collectively, these initiatives saved more than 3.5 million pounds of aluminum in 2013.

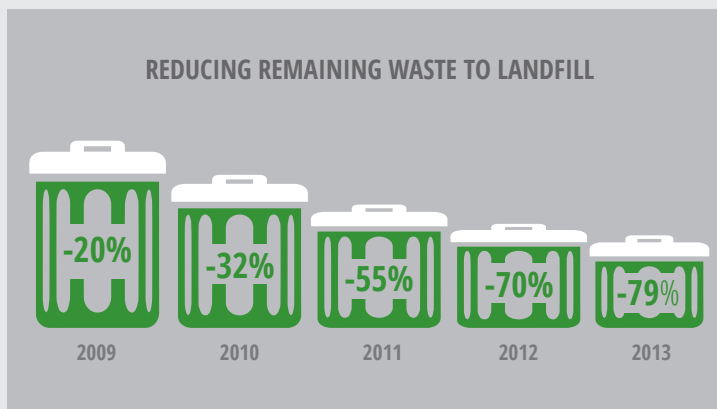
## WASTE

We reuse or recycle more than 99 percent of our brewery waste. That includes protein-rich residual brewer's grain and spent yeast, glass cullet, aluminum, plastic, wood and other materials. We turn "waste" into energy, compost and soil conditioner for our own use. And we send the remaining by-products to companies that use them for other beneficial purposes.

In 2013, the Albany Brewery won the "Keep Albany-Dougherty Beautiful" award. Throughout the year, the brewery assisted with community recycling programs, including cleaning the highway in front of the brewery and volunteering in a community electronic recycling program.

### Waste to Landfill Performance

In 2013, we reduced waste to landfill by more than 1,300 tons, a 9 percent improvement from the previous year. We sent less than 2,000 tons of waste to landfill in 2013.



### Landfill-Free Standards and Definitions

Because of our industry-leading success in reducing waste, we have been invited to participate on industry panels to help educate other organizations on becoming landfill-free. We are participating on an

Underwriters Laboratories (UL) independent standards and definitions panel to define what it means to be landfill-free. We have also joined the U.S. Zero Waste Business Council's Business Advisory Board, whose first goal is to develop a standardized third-party business certification program to recognize and motivate policies and practices for zero waste in the U.S.

Six of our eight major breweries have achieved landfill-free status. For information on the two most recent breweries to achieve this milestone—Golden, Colo., and Albany, Ga.—see page 17.

### Converting Waste Beer Into Fuel-Grade Ethanol

Since 1996, our Golden Brewery has partnered with a facility (owned by Merrick & Company) that produces more than 1 million gallons of ethanol per year. Ethanol is extracted from waste beer at the brewery through two stills. The end result is 200 proof, or essentially pure, ethanol. This pure ethanol is then mixed with gasoline to reduce automobile emissions. This process reduces the amount of wastewater treated at the wastewater treatment plant and reuses ethanol made at the brewery.

### Coors Recycles®

During the months of February and March 2013, consumers were able to purchase specially marked packages of Coors Light and Coors Banquet to help fund the Recyclebank mission. Recyclebank is an incentive-based recycling program that rewards people with discounts and deals for taking everyday environmentally responsible actions. We donated \$250,000 from the purchase of the specially marked cans to Recyclebank, which helped fund an online campaign that educates people about aluminum recycling.

As official sponsors of NASCAR®, we continued our partnership with The Coca-Cola Company® to support a recycling program at NASCAR® tracks. The program was featured at six races at four different speedways in 2013. At the Earhart Campground at the Bristol Motor Speedway, we were able to increase recycling poundage from 1,500 pounds at the August 2012 race to more than 7,000 pounds of cardboard and aluminum at the August 2013 race. By providing NASCAR® fans with 526 Coors Light recycling bins and 12,500 recycling bags throughout the 2013 season, we helped create one of the largest recycling programs in professional sports.

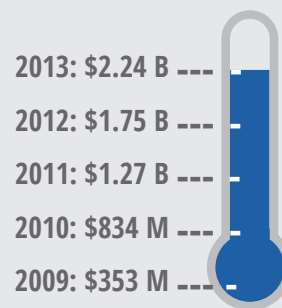


# SUPPLY CHAIN

## 2015 GOAL: CUMULATIVE SPENDING OF MORE THAN \$2.5 BILLION WITH DIVERSE SUPPLIERS

In 2013, we increased our spend with diverse suppliers to \$493 million, or 9.2 percent of our total supplier spend. Since 2009, we've spent a total of approximately \$2.24 billion with woman- and minority-owned businesses and are well on our way to meeting our 2015 goal of spending more than \$2.5 billion with diverse suppliers.

### CUMULATIVE SPEND WITH DIVERSE SUPPLIERS



## SUPPLIER DIVERSITY

We use a supplier diversity management system for woman- and minority-owned businesses. When supplier opportunities arise, our sourcing managers use this database to search for qualified woman- or minority-owned businesses. Registration in this database does not guarantee business with MillerCoors.

We are also focused on strengthening our second-tier supplier diversity program by asking first-tier suppliers to join in this economic development initiative by meeting mutually agreed upon goals for spend with qualified woman- or minority-owned businesses.



Great beer depends on great relationships with the people that supply our ingredients and other goods and services. We work with independent growers and other suppliers to reduce our impact on the environment, support diverse communities and control the costs to produce great beer. See page 21 for more information on our work with growers in Colorado's San Luis Valley.

Our top 150 suppliers by spend represented nearly 79 percent of our overall procurement activity in 2013. We annually evaluate our top 150 suppliers for compliance with our responsible sourcing principles, as detailed in our Supplier Code of Conduct. In addition, we monitor their spending with small and diverse suppliers, and look for opportunities to partner with them on environmental projects and programs.

## SUPPLY CHAIN: 2013 BY THE NUMBERS

- \$493 MILLION OF TOTAL SPEND IS WITH DIVERSE SUPPLIERS
- 864 BARLEY GROWERS ARE CONTRACTED DIRECTLY THROUGH OUR GROWER DIRECT PROGRAM
- 429 MILLION GALLONS OF WATER SAVED AT THE SHOWCASE BARLEY FARM OVER THE LAST THREE SEASONS



We collaborate with our first-tier suppliers on this by conducting educational meetings regarding supplier diversity, introducing woman- and minority-owned businesses to first-tier suppliers and co-presenting at events where diverse suppliers are present. At the end of 2013, we had 42 suppliers who reported second-tier spend quarterly in our supplier diversity management system. Second-tier spend comprised 18 percent of our total spend with woman- and minority-owned businesses in 2013.

We are actively involved with and hold board seats on local and national organizations supporting supplier diversity, including:

- National Minority Supplier Development Council (NMSDC);
- Rocky Mountain Minority Supplier Development Council (RMMSDC);
- Hispanic Association on Corporate Responsibility (HACR); and
- Conference Board's Supplier Diversity Leadership Council.

We participated in 15 diverse supplier events in 2013, including the Program Managers Annual Meeting Committee for the NMSDC, which we chaired. We also sent two representatives from minority-owned businesses to a week-long business course, "Growing the Minority Business to Scale," at the Tuck School of Business at Dartmouth College. See page 19 to read more about this initiative.

DiversityBusiness.com honored MillerCoors as one of America's Top Organizations for Multicultural Business Opportunities. These 50 companies are the top buyers of diversity products and services in the U.S. MillerCoors ranked 40th in the Top 50 Organizations for Diversity listed in 2013. And for the fourth year in a row, we were one of the 42 outstanding corporations inducted into the U.S. Hispanic Chamber of Commerce's Million Dollar Club, an honor for companies who have demonstrated support for Hispanic businesses by spending a minimum of \$25 million with Hispanic suppliers.

## RESPONSIBLE SOURCING

We have a number of policies to establish a transparent, accountable and responsible supply chain.

### Supplier Code of Conduct

We created the MillerCoors Supplier Code of Conduct in the first 100 days of our joint venture, to establish the fundamental principles and policies we ask our suppliers to practice. This code continues to be embedded into new MillerCoors supplier contracts.

### Responsible Sourcing Principles

We expect our business partners to follow the same high standards that we set for ourselves. We adopted our Responsible Sourcing Principles in 2008 and continually ensure they are respected in our own procurement initiatives and in the initiatives of our suppliers. These principles provide guidance regarding business conduct, working conditions, forced employment, child labor, wages/hours, diversity, freedom of association and various environmental issues.

### Anti-Corruption

We maintain accountability and transparency of our business practices to reduce and eliminate corruption. Our business relationships are based on superior value of goods and services that we purchase from our suppliers. Our policy on gifts and entertainment is clear—no gift, favor or entertainment is needed to conduct business with MillerCoors. Suppliers must not offer or provide any payment, loan, service, gratuity, gift, personal travel or other favor of more than nominal value to any MillerCoors employee.

## SUSTAINABLE AGRICULTURE

We take a hands-on approach to sourcing the high-quality barley and hops we need to brew great beer. We work directly with independent barley growers to develop quality barley and long-term sustainable barley production. See page 50 to read about how we are working with General Mills to further sustainable farming practices.

## Grower Direct Program

Our Grower Direct program provides as much as 75 percent of the barley we use to brew our beers. Through this program, we contract directly with 864 independent barley growers in Colorado, Idaho, Montana and Wyoming. Growers use MillerCoors barley seeds and their resulting barley crops must meet our high standards. Our expert agronomists consult with local barley growers regarding barley production issues, irrigation, acceptable pesticides, crop rotation and sustainable farming practices. After the barley is harvested and checked for quality, we store it in one of our six grain elevators. We temporarily retain samples from all of the growers' harvests with production information. By working closely with barley growers, we can partner on sustainability efforts to maintain high-quality barley and long-term sustainable barley production.

## Barley Research and Development

We need a steady supply of high-quality barley to brew our products. In 2013, we continued our research on developing high-yielding, high-performing varieties, with sustainability in mind.

The MillerCoors Barley Variety Development Program has significant focus on developing varieties that have earlier maturity with equal or higher yield than the Moravian varieties commercially available while improving barley and malting quality. Varieties with earlier maturity inherently have lower water requirements. To reduce the reliance on water application, the program also focuses on developing dryland varieties. Dryland varieties are produced in areas where supplemental irrigation is not used.

Similarly, barley varieties with greater cold tolerance can survive the winter, benefiting growers, MillerCoors and the environment.



Winter-hardy barley varieties have the potential to increase yields, provide flexibility with water to help reduce water use during times of peak demand, and provide greater ground cover to reduce soil erosion and improve water quality. Winter barley varieties are being developed by the public breeding programs administered at Oregon State University, University of Minnesota and the USDA office in Aberdeen, Idaho. These public varieties are approved through the American Malting Barley Association (AMBA).

MillerCoors has significantly expanded its production region in northern Montana by contracting growers to produce 3.75 million bushels of barley. In 2013, MillerCoors began construction of a 3.4 million bushel barley elevator in Power, Mont.

### Showcase Barley Farm

We source our barley from four states—Colorado, Idaho, Montana and Wyoming—where water quality and availability are growing concerns

in some of the communities within these areas. Because more than 90 percent of our water use occurs in the agricultural supply chain, we focus significant energy and resources in this area.

To understand risks and identify areas for improvement in our agriculture supply chain, MillerCoors partnered with The Nature Conservancy in Idaho's Silver Creek Valley. The goal of our partnership is to maximize yield while minimizing the use of water, energy and fertilizers. This prevents farming from impacting the quality and quantity of water in the Silver Creek Watershed.

The Silver Creek Valley is particularly vulnerable because it's dependent on groundwater, which is impacted by agriculture that uses well water. With more than 2,000 acres of barley, water use can have a large impact on local groundwater levels, which supply Silver Creek and the surrounding ecology.



GROWERS INSPECT DIFFERENT VARIETIES OF BARLEY FROM OUR RESEARCH PLOTS IN BURLEY, IDAHO.



Along with The Nature Conservancy, we launched a precision irrigation project to use less water in barley farming without reducing yields. Through the partnership, we developed the Showcase Barley Farm to help demonstrate best-in-class water conservation practices as a model for other farmers.

Over the last three seasons, efficient irrigation at the Showcase Barley Farm has saved a cumulative total of approximately 429 million gallons of water. We turned off pivot end guns—saving 150 gallons of water per minute—and planted native grasses and plants where crops once were. We've also incorporated GPS technology so that irrigation systems can be controlled remotely to better manage watering practices, ultimately reducing the amount of water used throughout the growing season. As a result of pumping less water, the farm has also seen its energy bill reduced by half.

Some of the water conservation practices piloted at the Showcase Barley Farm are modernizing best practices across a number of our barley farms and have applications across the agriculture industry. We are expanding these practices to other strategic sourcing regions: southern Colorado, northwest Wyoming and southern Montana.

### **Idaho Sustainable Agriculture Partnership**

We work with growers and partners for their insights and knowledge on everything from how to brew beer with less water to best farming practices for our key ingredients. Recently, we joined with General Mills as well as Syngenta and Simplot on the Idaho Sustainable Agriculture Partnership (ISAP) pilot project to collect data from our shared growers and enhance sustainable farming practices.

The partnership grew out of our involvement with The Sustainability Consortium (TSC), which works to build a scientific foundation to drive innovation and improve consumer product sustainability. MillerCoors serves on its board of directors and is a founding member of TSC. During the spring 2013 quarterly meeting, we discovered that the farmers growing wheat for General Mills are some of the same farmers growing barley for our beer.

The pilot program will vet a standardized data gathering and analysis tool with growers. The program will also help stakeholders of the ISAP collaborate and determine how to integrate and build upon our sustainable farming practices. Over the next year, the ISAP team will analyze the data collected from a dozen shared farmers and identify new practices that will address barriers to reducing the environmental footprint of these growers.

## **TRANSPORTATION & LOGISTICS**

In 2013, more than 6,800 rail cars, 428,000 trucks and 3,800 intermodal shipments were used in the distribution of our beer. Whether through the transportation of goods and materials to our breweries or the delivery of finished products to our distributors and retailers, we are focused on reducing the environmental impacts of these activities.

We are a Transport Partner in the U.S. Environmental Protection Agency's SmartWay® Transport Partnership. SmartWay® helps freight companies improve fuel efficiency, increase environmental performance and increase supply chain sustainability. We encourage maximizing the amount of beer carried on each vehicle to reduce the number of vehicles in use, which in turn reduces fuel consumption and greenhouse gas emissions. One method of maximizing a load is to use reusable plastic bulkhead spacers and plastic separator pads. We developed this equipment, which has eliminated heavy plywood and cardboard on all outbound beer loads within the U.S.

We also encourage our carriers to look at natural gas solutions to reduce our carbon footprint. In 2013, we had five carriers transporting MillerCoors products on natural gas equipment or testing for implementation in the future.

We recognized Houston Distributing as our Logistics and Transportation Supplier of the Year for investing in a dedicated Compressed Natural Gas fleet that runs beer from our Fort Worth Brewery into Houston and surrounding areas.



# ETHICS & TRANSPARENCY

Our SAM is a measurement tool and benchmarking system based on the 10 sustainable development priorities of our parent company SABMiller plc. It was developed with input from the GRI Sustainability Reporting Guidelines and U.N. Global Compact principles. Twice per year, we report our SAM scores to our parent companies, SABMiller plc and Molson Coors Brewing Co.

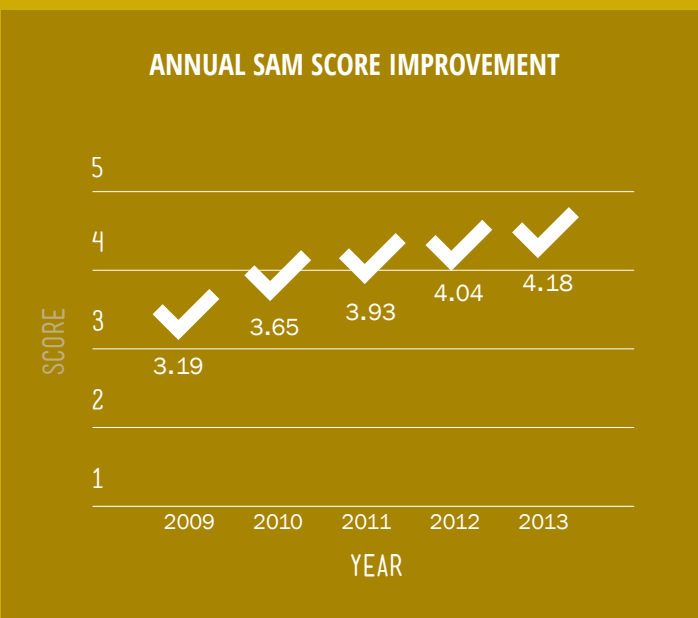
The SAM scale specifies five levels of performance:

- 5. Leading Edge:** Performance that represents genuine global leadership on an issue.
- 4. Best Practice:** Achieving what is currently considered to be global best practice in a particular field.
- 3. Developing Leadership:** Applying a comprehensive approach, including innovative tools and widespread engagement.
- 2. Progressing:** Ensuring consistent performance is achieved in a particular field.
- 1. Minimum Standards:** All operations must achieve level one as it represents management of the key sustainable development risks we are facing today. The Executive Committee of SABMiller plc has mandated that where operations do not meet level one currently, they must implement a plan to reach the level as soon as possible.

 Our executive leadership, parent companies and other stakeholders demand that our business practices meet high standards for ethics and transparency. We expect each employee at every level in the company to be aware of our standards and to comply with our Code of Business Conduct.

## 2015 GOAL: IMPROVE OUR OVERALL SAM SCORE BY 25 PERCENT

In 2013, we increased our SAM (Sustainability Assessment Matrix) score to 4.18, a 31 percent improvement from our 2009 baseline.



## GOVERNANCE

Our Senior Leadership Team, Board of Directors and sustainability leaders are focused on creating America's best beer company in a sustainable way.

### Senior Leadership Team

Our Chief Executive Officer, Tom Long, leads our 11-person Senior Leadership Team. The Senior Leadership Team consists of executives in various divisions, such as marketing, integrated supply chain, sales, legal and corporate services, human resources, public affairs and communications. The team has made sustainability one of the top five priorities in the growth and development of our company.



## Board of Directors

MillerCoors is a privately held company with two parent companies: SABMiller plc and Molson Coors Brewing Co. Executive members from both parent companies form our Board of Directors. The Chair of the MillerCoors Board is not a MillerCoors executive officer, and the Board does not include independent directors or minority shareholders. Biographies of our board members can be found on our website.

## Business Integrity Leadership

Our Business Integrity Team is responsible for preparing our Code of Business Conduct, addressing questions and concerns pertaining to the code and other key company policies, and serving as a resource to help foster pride and integrity among employees across the company. The Business Integrity Team reports quarterly to the Board's Audit Committee and our internal Business Integrity Committee.

The Business Integrity Committee is comprised of our CEO, Chief Legal and Corporate Services Officer, leadership member representatives from Finance, Human Resources, Public Affairs and Communications, Sales and Distributor Services and Integrated Supply Chain, representatives from Internal Audit, a representative from corporate security and emergency management services and the Business Integrity Team. The leadership member representatives were selected by the respective functional chiefs to serve in their place.

The Business Integrity Committee provides oversight regarding integrity issues, including raising these issues to our Board of Directors when necessary. The committee also reviews summaries of reports made through our Business Integrity Helpline.

## Sustainability Leadership Council

Our Sustainability Leadership Council is comprised of 40 employees representing all levels of management and all aspects of our business. The Council meets quarterly to help guide MillerCoors sustainability strategy and in 2013 we modified our five subcommittees to better align with and drive corporate strategies: Agricultural Supply Chain, Packaging, Commercial, Operations and Employee Engagement.

## BUSINESS INTEGRITY

We expect every employee to act with integrity. We self-regulate our practices, set guidelines for compliance and outline our responsibilities through our Code of Business Conduct.

### Code of Business Conduct

Our Code of Business Conduct provides guidance for making the right decisions, even in complex situations. Our code requires compliance with anti-corruption and bribery laws that apply to our work, including the Foreign Corrupt Practices Act and the UK Bribery Act. The principles in our code apply to all MillerCoors officers, directors and employees, as well as our subsidiaries and affiliates.

Our new code is comprehensive, direct and designed for ease of use by MillerCoors employees. All employees are required to complete training and affirm the code on an annual basis. In 2013, 100 percent of required employees—8,134 employees in total—completed the Code of Business Conduct training and affirmation.

### Antitrust Policies and Guidelines

We compete for business and sales opportunities lawfully and with integrity. Our Antitrust Policies and Guidelines address how we avoid unfair business practices that restrict competition, ensuring that consumers have an opportunity to buy high-quality goods and services at fair market prices. We require those in sales and marketing to certify receipt of and acknowledge our Antitrust Policies and Guidelines on an annual basis. In 2013, 1,368 employees—100 percent of our sales and marketing employees—completed Antitrust Policies and Guidelines training.

### Human Rights

We support the preservation of human rights, and we are guided by fundamental human rights principles, such as those in the U.N. Global Compact. We are committed to prohibiting child and forced labor, preventing any form of harassment or discrimination in the workplace, respecting the right of employees to associate freely, and recognizing lawful rights of employees to choose collective bargaining representation.

## Compliance

Our policy is to meet all laws and regulations governing our business and to protect the safety of our employees, communities and the environment. We strive to be flawless, but if we do have an instance of noncompliance we conduct necessary abatement activities. Learn about instances of noncompliance in 2013 on pages 42 and 44 in Environmental Stewardship and page 33 in People and Communities.

## OPPORTUNITIES AND RISKS

We have a great opportunity to use our sustainability practices to influence our industry and society for the better.

### Opportunities to Embrace Sustainability

We believe MillerCoors can and should adapt to reflect appropriate concerns about environmental impacts and social equality. And this is precisely what we do. We have identified opportunities to further impact sustainability:

- Increase awareness of sustainability issues among consumers and employees to show how people can make a positive difference;
- Further drive sustainability into our supply chain through partnerships, purchasing decisions and other programs;
- Establish new standards for resource conservation in the beverage industry, particularly regarding water, energy, packaging materials and waste;
- Increase protection of and enhance natural resources through operational decisions and strategic partnerships;
- Continue to help prevent underage drinking and drunk driving in our society;
- Enhance support of small and diverse businesses and multicultural entrepreneurs;

- Increase multicultural diversity in our supply chain and workplace; and
- Continue to differentiate MillerCoors in the marketplace based on our sustainability performance.

### Long-Term Risks Associated With Our Industry

We seek to understand the risks associated with our long-term profitability. Some of the risks we recognize today include:

- Potential changes in societal acceptance of beer and the need for responsibility;
- Increasing pressure on water sources as a result of population growth, climate change and other factors—as this could affect the cost, quality and availability of water for our breweries;
- Decreasing supplies of malt-quality barley and hops due to climate concerns, water availability and economic factors; and
- Increasing costs of energy and energy-intensive components of our products, such as glass.

## STAKEHOLDER ENGAGEMENT

We engage a cross section of internal and external stakeholders:

- Employees
- Management
- Suppliers, distributors and business partners
- Parent companies SABMiller plc and Molson Coors Brewing Co.
- Investors in our parent companies
- Legal-drinking-age consumers
- Community and multicultural non-governmental organizations
- Public health organizations



- Industry associations and working groups
- Cross-industry associations and working groups
- Regulators and policymakers concerned with aspects of our business
- Media

We use a variety of approaches to solicit stakeholder feedback, and we use that feedback when setting our goals, tracking our progress and reporting on sustainability. We focus on the issues that are most material to the long-term success of MillerCoors and our stakeholders. Our materiality map illustrates the relative importance of each issue to our stakeholders and to our business.

We must also continually adapt to new laws and regulations. Legislative and regulatory changes have the potential to limit our opportunities for growth and can have a deep impact on how we do business. We present our views on these topics to a wide range of policymakers and stakeholder groups. We do this through trade associations, interactions with public officials at the federal, state and community level and with non-governmental organizations such as the Responsible Retailing Forum.

### Response to Stakeholder Concerns

Going forward, we are increasing our engagement with our top suppliers by spend and sector on sustainability and risk assessments and respective measurement. We are also implementing measures that will allow us to better evaluate and increase watershed sustainability impacts where we source our barley and where we operate.

## EXTERNAL SUSTAINABILITY INITIATIVES

Through our parent companies, SABMiller plc and Molson Coors Brewing Co., we share a commitment to major external initiatives focused on sustainability.

### U.N. Global Compact

The U.N. Global Compact offers a framework for the development, implementation and disclosure of 10 universal sustainability principles and practices. Both our parent companies, SABMiller plc and Molson Coors Brewing Co., have joined this leadership initiative, and we adhere to these principles across all aspects of our business. In addition, MillerCoors has officially endorsed the U.N. CEO Water Mandate.

### Dow Jones Sustainability Indices

The various Dow Jones Sustainability Indices (DJSI) track the financial performance of the leading, publicly traded sustainability-driven companies worldwide. Listing on the DJSI is the result of an independent evaluation of a wide range of company practices and outcomes. It is a prestigious, recognized and respected worldwide benchmark of sustainability performance.

In 2013, our parent company, Molson Coors Brewing Co., was listed on the DJSI North America Index for the third consecutive year and on the World Index for the second consecutive year. The company was also named the World Beverage Sector Leader in the index for the second consecutive year. Listing on this index establishes the sustainability performance of Molson Coors Brewing Co. in the top 20 percent of the corresponding beverage industry sector. MillerCoors sustainability activities have contributed directly to the corporate sustainability achievements of our parent companies.

### CDP

Through transparency and disclosure of environmental information, the CDP (formerly the Carbon Disclosure Project) promotes large-scale reporting and reduction initiatives on greenhouse gas emissions, sustainable water use and other issues. Both our parent companies, SABMiller plc and Molson Coors Brewing Co., respond to the CDP climate change survey. SABMiller also responds to the CDP water survey. MillerCoors sustainability activities are integral to our parent companies' reports to the CDP.



## EXTERNAL COMMENTARIES



### Responsibility



Alberto Gutier, Arizona Governor's Office  
Director, Governor's Office of Highway Safety

Thanks so much to MillerCoors and Crescent Crown, as well as Valley Metro, for initiating the New Year's Eve Coors Light Free Rides® program. With a 63 percent increase in light rail ridership and about a 22 percent decrease in DUI arrests on area highways during this past holiday season, their efforts and ongoing support of this program undoubtedly helped save a life or prevent a true tragedy in our community. This is a real testament to MillerCoors doing business the right way. It shows in tangible ways that they are committed to responsibility and to their communities. And it shows that when government and companies work well together for the greater good, the public can really benefit. This is a perfect example of how different sectors can work together to address drunk driving and promote highway safety.



### People & Communities



Stan Sena, Rocky Mountain Minority  
Supplier Development Council  
President and CEO

MillerCoors is a Corporate Partner of the National Minority Supplier Development Council (NMSDC), an organization whose mission is to advance business opportunities between minority-owned enterprises and corporations. In addition to belonging to the national organization, MillerCoors is also active with three of the NMSDC's Regional Councils.

MillerCoors is one of our Regional Corporate Members that helps advance the mission of the Rocky Mountain Minority Supplier Development Council. By being a partner in not only our mission of mentoring and developing minority business enterprises (MBEs), but also in our matchmaking and networking events, they are publicly saying to these businesses, "Yes, MillerCoors is committed to meeting you, hearing about what value you could provide within our supply chain and seeing if there could be a fit."

MillerCoors has done business with approximately 100 NMSDC-certified MBEs, with over a dozen stemming directly from our regional council. It is refreshing to see MillerCoors really reaching deep into their supply chain to find opportunities for our constituents.



### Environmental Stewardship



Tom Bruursema, NSF International  
General Manager, Environmental and  
Sustainability Services

We are pleased to recognize MillerCoors for their leadership position in environmental stewardship through a strong commitment to reduction in waste disposal to landfills. Recognizing the positive impact that can be realized in reducing waste, recycling and reusing, six of eight major MillerCoors breweries now claim the achievement of being fully landfill-free. With increasing awareness for our limited raw material resources and the need for improved waste management in manufacturing, more companies are following this lead toward landfill-free facilities. NSF International works with various product manufacturing companies to certify such claims against rigorous third-party criteria and assessments that include in-facility audits.



### Supply Chain



Gary Beck, Hillside Ranch  
Manager of Hillside Ranch

We have always been interested in doing the best thing for the environment and our community here on the Hillside Ranch in Bellevue, Idaho. And it has not always been easy to do the right thing, but it has been worth it. Working with MillerCoors for the last three years on the Showcase Barley Farm has had its share of great experiences. We're learning what we need to do better in our farming practices to enable future generations to benefit from the same resources we presently have. We are very aware that we will pass things like soil and water—and whatever conditions and supply we leave them in—on to our children. Knowing that water is becoming a scarce commodity in different areas, we have made great changes in our watering practices by saving over 150 million gallons of precious water every year. Again, it's not easy to tackle tough environmental issues and balance those with the demands of farming and high-quality barley, but it is well worth it for all.

## GRI CONTENT INDEX

General Standard Disclosures	Topic	Location
G4-1	Strategy & Analysis	Letter from Leadership
G4-2	Strategy & Analysis	Letter from Leadership; Update on Progress 2013/Ethics & Transparency/Opportunities & Risks
G4-3	Organizational Profile	Title
G4-4	Organizational Profile	About MillerCoors/Brand Portfolio
G4-5	Organizational Profile	About MillerCoors/Locations
G4-6	Organizational Profile	About MillerCoors/Locations
G4-7	Organizational Profile	About MillerCoors
G4-9	Organizational Profile	About MillerCoors; Update on Progress 2013/People & Communities/MC Workforce
G4-11	Organizational Profile	Update on Progress 2013/People & Communities/MC Workforce
G4-15	Commitments to External Initiatives	Update on Progress 2013/Ethics & Transparency/External Sustainability Initiatives
G4-16	Commitments to External Initiatives	Update on Progress 2013/Environmental Stewardship/Waste/Landfill-Free Standards and Definitions; Update on Progress 2013/Supply Chain/Supplier Diversity; Update on Progress 2013/Supply Chain/Sustainable Agriculture/Idaho Sustainable Ag Partnership
G4-19	Identified Material Aspects & Boundaries	Update on Progress 2013/Materiality
G4-24	Stakeholder Engagement	Update on Progress 2013/Ethics & Transparency/Stakeholder Engagement
G4-28	Report Profile	Update on Progress 2013/Report Profile
G4-30	Report Profile	Update on Progress 2013/Report Profile
G4-31	Report Profile	Update on Progress 2013/GRI Content Index
G4-32	GRI Content Index	This document is the content index
G4-34	Governance	Update on Progress 2013/Ethics & Transparency/Governance
G4-36	Governance	Update on Progress 2013/Ethics & Transparency/Governance
G4-39	Governance	Update on Progress 2013/Ethics & Transparency/Governance
G4-56	Ethics & Integrity	Update on Progress 2013/Ethics & Transparency/Business Integrity

Specific Standard Disclosures	Aspect	Location
G4-EC1	Economic Performance	About MillerCoors/Revenue Allocation
G4-EC8	Indirect Economic Impacts	Update on Progress 2013/People & Communities/Community Commerce & Partnerships/Economic Empowerment Update on Progress 2013/Supply Chain/Supplier Diversity
G4-EN1	Materials	Update on Progress 2013/Environmental Stewardship/Packaging
G4-EN5	Energy	Update on Progress 2013/Environmental Stewardship/Energy & Carbon
G4-EN6	Energy	Update on Progress 2013/Environmental Stewardship/Energy & Carbon
G4-EN8	Water	Update on Progress 2013/Environmental Stewardship/Water/Water Performance
G4-EN9	Water	About MillerCoors Update on Progress 2013/Environmental Stewardship/Water/Watershed Assessments
G4-EN15	Emissions	Update on Progress 2013/Environmental Stewardship/Energy & Carbon/GHG Emissions
G4-EN16	Emissions	Update on Progress 2013/Environmental Stewardship/Energy & Carbon/GHG Emissions
G4-EN17	Emissions	Update on Progress 2013/Environmental Stewardship/Energy & Carbon/GHG Emissions
G4-EN19	Emissions	Update on Progress 2013/Environmental Stewardship/Energy & Carbon
G4-EN23	Effluents & Waste	Update on Progress 2013/Environmental Stewardship/Waste
G4-EN28	Products & Services	Update on Progress 2013/Environmental Stewardship/Waste/Helping Consumers Recycle
G4-EN29	Compliance	Update on Progress 2013/Environmental Stewardship/Water/Compliance with the CWA; Update on Progress 2013/Environmental Stewardship/Compliance with the CAA
G4-EN30	Transport	Update on Progress 2013/Supply Chain/Transportation & Logistics
G4-EN33	Supplier Environmental Assessment	Update on Progress 2013/Supply Chain/Sustainable Agriculture
G4-LA1	Employment	Update on Progress 2013/People & Communities/MC Workforce
G4-LA5	Occupational Health & Safety	Update on Progress 2013/People & Communities/Workplace Safety
G4-LA6	Occupational Health & Safety	Update on Progress 2013/People & Communities/Workplace Safety/Accident & Injury Reporting
G4-LA10	Training & Education	Update on Progress 2013/People & Communities/MillerCoors Workforce/Professional Development
G4-LA12	Diversity & Equal Opportunity	Update on Progress 2013/People & Communities/MC Workforce/Diversity
G4-SO1	Local Communities	Update on Progress 2013/People & Communities/Community Commerce & Partnerships
G4-PR1	Customer Health & Safety	Update on Progress 2013/Responsibility
G4-PR7	Marketing Communications	Update on Progress 2013/Responsibility/Responsible Marketing Practices

## CONNECT WITH MILLERCOORS

**Corporate Website:** [MillerCoors.com](http://MillerCoors.com)

 [Facebook.com/MillerCoors](https://www.facebook.com/MillerCoors)

 [@MillerCoors](https://twitter.com/MillerCoors)

**Questions and Comments:** Please send any questions or comments you have related to the MillerCoors 2014 Sustainability Report or its contents to: [sustainability@millercoors.com](mailto:sustainability@millercoors.com) or take our survey: <https://www.surveymonkey.com/s/MCGBGR2014>.

## ENVIRONMENTAL IMPACT RESULTS

Printedgreen® - petroleum, carcinogen & toxin free.



Printed on Forest Stewardship Council® Sappi McCoy Matte 10% PCW Mix Paper from responsible sources.

Produced by 100% wind energy with vegetable-based inks. Verified By Independent Third Parties.

- 1 tree preserved for the future
- 3 lbs waterborne waste not created
- 442 gal wastewater flow averted
- 49 lbs solid waste not generated
- 645 lbs net greenhouse gases prevented
- 736,610 BTUs energy not consumed
- 4,648 cubic feet natural gas unused
- 553 mi equivalency in average car not driven
- 38 tree saplings equivalency planted for carbon absorption

\* Calculations to demonstrate the environmental impacts of this project were based off of publicly available information from the U.S. Environmental Protection Agency, the Environmental Defense Fund, and industry paper sources.



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