

MOLSON COORS AND MOLSON COORS BREWING COMPANY (UK) LIMITED

MODERN SLAVERY STATEMENT (the "Statement")

This statement is published in accordance with section 54 (1) of the UK Modern Slavery Act 2015 ("MSA"). It sets out the actions that Molson Coors and its UK subsidiaries, Molson Coors Brewing Company (UK) Limited (collectively, "**Molson Coors**") has taken during the financial year ended 31 December 2020 to address modern slavery, and those steps that we will continue to take to identify, prevent and, where found, eliminate modern slavery in our business and supply chains.

"Modern slavery" constitutes slavery, servitude, forced labour and human trafficking. Molson Coors is opposed to all forms of unethical business behaviour. We recognise the harmful impact that modern slavery has on individuals and society and we are fully committed to help prevent these illegal practices.

This statement includes the activities of Molson Coors, the Cobra Partnership, Sharp's Brewery and other group subsidiaries, and was approved by the Board of Molson Coors on 16th June 2021. Molson Coors and its subsidiary companies are referred to as the Molson Coors throughout this statement.

Due to the restrictions implemented as a result of COVID-19 in 2020 many of our on-trade business customers were unable to open or operated under severe restrictions.

Our trade has been significantly impacted by this and for this year we have only operated production on sites and across product lines where these have been deemed essential services by the UK Government.

With a high proportion of our customers being on-trade businesses, Molson Coors made the decision at the outset of the pandemic to close a number of sites and asked that all our people over the age of 60 or those vulnerable to remain at home, even those in operational roles, until we were confident we had implemented a comprehensive range of COVID-secure measures in those sites that remained operational.

Whilst these actions have enabled our business to protect jobs and continue paying everyone, whether furloughed, flexi-furloughed or isolating, 100% of their salary, it has reduced our ability to progress planned training due to the much-reduced number of people actively working in our business through the pandemic. The business is very mindful of this fact and intends to build upon its established current strong principled foundation moving into 2021 and beyond.

Introduction

Molson Coors respects the dignity and rights of all people, and we work every day to create the right conditions for our employees and others with whom we engage to flourish and achieve their full potential. Modern slavery is a reality, however, in countries around the world, taking many forms including forced labour, slavery, servitude and human trafficking and affecting individuals of any age, gender or race. Often, victims of modern slavery are in plain sight, as part of seemingly routine activities and interactions.

As a global, respected leader, we want to use our voice and influence to help shape a better world to end all forms of modern slavery. Our ambition is to lead the way with responsible business practices and policies, extending and embedding our deep ethical values and corporate governance practices to reinforce a zero-tolerance policy toward modern slavery. We promise to encourage and nurture an open and inclusive workplace that goes beyond safeguarding basic human rights, a workplace

where all employees and partners are valued, engaged and respected.

Molson Coors is a signatory to the United Nations Global Compact. This means that we endeavour to align our global values and our approach to doing business with the ten principles of the UN Global Compact, which are derived from the Universal Declaration of Human Rights, the international Labour Organization's Declaration on Fundamental Principles and Rights at Work and other initiatives.

In Summary:

Organisation Structure

Molson Coors is a global brewer and beverage company with dual principal executive offices in Golden, Colorado and Montreal, Quebec. It has a North American operational headquarters in Chicago, Illinois, U.S.A. and a EMEA and APAC operational headquarters in Burton-on-Trent, England. The company employs around 18,000 people, 2,240 of whom are employed by the UK businesses.

Our supply chain:

Our supply chain is of medium complexity. In the UK Molson Coors purchases goods and services from 1,710 suppliers around the world in more than 12 different categories.

Our due diligence process:

Molson Coors is a member of the Supplier Ethical Data Exchange ("SEDEX"). We use this membership and other mechanisms, to manage information on supplier performance around labour rights, health and safety, the environment and business ethics.

Aside from supplier due-diligence, new hires at Molson Coors are also subject to due-diligence checks to verify their identity and right to work and customers are also subject to due-diligence checks as part of getting to know our business partners.

Risk management:

Possible areas of increased risk for Molson Coors include suppliers of low-skilled labour, agricultural produce, clothing items, or suppliers located in less developed countries. Our global document, 'Our Standards for Business and Supply Partners' help us to manage this risk by providing guidance to our suppliers and partners about the minimum standards that we expect.

Effectiveness management:

Questionnaires or scorecards are used to measure our supplier alignment with our values and ways of working.

Internally, we track the completion rate of our employee training which includes our Code of Business Conduct, which encourages the reporting of violations of this Code or any other company policy.

Training and capacity building:

Molson Coors employees complete Code of Business Conduct training when they first join the business, usually within the first 30 days and then every other year thereafter. This training instils in our employees the value of diversity and inclusion, it condemns harassment and discrimination and it provides guidance around a multitude of ethics and compliance issues.

In 2017, Molson Coors published a revised Code of Business Conduct which emphasised the importance of our business taking an active interest in transparency and driving

quality throughout our supply chain.

Our Societal Pledge

With regard to modern slavery, we pledge our commitment to: i) continuously evolve and implement responsible standards and policies to enable us to effectively recognise and drive modern slavery and human trafficking away from our internal operations and our supply chain; ii) develop a meaningful response to our modern slavery legal obligations; and iii) give modern slavery and human trafficking the serious attention that it deserves.

Our Molson Coors 2025 sustainability targets, created with the UN Sustainable Development Goals in mind, recognise the value of people. Under the heading of "Collectively Crafted" our goals include 'being a good global citizen' and 'strengthening our supply chain.' Within these headings our specific targets include:

i) investing \$100 million in initiatives that aim to improve livelihoods, foster empowerment and build resilient communities; and ii) working with suppliers who adopt our 'Supplier Standards' to allow us to jointly commit to an ethical and sustainable supply chain. This second target in particular strikes at the heart of combating modern slavery and human trafficking within our supply chain – whether upstream with our supplier partners or

downstream with our retail customers and beyond.

Whilst we recognise that there is still a lot of work to be done to ensure that our sustainability strategy and initiatives flow down to all of our country operations, including in the UK, we are dedicated to working towards a coordinated approach so that together we can tackle modern slavery in a comprehensive and consistent way.

Modern Slavery Act Statement in Detail:

The structure of our organisation and our business

Molson Coors is one of the world's largest global brewers, with dual principal executive offices in Golden, Colorado and Montreal, Quebec with EMEA and APAC operational headquarters based in Burton-on-Trent, England. The global company employs around 18,000 employees, operates 29 breweries and a cider house in 32 countries, and sells our beers and other beverages to around 75 countries around the world.

Molson Coors was formed in 2005 as a joint venture of Molson of Canada, and Coors of the United States. Some of our most popular global and national brands include Staropramen, Coors, Coors Light, Doom Bar, Carling, Molson Canadian, Miller Lite, Jelen, Bergenbier, Aspoll Cyder, Cobra and many more. Molson Coors also brews and markets beer and other alcohol products through licenced, contracted distributors. Molson Coors UK employs more than 2,000 people

comprising around 1,000 sales staff, more than 900 supply chain employees and over 500 brewery and cider house employees.

[Molson Coors Employment Principles](#) (the "Principles") underpin a number of our people policies and are guided by international human rights standards. They outline our commitment to supporting an open and inclusive workplace where all employees are valued, engaged and inspired to be the best that they can be and refer specifically to modern slavery issues such as forced labour, child labour, work hours and wages. Molson Coors encourages its business partners to uphold these principles and to adopt similar approaches within their business.

Our 'Code of Business Conduct, a guide to living Our Brew' ("the Code") is the compass that guides the way that we work. 'Our Brew' is an internal guide for employees which sets out to influence who we are, what we do and how we do it (both culturally and strategically) by working together as a business, within our marketplace, our community and with our investors. The Code applies to all officers, directors and employees of Molson Coors and steps through our guiding principles about how we win in the right way in the market place. Importantly, the Code instils in our employees the value of diversity and inclusion, and it condemns harassment and discrimination.

We do acknowledge though, that the Code could

explicitly communicate and address human rights issues such as modern slavery further and it is our intention to reflect this in our 2021 Code refresh.

Our supply chain

Molson Coors's portfolio of products includes a wide range of beers, lager, and cider for which we buy a variety of goods and services. In the UK, we currently buy from over 1,700 suppliers in more than 12 different categories (including brewing, packaging, logistics, dispense, IT, and marketing) and we recognise our responsibility, as a large organisation, to ensure that the goods and services which we buy are produced and supplied ethically without exploitation.

We consider our supply chain to be of medium complexity and we recognise that we cannot consider Molson Coors to be immune, there is always a risk of modern slavery occurring in our supply chain. Our suppliers and customers are based around the world, with their own suppliers and customers being part of an on-going chain of customers and suppliers. Some of our suppliers are also our customers and some of our market competitors are also our suppliers. In addition to this, some of our internal departments are outsourced to suppliers of outsourced services. For example, in the UK, our IT services are outsourced.

When we look at our supply chain with modern slavery in mind, historically we have been looking backwards

towards the businesses that supply us with goods and services. What we have come to realise is that not only should we be thinking about the businesses that we buy from, but we should also be thinking about the businesses that we sell to. We fully intend to work on the way in which we view and raise awareness of modern slavery within our upstream and downstream supply chain, try to ensure that our suppliers are operating in an ethical and responsible way and seek to mitigate the risk of modern slavery occurring in our supply chain.

Our due diligence processes

Due diligence is key to eliminating modern slavery within our business and supply chain. As a result, we believe that due diligence must not start and end at the beginning of the onboarding process of our suppliers or employees.

Employees

Our due-diligence process for all new hires includes the undertaking of checks to confirm the identity of the worker and to verify their right to work. Aside from the recruitment process, managers are expected to conduct one-to-one meetings on a monthly basis with their direct reports to foster open and honest communication, including in regard to the employee's well-being. These conversations foster a trusting environment where employees can feel comfortable sharing personal and professional concerns and enable managers to spot if things are not quite right.

Looking ahead, we intend to:

- give further thought to how we can make our due-diligence process more robust;
- review and refine the steps that we take as part of our due-diligence process;
- keep our due-diligence processes under regular review as we learn more about the issues surrounding modern slavery and human trafficking.

Risk management

Identifying and managing modern slavery risk is paramount to its elimination.

We believe that there is a more likely danger of modern slavery existing within our supply chains than within our own business. Possible increased risk areas for Molson Coors include suppliers of agricultural produce, clothing items, suppliers of low-skilled labour, or suppliers located in less developed or recently industrialised parts of the world.

In an attempt to combat these higher risk areas and increase our knowledge of modern slavery issues in the UK, in 2019 we had external experts train some of our core functional employees on modern slavery in order to increase knowledge and awareness on how to spot and take action when modern slavery is suspected.

Our global Supplier Standards provide our suppliers with guidance on the minimum standards we expect our suppliers and our supplier's suppliers to abide by. The Supplier Standards

provide guidance regarding business conduct, working conditions, forced employment, child labour, wages, diversity, freedom of association and environmental issues and suppliers are made aware of the Supplier Standards at the outset of the business relationship.

In 2017, we updated our Supplier Standards to strengthen its modern slavery and human trafficking provisions, in a bid to clearly set out to our suppliers, our high standards and expectations. In 2018 we started to roll out these updated Supplier Standards to new suppliers and update them further. Our Supplier Standards can be located via a link contained within our terms and conditions of purchase, via the following link to the Molson Coors website or [HERE](#).

Our most recent version of the Supplier Standards is dated 3 June 2019, this new version contains further modern slavery provisions.

As an integral part of supplier's contracts, Molson Coors in the UK includes an Anti-Slavery clause which sets out key anti-slavery requirements.

Our 'global Code of Business Conduct, a guide to living Our Brew' ("the Code") encourages employees to 'Speak Up' when they see something that could cause damage to themselves; their co-workers; the environment; the public; the company's business or reputation and to stockholders. Within the UK, Employees can use an ethics and compliance hotline to report anything that they believe is a violation of the

Code or any other company policy. This hot-line provides a means for employees to voice their concerns regarding ethics and compliance issues or potential violations. The hotline is confidential, and provides a means for anonymous reporting (if requested by the employee and to the extent permitted by local law) and is hosted by an independent third-party provider, 'EthicsPoint'. The hotline is available via telephone or internet to make the resource as convenient as possible for our employees.

In addition to the ethics and compliance helpline, in the UK Molson Coors has a second 24 -hour employee helpline, the 'Employee Assistance Program hotline' (the "EAP hotline"). Like the ethics and compliance helpline, the EAP hotline is confidential and run by a third party. The EAP hotline provides a support service for employees to use on a non-specific basis, regardless of whether the support they need is personal or work-related.

Our 'Speak Up' policy says that staying silent about potential problems is never the right choice and only by having employees raising issues can the company put them right. Molson Coors is committed to investigating, addressing and responding to the concerns of its employees and to taking appropriate corrective action in response to any violation.

We recognise the necessity of conducting a deeper risk assessment of our supply chain and plan to further

develop our use of SEDEX to identify risks. In due course we intend to require high risk suppliers will be asked to complete the SEDEX self-assessment questionnaire, responses will be analysed and risks mitigated where required.

Our company takes a number of measures to help reduce the risk of modern slavery:

In the UK in 2018, most of our recruitment operations were brought in-house. One of the primary benefits of having our recruitment managed by an in-house team is our ability to control candidate sourcing, selection and due diligence.

It's not always possible, however, to source every candidate internally and occasionally, predominantly for temporary resource requirements, we enlist the help of specialist recruitment agencies.

All Molson Coors employees are issued with a written contract of employment that complies with all applicable labour laws, including wages; benefits; working hours; minimum wage; and no unauthorised deductions. All UK employees at Molson Coors have their salary benchmarked against like-for-like roles within our industry on an annual basis. Our contracts of employment contain reasonable notice provisions to allow our employees to terminate their employment with us should they wish to do so.

Effectiveness measurement

On a regular basis, our Global Ethics & Compliance

team together with each country's Legal teams follow up on a completion of all assigned employee e-trainings including training on the Code of Business Conduct. The overall completion rate of the Code of Business Conduct training is currently in excess of 85% throughout our global operations.

When measuring the alignment of our values and ways of working with our supplier base, where necessary, throughout Molson Coors we use dedicated questionnaires and scorecards evaluating a number of qualitative criteria. We intend to further expand the qualitative measurement of our supplier base in due course.

Furthermore in 2019 we initiated the introduction of a Right-to-Audit clauses to some of our supplier contracts. With a number of business activities carried out by third parties outside direct control of the company, the Right-to-Audit has increasing importance and represents a powerful tool for risk control and mitigation.

Through continuous contact with our business partners and our increasing knowledge and awareness of modern slavery issues, we continue to develop effective measurement of our modern slavery initiatives.

Training and capacity building

We know that training and capacity building is integral to successful Modern Slavery initiatives. For this reason, in 2018, we sought and obtained expert external training for key individuals

within Molson Coors to deeper understand modern slavery issues, to help us to identify areas of risk within our operational and internal processes, and to help us to develop wider internal training to allow our employees to identify and report modern slavery and human trafficking.

In 2018 the UK and Ireland Molson Coors Country Leadership Team ("CLT") attended an internal meeting which focused on the issues surrounding modern slavery and identifying their role in preventing modern slavery from occurring within the Molson Coors business and its supply chain.

In an attempt to raise further awareness about modern slavery: what it is; how to spot it; and how to report it, an article was written and

distributed internally to around 2000 employees in recognition of Anti-slavery Day on 18th October 2018. In 2019 a modern slavery awareness article was distributed to Molson Coors sales teams through a weekly business newsletter to highlight the need to consider the possibility of modern slavery occurring at the customer end of the supply chain.

Molson Coors employees all complete our Code of Business Conduct training when they first join the business, usually within the first 30 days and then every other year thereafter. The purpose of this training is to educate and make our employees responsible for engaging in legal, ethical and responsible business practices. This training is predominantly web-based, however a limited number of

our employees receive face to face training. The overall completion rate for our Code of Business Conduct training currently exceeds 85%. Employees must affirm their review of and their compliance with our Code and carry out further Code of Business Conduct training every two years.

We review our employee Code of Business Conduct training every two years to evolve it and ensure it is fit for purpose. The Code was last reviewed in 2017 with a further roll-out planned for early 2021.

Final word

Molson Coors commits to raising awareness of modern slavery, human trafficking and human rights within our global organisation over its next financial year. We see this not only as a moral imperative, but as an opportunity to make a real difference in all the communities we serve.

This statement covers 1st January 2020 to 31st December 2020 and has been considered and approved by the Board of Molson Coors.



Phil Whitehead

Western Europe Managing Director,

Molson Coors



Lord Karan Bilimoria

Director

(on behalf of the Cobra Beer Partnership Limited)