



March 28, 2011

ENERGY CONSERVATION



Energy represents a significant part of our cost structure and is the source of most of our carbon emissions. Our business strategy calls for continually seeking cost-effective improvements in our operations that result in more efficient use of energy, thus reducing our emissions of greenhouse gases (GHG), and improving our environmental performance. One such example is the Solar Bee, a water storage aeration unit which eliminates the need for an electrical compressed air system.

Since the merger of Molson Brewing Company and Coors Brewing Company in February 2005, we have been developing corporate-wide measures and targets to conserve energy and share best practices throughout the organization. In 2008, we set the global year on year target of improving our energy efficiency by 4%. Through a corporate wide Energy Council, we have a sustainable energy management program that focuses on continuous improvement of both technical and management factors. The technical approach uses focused brewery energy assessments and industry benchmarking to identify opportunities for energy efficiency and reduction. The management approach focuses on employee awareness and engagement, policies and procedures, management review, and brewery energy teams.

For the past four years, we have participated in the Carbon Disclosure Project, an independent, non-profit organization that collects climate-related information from leading global companies and provides it to the investment community and the public. In our submission, we describe risks and opportunities that are posed by climate change. In the US, MillerCoors is a member of the Environmental Protection Agency's Climate Leaders Program, an industry-government partnership that works with companies to develop long-term comprehensive climate change strategies. In the UK, Molson Coors (UK) is partnering with the Carbon Trust, a government sponsored organization committed to helping companies reduce their carbon emissions and develop low-carbon technologies. We also participate in Wal-Mart and Tesco programs to determine the carbon footprint of our products from "grain to glass," including the distribution chain, in an effort to reduce inefficiencies.

Although we have made some strides in reducing energy use in offices and brewing operations and curtailing employee transportation by providing public transportation passes, telecommuting options and use of teleconference facilities in lieu of travel, we have yet to address all of these issues in a comprehensive manner.



Earth Hour

Earth Hour was a global initiative in March 2009, encouraging individuals and businesses around the world to turn off their lights for one hour to show their support for taking action on climate change. Molson Coors participated in Earth Hour 2009 for the second year internationally, with its Canadian, U.S. and U.K. breweries and offices all taking part. Energy conservation is an important issue for Molson Coors, and participation in Earth Hour was not only a chance to play our part, but also a great way to raise awareness among our employees.

Following are highlights of energy reduction activities by country:

UNITED KINGDOM

Molson Coors (UK) continually reduced emissions over the last ten years. Between 2001 and 2005, energy use decreased by 5%, despite a 4% increase in production volume. Specific management and physical improvements include:

- International Standard for Environmental Management (ISO 14001) certification in 2002
- Replacement of a coal-fired boiler to a high-efficiency dual-fired installation in 1995
- Removal of all CFC refrigeration

UNITED STATES

MillerCoors is proactively seeking to reduce energy usage as part of a corporate business strategy to protect the environment. They are investing in alternative energy and continually replacing and upgrading equipment and systems to improve energy efficiency. MillerCoors' emissions meet or beat federal standards, and they are urging all work teams and employees to change the ways they work and live, so that everyone is contributing.

MillerCoors is a member of the United States Environmental Protection Agency Climate Leaders Program and has set the target to reduce total energy use by 15% by 2015, baseline year 2009.

CANADA

THE POWER TO MAKE A DIFFERENCE

A national energy committee was created in 2008 within Molson that is committed to reduce energy use by setting targets and developing strategies to meet those targets.



Brewery Energy Conservation Program: The Power to Make a Difference

- Molson believes that energy conservation is the “right thing to do” for the planet. In 2008 they launched an annual Brewery Energy Conservation Week, part of their energy conservation program, The Power to Make a Difference, in all their breweries across Canada.

- The ongoing program is focused on encouraging employees to conserve energy in simple ways such as turning on and off equipment, and always being aware of their use of water, electricity and natural gas – both at work and at home.

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