

MillerCoors: Consumers Benefit From Sustainable Practices

Five Responsibilities Drive Sustainability Efforts

Anyone who has enjoyed a cold beer at the ballpark on a hot sunny day understands the key ingredients to MillerCoors success: Fresh water and plenty of hops and barley. And people to enjoy the product.

It's in the company's best interest to be sure there are plenty of these ingredients around. That's why sustainable development has been a priority for MillerCoors since day one. The new organization, a joint venture between SABMiller and Molson Coors, has a board-level committee charged with overseeing corporate responsibility.

"The creation of the Corporate Responsibility Committee demonstrates MillerCoors' commitment and that of our parent companies to corporate responsibility and, specifically, sustainable development," says Lisa Quezada, sustainable development policy manager. "Our goal is to embed sustainable development into the business and measure our progress."

For MillerCoors, sustainability is about managing the company's environmental, social, and economic risks and opportunities in a consistent manner to protect its reputation and maximize business value. The company's strategic approach to sustainability is based on five responsibilities: alcohol responsibility, environmental sustainability, sustainable supply chain, people and community investment, and ethics and transparency. This framework of five focus areas enables MillerCoors to efficiently manage its sustainable development commitments.

Sustainability Ambassadors

A cross-functional team with expertise in areas as diverse as operations, marketing, human resources, and procurement that will work together to help embed sustainability across the business is being organized. Once established, the MillerCoors' cross-functional Sustainable Development Committee will have its first bi-monthly meeting later this spring.

Employee enthusiasm and engagement have yielded impressive results, especially in pursuit of zero-waste operations:

- MillerCoors recycles or reuses more than 98 percent of its packaging and brewing waste.
- Flavoring drums are converted to rain barrels or shredded for reuse in lawn and garden applications.
- The company has increased the amount of 100-percent recycled plastic pallets it uses for keg shipping, which helps lighten shipping loads and reduces deforestation and landfill usage.
- Several sites have wastewater treatment plants that treat brewery wastewater to generate biogas used to power operations within the breweries.
- Beneficial uses for brewing byproducts have been identified, such as spent brewer's grain sold to farmers for animal feed and spent brewer's yeast sold to food companies for use in soups, gravies, and frozen entrees.

In addition, a brewery relamp project at the Milwaukee brewery is helping conserve energy and reduce greenhouse gas emissions. The lighting initiative included the replacement of sodium light fixtures with more energy-efficient



AFTER

Company name: MillerCoors
(a joint venture of SABMiller and Molson Coors)
Location: Milwaukee, Wisconsin
www.millercoors.com
Founded: 1855
Scope: National/International
Employees: 8,800

Corporate responsibility and, sustainable development are recognized by the company as key to sustainable growth and superior financial performance.

fluorescents and new motion sensors and installation of light tubes that determine and regulate the amount of light needed, if at all, during daylight hours. The relamp project is making its way to other MillerCoors' breweries.

Fresh Water and Plenty of Grain

"The conservation mind-set is encouraged by World Class Manufacturing (WCM), which applies a set of business principles and practices that drive continuous improvement in our breweries," notes Quezada.

Several brewery locations have added environmental and energy awareness modules to WCM training for employees to help drive awareness of water issues and identify innovative ways to reduce the amount of water used in the production process.

"Water is essential to brewing great beer, so we set stringent targets in order to use water efficiently and maintain the integrity of its quality. Driven by this discipline, MillerCoors operates some of the most water-efficient breweries in the world," Quezada says.

At the end of 2008, MillerCoors achieved a water-to-beer ratio of 4.1:1. The United Nations Environment Program benchmark is 5:1. A 2009 target of 3.95:1 is in

place, and the MillerCoors environmental team is working on setting a 2015 reduction target.

MillerCoors sustainability efforts include partnering with The Nature Conservancy to help protect the Silver Creek Watershed in Idaho by helping farmers, including MillerCoors barley farmers, increase the efficiency of their irrigation systems, increase water conservation, and improve water quality. In similar projects, farmers have also realized an increase in their crop yields and a reduction in energy costs associated with irrigation systems.

Reporting Progress

Key to a credible sustainable development strategy is measuring progress. MillerCoors measures and tracks progress against its responsibilities and commitments using the Sustainability Assessment Matrix (SAM), an electronic system based on the Global Reporting Initiative G3 guidelines. Results are reported to both parent companies and the corporate responsibility committee.

"SAM helps establish consistent, long-term targets across the business," Quezada says. "The results promote a learning and self-refreshing organization."

