MOLSON COORS BEVERAGE COMPANY (CANADA)

FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

2023 ANNUAL REPORT

This 2023 annual report is published in accordance with the Canadian *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Modern Slavery Act**").

This is a report by Molson Canada 2005 (*doing business as* Molson Coors Beverage Company (Canada)) and the affiliated companies listed in Schedule "A" which, at the time of publication of this annual report, meet the reporting thresholds contained in the Modern Slavery Act (collectively referred to as the "**Reporting Entities**").

This report sets out the actions that the Reporting Entities have taken during the financial year ended December 31, 2023 (the "**Reporting Period**") to identify, prevent and reduce forced labour and child labour risks in our business and supply chains.

Base Position Statement

Molson Coors is opposed to all forms of unethical business behaviour. We recognise the harmful impact that forced labour and child labour have on individuals and society, and we are fully committed to work towards preventing these illegal practices.

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. We believe that our workforce and wider supply chain should reflect and protect the communities where we operate, the consumers who enjoy our beverages, and beyond.

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.

2023 Development

Molson Coors is dedicated to the continuous improvement of our sustainability strategy and initiatives across our entire business and supply chain so that together we can tackle forced labour and child labour in a comprehensive and consistent way.

To that end, we took the following steps during the Reporting Period to identify, prevent and reduce the risk of forced labour and child labour in our business and supply chains, which generally applied throughout Molson Coors, including in respect of the activities and supply chains of the Reporting Entities:

- We invited a number of our core suppliers to sign up to SEDEX to help us identify risks of modern slavery in our supply chain.
- We established the Molson Coors Supplier Risk Committee in October 2023.

Details of these steps are contained in this report.

Activities and Structure

The Reporting Entities are part of the global Molson Coors Beverage Company Group ("**Molson Coors**"), one of the world's largest global brewers that operates throughout North America and Europe. Our ultimate parent company is the Molson Coors Beverage Company, a U.S. company headquartered in Chicago, Illinois. Molson Coors Beverage Company is a publicly traded company whose shares are listed on the New York Stock Exchange.

Our Canadian business, through the Reporting Entities, produces, imports, markets, distributes and sells alcoholic and non-alcoholic beverages in Canada and beyond. We champion our popular global and national brands including Molson, Coors, Miller, Creemore, Vizzy, Heineken and many more. The Canadian business is headquartered in Toronto, ON and currently operate five primary breweries (in

Chilliwack, BC, Toronto, ON, Longueil, QC, Moncton, NB and St. John's NL) and four craft breweries (in Granville Island, BC, Creemore, ON, Montreal, QC and Shawinigan, QC).

In addition, we have an agreement with Heineken that grants us the right to produce, import, market, distribute and sell certain Heineken products in Canada. We also have authorizations from The Coca-Cola Company that grant us the right to produce, market, sell and distribute Simply Spiked and AriZona Hard branded products in Canada.

The legal structure, organizational structure and activities of the Reporting Entities are set out in Schedule "A".

Molson Coors has a global and varied workforce, with major employee centres in the U.S., Canada, the U.K. and Romania. As at the end of the Reporting Period, we employed approximately 16,500 employees within our business globally, with approximately 10,100 within our Americas segment and 6,400 within our EMEA & APAC segment. The Reporting Entities, which are part of the Americas segment, had collectively approximately 2500 employees, all of whom are based in Canada. Approximately 36% of such employees are represented by trade unions or councils, which are subject to collective bargaining agreements.

Supply Chain

The Reporting Entities work with a broad range of suppliers based in Canada and globally that deliver goods and services for our brewing and commercial operations.

We have over 2,554 suppliers for the Canadian business covering 12 categories such as raw materials (including, hops, barley and water), packaging, brewing, transportation and IT.

A breakdown of spend by supplier location by the Reporting Entities during the Reporting Period is as follows:

- Suppliers located in Canada – 12.1%
- Suppliers located in United States – 83.8%
- Remaining 4.1% is spread across multiple global suppliers, predominantly Netherlands, Ireland, Mexico, UK, Germany, Romania and Switzerland.

Policies and Procedures

Molson Coors supports the goals of the Modern Slavery Act and takes seriously its responsibility to act diligently to avoid infringing on the human rights of others and address any impact on human rights if they occur.

To that end, Molson Coors has put in place a number of global policies and procedures, all of which apply to the Reporting Entities:

- Our Standards for Business and Supply Partners (the "**Standards**"): Our Standards help us to manage the risks of forced labour and child labour by providing guidance to our suppliers and partners about the minimum standards that we expect. The Standards include the following requirements:
    - comply with all anti-slavery laws and all other applicable laws relating to human trafficking and its prevention;
    - prohibit physical disciplinary abuse and forced labour, including human trafficking;
    - respect employees' right to join, form, or not to join a labour union;
    - fully document grievance procedures and communicate their existence and availability to staff;
    - compensate all employees fairly with wages, overtime premiums, and benefits relative to industry and country laws, and hours of work must comply with benchmark industry standards and must not be excessive;
    - not require staff and workers to lodge 'deposits' or their identity papers and ensure staff are free to leave their employer after reasonable notice;
    - publicly disclose the locations of all manufacturing and processing sites globally and ensure that all sites are maintained appropriately to prevent hazardous working conditions; and
    - ensure that no child labour is recruited and that children or young persons outside of legal working age will not be employed.

- Employment Principles: The Molson Coors Employment 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 includes principles specifically related to modern slavery issues such as forced labour, child labour, freedom of association and collective bargaining, work hours and wages. Molson Coors encourages its business partners to uphold these principles and to adopt similar approaches within their business.

- Code of Business Conduct (the "**Code**"): The Code is the compass that guides the way that we work. The Code 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. The Code also sets out an expectation that anyone working on behalf of Molson Coors – including distributors, consultants, contractors and other business partners – will conduct all activities related to, or reflecting on, our business with integrity and according to the letter, spirit and intent of all applicable laws and the Code. We avoid working with any third parties who engage in practices that violate these principles.

  Importantly, the Code instils in our employees the value of diversity and inclusion, and it condemns harassment and discrimination. It also sets out health and safety as a top priority. The Code also sets forth a commitment to supporting human rights and describing how Molson Coors takes a strong stance against modern slavery and forced labour in all its forms, such as human trafficking, child labour, workplace abuse, and domestic and indentured servitude. Molson Coors is committed to sourcing from, and doing business with, business partners who also engage in ethical labour practices that allow their workplaces to be diverse, safe and healthy environments for all employees.

- **Speaking Up and EAP Hotline**: Our Code encourages employees to speak up if they see something that could cause damage to themselves, their co-workers, the environment, the public, the company's business or reputation, or to stockholders. Employees can use the Ethics and Compliance Helpline to report anything that they believe is a violation of the Code, company policy, or the law. This Helpline provides a third-party confidential and anonymous means for employees to voice their concerns regarding ethics and compliance issues or potential violations. The Helpline is available via telephone or internet to make the resource as convenient as possible for our employees. The Helpline is also available to third parties who wish to report potential violations.

  In addition to the ethics and compliance helpline, Molson Coors employees in Canada have 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.

- **Standard form contract provisions**: As an integral part of our supplier's contracts, Molson Coors includes an anti-slavery clause which sets out key requirements for suppliers to follow.

Due Diligence Processes

Molson Coors, including the Reporting Entities, have the following due diligence processes in place to help identify and mitigate any risks of forced labour and child labour in our supply chains:

- Our Standards for Business and Supply Partners: In addition to providing guidance to our suppliers and partners about the minimum standards that we expect, our Standards encourage any non-compliance to be brought to the attention of Molson Coors. The Standards strongly encourage suppliers and other business partners to contact the Molson Coors Ethics and Compliance Helpline with any questions or concerns or if they feel pressured to violate the standards. The Helpline is run by a third-party service provider and can be completely anonymous, if requested.

- **Right-to-Audit clause in our supplier contracts**: With a number of business activities carried out by third parties outside direct control of the Molson Coors companies, the Right-to-Audit has increasing importance and represents a powerful tool for risk control and mitigation.

- **Supplier Ethical Data Exchange ("SEDEX"):** Molson Coors is a member of SEDEX, an online platform provider that allows companies to carry out risk assessments on its suppliers, and we encourage our strategic suppliers to provide information about their operations in the SEDEX database.

- **Molson Coors Supplier Risk Committee:** Molson Coors has established the Supplier Risk Committee at the global parent level. The purpose of this cross-functional committee is to help identify and monitor critical risk concerns in key risk areas of the business (operational, financial, Ethics & Compliance, Health & Safety, etc), including in the Reporting Entities.

  Prior to the establishment of the Supplier Risk Committee, due diligence was performed to understand and document processes and/or tools used in key areas of the business to mitigate third party risks. This information gathering included discussions around potential tools Molson Coors could utilize to continuously monitor multiple risk concerns in the Ethics & Compliance space such as child labour and forced labour. Discussions related to potential risk tools are ongoing.

Risks of Forced Labour or Child Labour in our Business and Supply Chains

Business

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.

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.

In addition, all Canadian employees at Molson Coors have their salary benchmarked against like-for-like roles within our industry on an annual basis.

None of the Reporting Entities employ anyone under the age of 18. Due to the regulatory environment in which the companies operate, none of our employees are under the legal drinking age in the jurisdiction in which they work.

Supply Chains

We acknowledge there is a risk in the supply chains for these operations. The agriculture sector carries a high risk of child/forced labor. Here is a breakdown of the Company's agriculture-related suppliers:

- In the Americas segment, we malt a majority of our production requirements in the U.S. and Canada, using barley purchased primarily under annual contracts from independent farmers located predominately in the western U.S. and Canadian Prairies. In addition, we source barley malt from three other commercial providers, from which we have a committed supply through 2025. Other brewing adjuncts are sourced from three main suppliers, all in the U.S. and Canada, with a portion of our supply committed through 2024 and a portion committed through 2025. Other malt and cereal grains are purchased primarily from suppliers in the U.S. and Canada.

- Hops used to brew our products are purchased under various contracts from suppliers in the U.S. and Europe primarily sourced from Germany, the U.K., Czech Republic and Slovenia

Remediation

During the Reporting Period, the Reporting Entities did not identify any instances of forced labour or child labour in our operations or supply chains. As a result, we have not had to take any measures to remediate any forced labour or child labour or to remediate any loss of income to vulnerable families.

Training

Molson Coors employees complete Code of Business Conduct training when they first join the business within the first 90 days, and then every other year thereafter. This training aligns our employees with the principles of our Code, instils in our employees the value of diversity, equity and inclusion, condemns harassment and discrimination and provides guidance around a multitude of ethics and compliance issues, including our commitment to supporting human rights and our strong stance against forced labour and child labour.

As at the end of the Reporting Period, the overall global completion rate of the business conduct training at Molson Coors was recorded at 95% for current employees.

Assessment of Effectiveness

The Reporting Entities, as part of the larger Molson Coors Group, have put in place a number of policies and due diligence processes designed to understand the key issues and risks of forced labour and child labour and to mitigate those risks. However, we have not yet taken any actions to assess the effectiveness of those actions.

Future Actions

Molson Coors commits to further raising awareness of modern slavery, forced labour and child labour, human trafficking and human rights within our global organisation over the 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.

Approval and Attestation

This report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Molson Coors Canada Holdco, ULC as the entity that directly or indirectly controls Molson Coors Canada Inc., MC 2018 LP, Molson Canada 2005 and Creemore Springs Brewery Ltd.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest for and on behalf of the Board of Directors of Molson Coors Canada Holdco, ULC that I have reviewed the information contained in the report for the entities listed above. Based on the knowledge of the Board, having exercised reasonable diligence, I attest for and on behalf of the Board that the information in the report is true, accurate and complete in all material responses for the purposes of the Act, for the Reporting Period.

MOLSON COORS CANADA HOLDCO, ULC

Name: David Knaff
Title: Director
Date: 29 May 2024

Appendix "A"

Reporting Entities

Name	Business Number	Legislation of Formation	Activity
Molson Coors Canada Holdco, ULC	98-0532438 BN85680 6195	Nova Scotia	Corporation that is essentially a holding entity. Holds all of the common shares of Molson Coors Canada Inc.
Molson Coors Canada Inc.	98-0458534 BN88777 7761	Ontario	Corporation with exchangeable shares listed on the Toronto Stock Exchange (public company in Canada). This is essentially a holding entity.
MC 2018 LP	98-1445121 BN73112 9284	Ontario	Limited partnership that is the majority partner into Molson Canada 2005 (98.9%). This is only a holding entity and there are no operations. It is an indirectly-held, wholly-owned subsidiary of Molson Coors Canada Inc.
Molson Canada 2005	98-0458610 BN85614 4035	*Partnership Act* (Ontario)	Limited partnership in which there is brewing, packaging, selling, etc activities. This is our main operating entity in Canada.
Creemore Springs Brewery Ltd.	98-0658377 BN10120 0178	*Canada Business Corporations Act*	Corporation in which there are brewing, packaging, selling, etc activities. This is similar to Molson Canada 2005 but for the craft brewery segment. It is a wholly-owned subsidiary of Molson Canada 2005.