

International Telecommunications Safety Conference



Jere Zimmerman

Director, Corporate Safety, Health &
Environment

September 22, 2004

COORS LIGHT

CARLING

COORS ORIGINAL

Worthington's

Grolsch PREMIUM LAGER



KEYSTONE

Reef

ZIMA



MOLSON



Facts & Figures

- Founded in 1873 in Golden
- Coors US Business
 - ◆ #3 US Brewer
 - ◆ 3 Breweries
 - ☞ Golden brewery is world's largest single site
 - ☞ Virginia packaging plant expansion in 2005
 - ☞ Memphis brews Zima, Blue Moon, export
 - ◆ Container Joint Operations with Ball and Owens-Illinois
 - ◆ ~5,000 employees



Facts & Figures

- Coors #9 Global Brewer
- Coors Brewers Ltd. is second-largest brewer in UK acquired 2002 – 3 UK facilities
- Worldwide business
 - ◆ Coors Light #1 in Puerto Rico
 - ◆ Coors Light #1 light and #4 overall in Canada
 - ◆ Coors products also sold in Latin America, Europe, Asia, and the Caribbean
- 34.3 million barrels sold in 2003
- \$4 billion net sales in 2003
- 8,337 employees worldwide



Future ...?

- Proposed merger with Molson to become MolsonCoors subject to shareholder and regulatory approval
- Combined company would be #5 Global Brewer
- Molson is #1 in Canada and #3 in Brazil
- \$6 billion combined sales
- 14,800 employees



Coors -US EH&S Management System

EHS Policy

- Change Management
- Compliance Calendars
- Asset Care

Enabling Processes

Planning

2.1 Compliance Requirements

2.2 Risk Assessment

2.3 Objectives and Targets and Management Program

Operating Processes

EH&S Objectives

- Ensure safe workplace
- Minimize environmental footprint
- Integrate EH&S with business decisions
- Ensure public confidence
- Deliver consistent service
- Ensure facility hygiene

Product & Package Design

Sell Product

Planning and Scheduling

Contract Production

Procurement

Deliver Product

Provide Utilities

Package Product

3.1 Organization Roles & Responsibilities

3.2 Training, Awareness & Competence

3.3 Communications

3.4 Employee Engagement

3.5 Operational Controls

Implementation

3.6 Emergency Preparedness and Response

3.7 Document Control and Record keeping

- Regulatory Requirements
- Plant and Equipment Design
- Regulatory Inspections
- Resource Efficiency

4.1 Auditing

4.2 Measurement and Tracking

- EHS Scorecard
- EHS Performance Metrics

4.3 Non-conformances and Corrective/Preventive Action

5.1 Management Review: EHS Strategy Board

Management Review

Monitoring and Corrective Actions



• Incident Investigation and Reporting



1.0 Policy



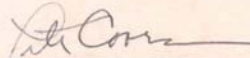
U.S. Environmental, Health and Safety Commitment and Policy

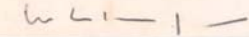
At Coors, we value positive environmental, health and safety performance as integral to excelling in the beer business.

- We believe all work injuries are preventable and are committed to safeguard human life by providing a safe and healthy workplace in the communities where we do business.
- We believe that good business practices embrace environmental stewardship and are committed to protect the environment, by applying sound economic principles to pollution prevention and conservation of resources.

A strong environmental, health and safety management system is essential to fulfill these commitments. Towards that end, the following principles are Company policy, binding on all Coors US employees, partners, contractors, and suppliers.

- We are fully committed to excellence in EHS performance and demonstrate continual improvement; we set objectives and report on our performance.
- We direct our operations and achieve productivity gains in a manner that safeguards human life and provides a safe workplace.
- We implement measures that are technically sound and economically feasible to prevent pollution and conserve resources.
- We adhere to all applicable environmental, health and safety laws, and regulations as well as Coors Policies and Procedures.
- We hold all employees and ourselves accountable for safeguarding human life and protecting the environment, with clear assignment of responsibility and regular EHS training.


Peter Coors, Chairman


Leo Kiely, President and CEO

Adopted on October 27, 2003

Four Ways to Break-down the Barriers to Strategy Implementation

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Legend
POLICY - 10/03
Coors-US EHS
Commitment
and Policy





2.0 Planning

EHS Alerts

- J.J. Keller Weekly Notifications
- CFR Notifications EH&S Site
- Selected Regulatory Action Summaries

EH&S Information

- J.J. Keller Online
- Cyber Regs
- BiblioLine
- EPA & OSHA Links

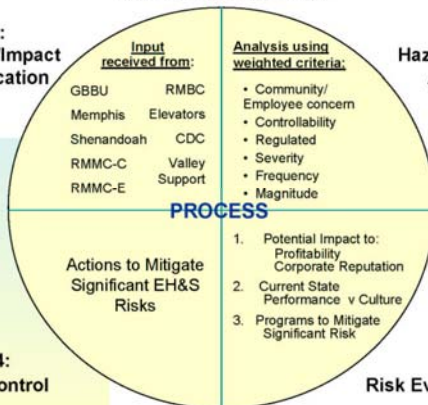
Associations

- ORC
- Food Industry Associations
- General Industry Groups

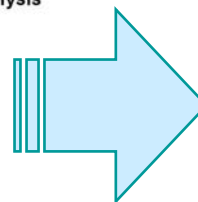
Compliance Calendars

Risk Assessment

Stage 1: Hazard/Impact Identification



Stage 2: Hazard/Risk Analysis



Stage 3: Risk Evaluation

Stage 4: Risk Control

EHS Impact Analysis

Significant EHS Risks Identified



EHS Management Program developed

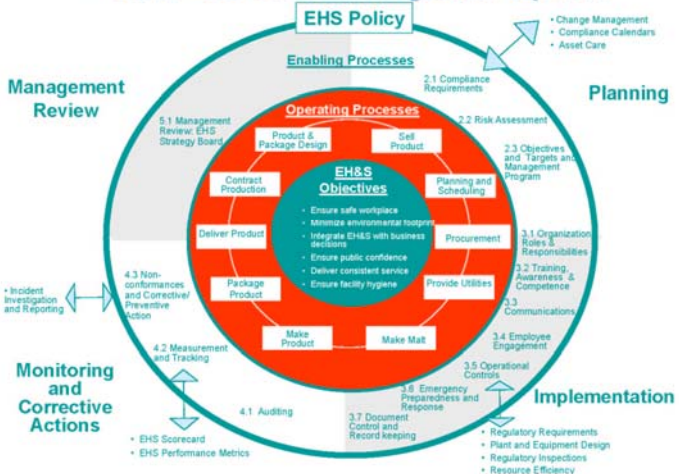
2003 EHS Management Program

Document Type	Document Number	Effective Date
EHS Management System Documentation	EHS-3203-1	July 28, 2003

Targets	Action Step(s)	Verification Metric	Responsible Person
1. Develop and implement 500 machine specific LO/TO/TO procedures at GBBU!	Complete procedures		Anna Revington
2. Complete machine specific LO/TO/TO procedures for Memphis Packaging	Set up PM for verification of procedures		Joan Bean
3. Distribute Shenandoah machine specific LO/TO/TO procedures and implement routine update process	Set up PM for verification of procedures		Brent Berry Ron Kerr Tony Gonzalez
4. Complete RMBC machine specific LO/TO/TO procedures	Complete procedures		Dominic Nelson
5. Finalize LO/TO/TO procedures at RMMC-Ends	Distribute and train employees	Verify training	Dob Clingan

3.0 Implementation

Operational Control IT Tools



Training Matrix

Question #	Regulatory Category	Work Task and Incident Description	Yes	No	Job Details/Description
1	OSHA - Chemical Management Systems	Asbestos Lead and Permitting/Sign			
2	OSHA - Chemical Management Systems	Do employees perform work involving the release or repair of fluids, containers and equipment or work involving carbon or heavier hydrocarbons that may be covered by Section 609.2(a)?			
3	OSHA - Chemical Management Systems	Do employees perform work involving a volatile substance or an electrolyte that is used in handling or service of their vehicles or other equipment?			
4	OSHA - Chemical Management Systems	Do employees perform work in areas where there is the potential for exposure to ionizing radiation?			
5	OSHA - Chemical Management Systems	Do employees perform work involving the use of items which could be dangerous through contact with the employee such as acid?			
6	OSHA - Chemical Management Systems	Do employees perform work in areas where there are gas cylinders and gas equipment located and/or brought in contact with the employee such as acid?			
7	OSHA - Chemical Management Systems	Do employees perform work with containers that are used at facilities chemical inventory?			
8	OSHA - Chemical Management Systems	Do employees perform work in areas where there are gas cylinders and gas equipment located and/or brought in contact with the employee such as acid?			
9	OSHA - Chemical Management Systems	Do employees perform work in a chemical laboratory or laboratory facility?			
10	OSHA - Chemical Management Systems	Do employees perform work in a chemical laboratory or laboratory facility?			

Media	Application Name	Platform
Air	Enviroweb (emissions)	Intranet Application
	Refrigeration Compliance Manager (CFC)	Desktop → to server in 2004
	RMP Submit (EPA)	Desktop
Chemical Management (311/312/313/chemical inventory/chemical approval)	Tinia	Oracle/server
Spill reporting/tracking (Shenandoah only)		
FDA Approvals		
Hazcom RTK (MSDS)		
All EHS compliance training tracking (WHAM)		
Medical Surveillance	Tinia/People Soft	Oracle/Server
Industrial Hygiene (asbestos, lead & heavy metals, noise surveys, employee exposures, airborne exposures, ergonomics, biological IAQ, nonionizing radiation)	MS Access Databases	
Haz Waste Tracking	Haztrack (Hazard Waste Technology)	Desktop
Water	EPA Storet X	Desktop
OSHA Recordkeeping	MS Access database/PeopleSoft	Desktop/server
Radiation	MS Access database	Desktop

Communications Tool



4.0 Monitoring and Tracking



EHS Performance Annual Scorecard

Coors										3rd Quarter YTD, 2003			
	GBBU	Memphis	Shenandoah	RMBC Glass	RMCC Cans	RMCC Ends	CDC	Grain Elevators	CerMex				
EHS	28 open with 0% overdue	32 open with 5/5 targets approved	4 open with 0% overdue	5 open with 5/5 targets approved	0 open with 0% overdue	0 open with 0% overdue	0 open with 0% overdue	NA	NA				
Objectives & Targets	5/5 targets approved	5/5 targets approved	0 Late	0 Late	5/5 targets approved	4/4 targets approved	0 Late						
Regulatory Reports	4 Reportable	12 Reportable	0 Reportable	3 Reportable	1 Reportable								
Waste Reduction	Total Solid 011 ton/bbl	001 ton/bbl	006 ton/bbl	005 ton/bbl	002 ton/1000 cans	0012 ton/1000 ends	NA	NA	NA				
Landfill	94%	72%	92%	95%	81%	95%	NA	NA	NA				
Resource Efficiency	0.313 MMBtu/bbl	0.158 MMBtu/bbl	0.0679 MMBtu/bbl	5.19 MMBtu/bbl	0.240 MMBtu/1000 cans	0.015 MMBtu/1000 ends	NA	NA	NA				
Water	205.00 gal/bbl	148.70 gal/bbl	111.50 gal/bbl	134.90 gal/ton melted	47.5 gal/1000 cans	1.37 gal/1000 ends	NA	NA	NA				
Environmental Fines & Penalties	0	1 minor	0	0	0	0	0	0	0				
TCIR vs Last Year	6.09 2%	12.28 2%	0.90 61%	4.77 5%	4.58 98%	9.23 233%	17.93 17%	0.00 100%	0.00 100%				
TCIR vs Industry	6.09 15%	12.28 132%	0.90 83%	4.77 41%	4.58 44%	9.23 14%	17.93 60%	0.00 100%	0.00 100%				
LWCR vs Last Year	1.35 17%	2.95 86%	0.00 100%	0.53 31%	0.42 54%	0.00 100%	3.36 40%	0.00 100%	0.00 100%				
LWCR vs Industry	1.35 4%	2.95 127%	0.00 100%	0.53 52%	0.42 79%	0.00 100%	3.36 14%	0.00 100%	0.00 100%				
Process % Participation	41%	70%	93%	91%	>90%	99%	77%	87%	NA				
Training	100%	92%	98%	95%	100%	100%	100%	100%	NA				
Mgmt. Involvement % Participation	92%	1st 45%, On Agenda 89%	98%	1st 94%	1st 90%, On Agenda 100%	1st 100%	80%	100%	NA				
GMP	86%	100%	100%	100%	100%	100%	NA	100%	NA				
Safety Citations	0	0	0	0	0	1	0	0	0				
Environmental Safety													
% Earned	41%	20%	56%	43%	47%	36%							

NA = Not Available

Type of Audit	Lead	Frequency
EHS Audit	Corporate EHS	2 yrs
EHS Verification Audit	Corporate EHS	2 yrs
Management System Audit	Legal	3 yrs

10/23/2003

Acme Company Dakota TRACKER

ORGANIZATION DOMAIN TOOLS LOGOUT HELP 9/24/00

- Acme Company
 - Industrial Division
 - Newark, N.J. Plant
 - (1)Additional Actions
 - (1)PSM-RMP-EPCRA Safety
 - 1999 Audit
 - (38)Waste-Health
 - (68)Chemical Division
 - (38)Consumer Products Div

ID#	Action Plan	Status	Date Due	Priority	Responsible Person
769-1	Revise operating procedures to include procedures for emergency shutdown and restart after an emergency shutdown. Implement within 6 months.	Completed	09/27/2000	Medium	Facilities Manager
769-2	Establish written procedures to maintain the on-going integrity of process equipment covered by RMP and PSM regulations.	InProgress	10/10/2000	Medium	Maintenance Supervisor
769-3	Prepare a written plan to implement employee	InProgress	03/01/2000	Medium	Training manager

1 of 65 Table Unsplit Window Next Previous Print Edit Delete

Action Detail #769-1 Status: Completed Date Due: 9/27/00

Action Plan: Revise operating procedures to include procedures for emergency shutdown and restart after an emergency shutdown. Implement within 6 months.

JOURNAL

- 06/28/2000 4:50:29 PM **Bandy Vicariolo** Changed Date Ordered; Date Due from: 8/15/2000; Date Corrected; Status from: InProgress;
- 06/28/2000 4:50:29 PM **Bandy Vicariolo** Procedures have been updated
- 6/21/00 3:19:20 PM **Thomas Wendel** Changed Date Due from: 3/1/2000;
- 6/21/00 3:19:20 PM **Thomas Wendel** Operating procedures have been revised pending review by management

DETAILS

Responsible Person: Facilities Manager
Organization: Acme Company>Industrial Division>Newark, N.J. Plant>1999 Audit>PSM-RMP-EPCRA>

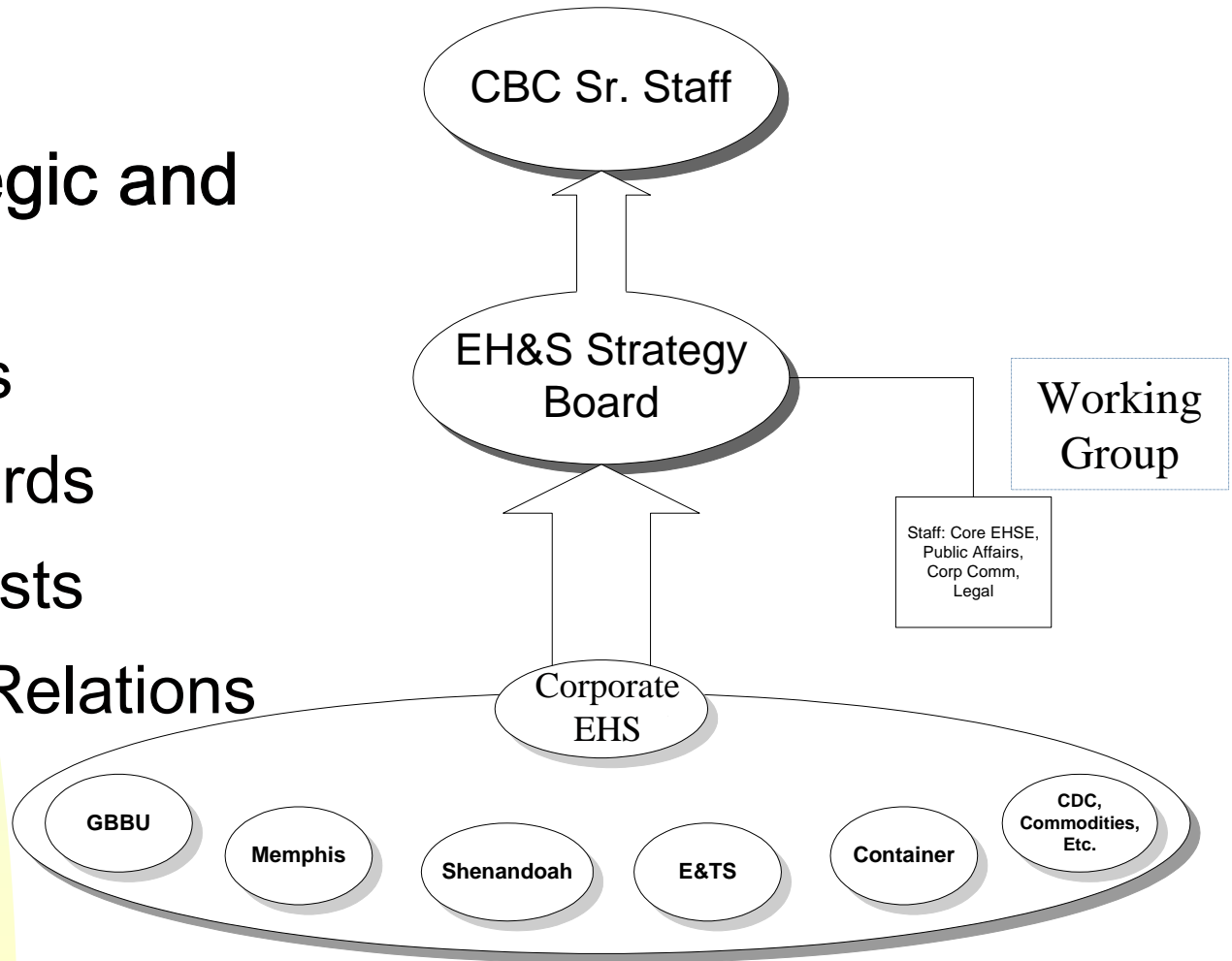
Done Local intranet



5.0 Management Review

Establish a strategic and staff focus on:

- ◆ EHS Systems
- ◆ EHS Scorecards
- ◆ Risks and Costs
- ◆ Stakeholder Relations





Safety Culture

- Benchmark data indicated Coors 3/3 in brewing based on incident rates
- Brought all heads of operations together last Nov. for 2 days to discuss safety
- Formed the safety culture transition team

Safety Culture Transition Team

4th meeting - August 31, 2004

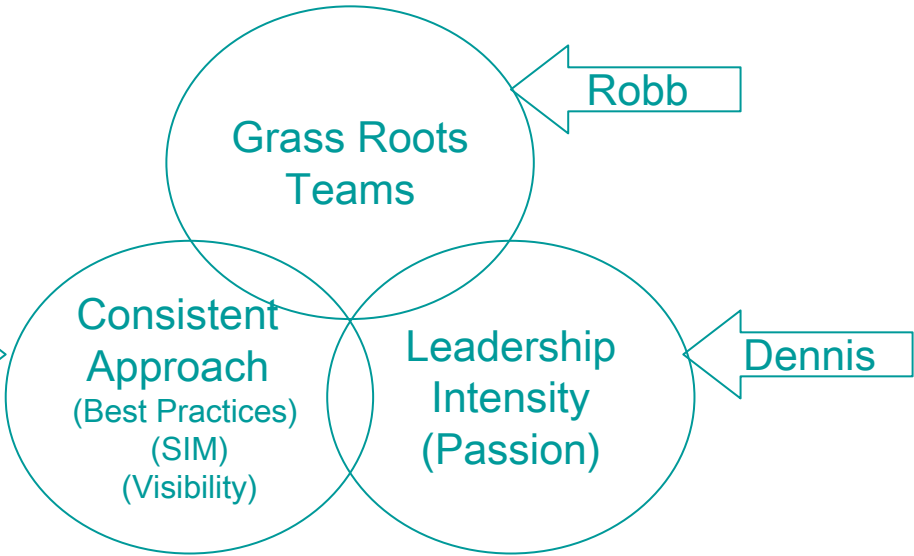


KEYS TO SUCCESS

- *Dedicated structure to manage the transition*
- Work the Culture
- Leadership makes it happen!
- Driving culture change from the grassroots



Lynn



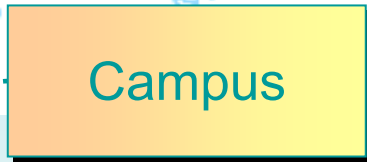
Maintain SCTT essence, this team working together over time
 Quarterly half day meeting (long meeting) in 90 days
 Monthly sub-group meetings
 Make use of monthly teleconferences

Consistency	Grass Roots	Leadership
<p>Lynn Utter</p> <ul style="list-style-type: none"> •Bob Merchant •Ron Schnur •Warren Quilliam •John Kester 	<p>Robb Caseria</p> <ul style="list-style-type: none"> •Glen Opp •Colleen Reiter •Jere Zimmerman •Carolyn Hardy •Glen Freeborn 	<p>Dennis Puffer</p> <ul style="list-style-type: none"> •Dick Key •Robert Machado •Flo Mostaccero •Bob Finnie •Mike Wukitsch

Consistent Approach



Concept approval
SHE Strategy Group



Develop concept



Standardize documentation



Implementation

Possible Campuses:

GBBU – SMP, EMP, CBT

SBU – VPP

MBU – Grassroots safety

Container – Machine Safety,
Web site tool

CDC – Safety In Motion

Integrate into Coors SHE
Management System and
Coors enterprise systems

Roll out company wide

Monitor progress and
sustainability



Grassroots Safety Leadership Methodology

Implemented through management and employee partnership:

- Maintained and guided through leadership at all levels
- Management-led Guidance Team (GT) + Employee-led Grassroots Safety Teams (GSTs)

⇒ *Principles for success*

1. Driving change from Grassroots (what & how)
2. Ongoing management support through Guidance Team
 - Active not passive
 - Coach
3. Focus on Culture
 - Tools
 - Information
4. Marathon not sprint

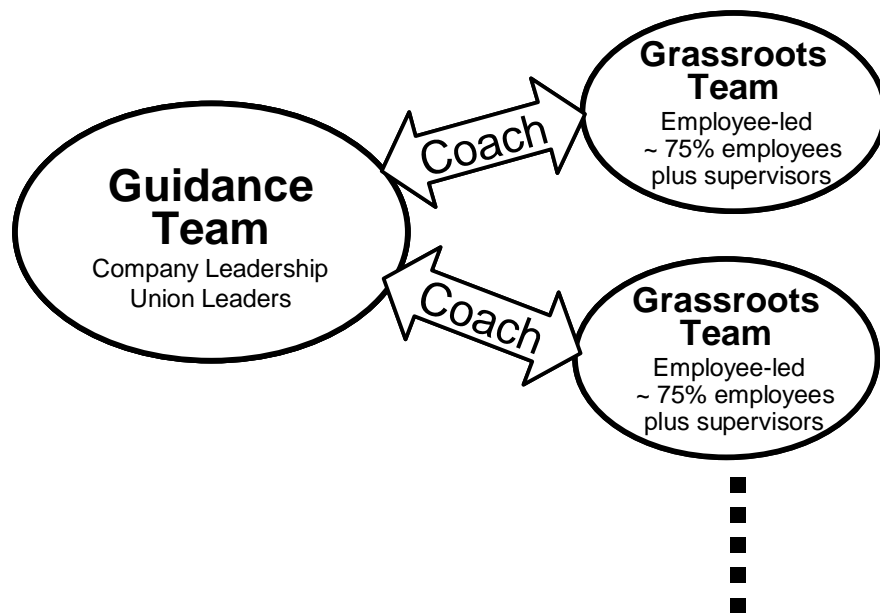
Team Charters

Guidance Team

- Make the case for change
- Share the vision
- Develop capabilities (GST, GT and organization)
- Build trust
- Recognition
- Develop management safety standards

Grassroots Teams

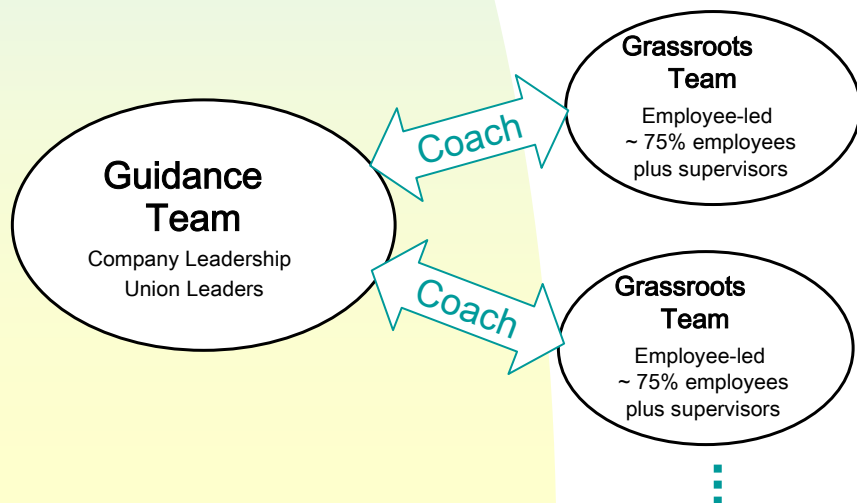
- Gather safety concerns
- Address issues from Safety Culture Survey
- Develop & propose projects
- Implement
- Enlist participation



Grassroots Safety

Suggested focus areas:

- Sr. Management support for GST's
 - ◆ Regular contact
 - ◆ Standing agenda item at SCTT
 - ◆ Plant visits, teleconference
 - ◆ Recognition
- Develop plan for expansion
- Shared learnings



Insights from Team Presentations

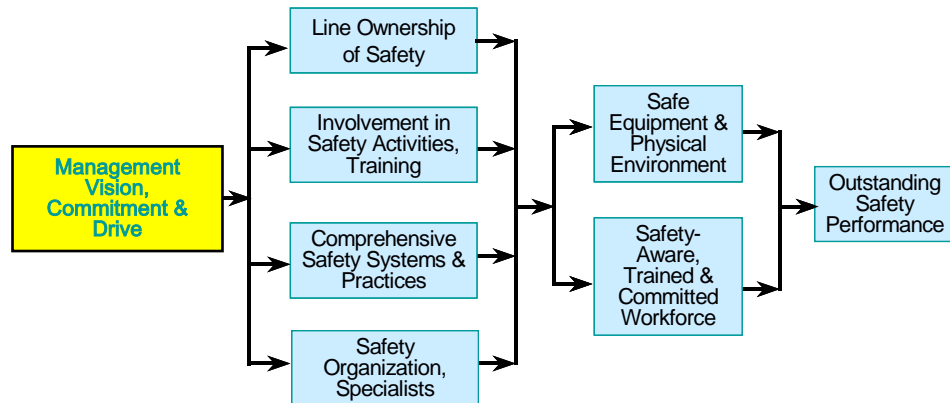
- Passion and commitment
- Employees engaged
- Floor ownership
- There's a process
- We told them same thing – not same reaction
- Real to them
- Depth of discovery
- FRAGILE
- Simple – not big and expensive projects
- Range and interactive-ness

Leadership Intensity

"If it doesn't start here, it doesn't start."

Suggested focus areas:

- Safety incorporated in company values
- Leadership training in safety
- Engage leadership outside operations
- Walk the talk
- Develop 'rallying cry'/ common message/ talking points
- Senior level review of serious incidents and shared learnings
- Safety on equal footing with cost, quality and service
- Ensuring sustainability





Safety in Motion

- Trademarked ergonomic program
- Pilot began at 250 employee company owned distributorship in January
- Incident rates 20-25 last 5 years
- Workers compensation costs \$12,000 average per case

Safety In Motion® High Five Module

Introduction



- Welcome

 - Learn techniques to make everyday activities easier and safer
 - How you apply SIM Techniques off the job

- What is Safety In Motion®

 - A tool kit that gives you more control over how your body conducts forces and where forces put stress on your body.

- Prevent Soft Tissue pain & discomfort

 - Muscles, tendons, joints, and nerves
 - What are some common Soft Tissue Injuries?

- How to participate

 - We will be doing Safety Checks before demonstrations
 - All activities: slow and steady, avoid strain and pain
 - Keep an open mind and ask questions



High-Five Module



- Position Elbows Closer



- Point Your Toe and Go



- Power Grip



- Same Side Hand & Foot



- **BIG LOAD, BIG TOE**

Power Grip & Pinch Grip

- Power Grip



Like a pistol grip

Middle, ring, and little fingers

Relax the index finger & thumb

Power side of hand

Padded side of palm below little finger

- Pinch Grip



Like a pencil grip

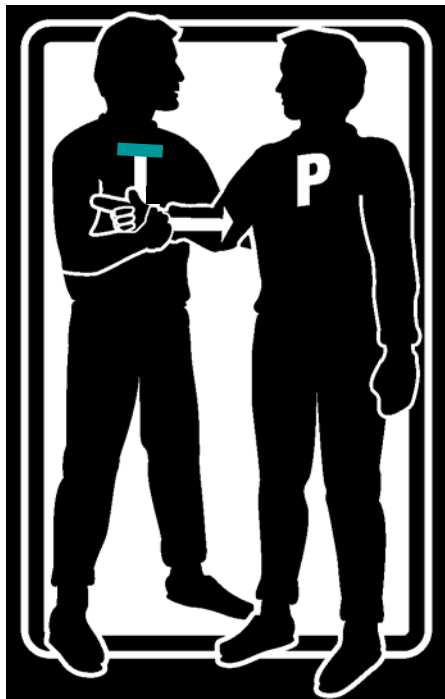
Pinch with index finger and thumb

Relax other fingers

Precision side of hand

Thumb side of hand

Power Grip Demonstration



- **Safety Check**
 - Slow and steady
 - Avoid strain and pain
- Participant ready position
 - Right or left handed? Visual angle.
- Trainer ready position
- **Test Power Grip**
 - Trainer apply steady force to limit of balance.
- **Test Pinch Grip**
 - Make it a fair test.
 - Trainer apply same amount of force.
- **Re-test Power Grip**

Everyone Tries It



- Review demonstration
 - ◆ Safety Check new participant
 - ◆ New participant ready position
 - Feet shoulder width apart, knees flexed
 - Elbow 6" straight forward from side
 - Make Power Grip - relax index finger
 - ◆ Other participant ready position
 - Feet in T position, close to shoulder
 - Hold wrist underneath
 - Other hand behind participant
 - ◆ Test Power Grip
 - Ask if they are ready
 - Slowly build up steady force toward elbow to participant's limit of balance
 - ◆ Test Pinch Grip
 - Make it a fair test
- Pair up and try it

Power Grip

Why better strength & balance?



- Power Grip recruits larger, lower muscles to conduct more force down your trunk to your legs

You can feel this...

Use one hand to hold your other forearm

Squeeze your Power Grip fingers

What muscles are working?



Now squeeze **Pinch Grip** fingers

What muscles are working now?



Results

- Incident rates running at 12
- Workers compensation cost \$3,000 per case
- If trends continue Coors will save 30x program cost in first year



Questions?