



2025 ESG

# IMPACT REPORT

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Unless the context otherwise requires, the terms "company," "Constellation," "CBI," "we," "our," or "us" refer to Constellation Brands, Inc. and its subsidiaries. Constellation Brands' fiscal year runs from March 1 to February 28 or 29. In this ESG Impact Report, we use both calendar year data and fiscal year data. Fiscal year 2025, which ended on February 28, 2025, was our last completed fiscal year.



# ABOUT US

Constellation Brands is a leading international producer and marketer of beer, wine, and spirits with operations in the U.S., Mexico, New Zealand, and Italy. Our mission is to build brands that people love because we believe elevating human connections is Worth Reaching For. It's worth our dedication, hard work, and calculated risks to anticipate market trends and deliver for our consumers, shareholders, employees, and industry. This dedication is what has driven us to become one of the fastest-growing, large CPG companies in the U.S. at retail, and it drives our pursuit to deliver what's next.

Every day, people reach for brands from our high-end, imported beer portfolio anchored by the iconic Corona Extra and Modelo Especial, a flavorful lineup of Modelo Cheladas, and favorites like Pacifico and Victoria; our exceptional wine brands including The Prisoner Wine Company, Robert Mondavi Winery, Kim Crawford, Schrader Cellars, and Lingua Franca; and our craft spirits brands such as Casa Noble Tequila and High West Whiskey.

As an agriculture-based company, we strive to operate in a way that is sustainable and responsible. Our ESG strategy is embedded into our business, and we focus on serving as good stewards of the environment, investing in our communities, and promoting responsible beverage alcohol consumption. We believe these aspirations in support of our longer-term business strategy allow us to contribute to a future that is truly Worth Reaching For.

For more information, visit [cbrands.com](https://cbrands.com).

# CREATING A FUTURE THAT'S TRULY WORTH REACHING FOR

**“Our ESG strategy is designed to drive and protect long-term business value while delivering on what matters most to our customers, employees, investors, consumers, and the communities where we operate.”**

Our vision as a company is to help elevate human connections and communities, working to create a future for all stakeholders that is truly Worth Reaching For. We do this in part by holding steadfast to our commitments:

- Operate in a manner that seeks to safeguard our environment and natural resources to help build vibrant and more sustainable communities where our facilities are located;
- Provide support that helps communities where we operate thrive, benefiting local residents, our employees, and our business; and
- Advocate for responsible consumption of beverage alcohol products to help ensure the continued safety and wellbeing of our consumers.

Our dedicated team members across our company work together each day alongside community allies, government and regulatory authorities, and nongovernmental organization (NGO) partners to develop and execute targeted initiatives that help us deliver against our commitments.



Working together, we've made meaningful progress against our environmental sustainability goals, while continuing to support the ongoing growth in our portfolio of higher-end brands driven by consumer demand.

We surpassed our target to restore 5 billion gallons of our water withdrawals back to local watersheds near our production facilities between fiscal year 2023 and fiscal year 2025. We also worked with local authorities and community members in multiple cities neighboring our breweries in Nava, Coahuila, Mexico, and Obregón, Sonora, Mexico, to build infrastructure that enhanced residents' access to quality water. Helping to maintain the health of the watersheds in communities where we operate remains an important element of our overall water stewardship strategy and ambition to help restore an amount of water equivalent to what we use in our brewery operations.

To that end, by the end of fiscal year 2028, we aim to reduce our ratio of water consumed per product produced across our brewery network relative to our fiscal year 2025 baseline; help restore key watersheds near our brewery operations as we seek to restore the same amount of water as we use in those operations; help improve water accessibility in areas where we operate; and work in collaboration with key suppliers to help support effective water management across our supply chain.

We also continue to make progress in managing our greenhouse gas (GHG) footprint through the reduction of Scope 1 emissions from our operations relative to fiscal year 2023. That said, we did not achieve our GHG Scope 1 and Scope 2 emissions reduction target relative to fiscal year 2020, primarily due to increased production to meet the growth in consumer demand of our beer brands, and due to limited access to cost-effective renewable energy and other resource constraints. However, our energy management efforts helped reduce the energy used per case of beer produced by 12% relative to our fiscal year 2023 baseline, all while managing increased production.

<sup>1</sup>From baseline fiscal year 2025 Scope 1 and Scope 2 emissions.

<sup>2</sup>Administered by Green Business Certification Inc., TRUE Zero Waste Certification is the first zero waste certification program dedicated to measuring, improving, and recognizing zero waste performance by encouraging the adoption of sustainable materials management and reduction practices which can contribute to positive environmental, health, and economic outcomes.

We are pleased to share in this Report a number of initiatives our team has undertaken to help improve our management of our Scope 1 and Scope 2 emissions and to enhance our data collection and reporting capabilities. As such, we are targeting reducing our Scope 1 and Scope 2 emissions by approximately 10-20%<sup>1</sup> by the end of the fiscal year 2028 in our Nava and Obregón brewery operations. Additionally, we continue our efforts in collecting supplier emissions data and collaborating with key suppliers to better understand opportunities to help reduce Scope 3 emissions across the supply chain.

Finally, we remain committed to reducing our operational waste and maintaining our TRUE Zero Waste<sup>2</sup> certifications for our Nava and Obregón breweries, and collaborating with key suppliers to enhance our company's use of circular packaging.

And within our communities, our efforts in partnership with on-the-ground nonprofits have helped more than 33,000 individuals and families over the past two calendar years, through our support of housing empowerment, financial literacy, job training, and career development programs. We believe that by creating these opportunities, we contribute to sustainable economic development for all, ensuring that both communities and businesses can prosper together.

I'm extremely proud of what our team has accomplished to date. I want to thank our Constellation Brands team members for your passion, hard work, and dedication towards driving continued progress against our commitments, as well as our industry, community, and NGO partners for your continued support and collaboration. Working together, we will continue to strive to achieve our aspirations of creating a sustainable future.

We invite you to learn more about these efforts and many others that are outlined in this Report.

**BILL NEWLANDS, PRESIDENT & CEO**



# ESG STRATEGY

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# ENVIRONMENTAL SUSTAINABILITY

# SERVING AS GOOD STEWARDS OF OUR ENVIRONMENT AND NATURAL RESOURCES

We are committed to environmental stewardship, seeking to ensure that we actively reduce our environmental footprint while driving business growth.

In fiscal years 2024 and 2025, we made strides in areas like water conservation, solar energy, and waste diversion. By continuing to align with both our business objectives and community needs, we are helping to foster a resilient and more sustainable future—not only for our business but also for the communities where we operate.

Ruffino Greppone Mazzi Estate, Italy

# WATER STEWARDSHIP

We believe that access to clean water is critical to building strong communities. As an agriculture-based company, water is a vital resource for our operations—from brewing and winemaking to distillation and facility maintenance. We aim to drive sustainable operations and support healthy, resilient watersheds in communities where we operate. By exploring opportunities to manage and adapt to changes in water availability and quality, we aim to contribute to the strength of the communities and industry that sustain us.

We have made meaningful progress against our water stewardship goals, surpassing our target to restore 5 billion gallons of our water withdrawals back to local watersheds near our production facilities between fiscal year 2023 and fiscal year 2025. We remain committed to serving as a good steward of the water we use while doing our part to help sustain water resources for the benefit of local residents and industry where we operate.

We aim to achieve our water stewardship ambitions by:

## 1. Enhancing water efficiency in our operations

- By the end of fiscal year 2028, reducing our water use efficiency ratio at our breweries from 3.21 hectoliters (hl)/hl to 3.0 hl/hl in Nava and from 3.46 hl/hl to 3.30hl/hl in Obregón relative to baseline fiscal year 2025.
- Leveraging wastewater treatment capabilities at our Nava and Obregón breweries to recycle and reuse treated water for operational purposes (e.g., cooling pipes, irrigation), thereby helping to reduce our withdrawals from local watersheds.
- Leveraging irrigation technology to help maximize water efficiency at company-owned vineyards.

## 2. Helping sustain healthy watersheds

- Our long-term ambition is to help restore an amount of water equivalent to what each of our breweries consumes annually to local watersheds serving each brewery. This will help ensure sustainable access to water where we operate.
- We plan to achieve this ambition by continuing to collaborate with local government agencies and community partners in Nava, Obregón, and Veracruz on initiatives to help restore key watersheds near our breweries in each of these locations.

## 3. Helping ensure water accessibility

- Helping to build sustainable communities where we operate by collaborating with local government agencies and local partners on initiatives to provide access to quality water for local residents and industry in underserved communities near our breweries.

## 4. Promoting supply chain water stewardship

- Collaborating with key suppliers on initiatives designed to ensure effective water management across our supply chain.



**We are committed to enhancing water stewardship by utilizing proven conservation methods and conducting regional water risk assessments to guide our actions. Our water management efforts focus on priority areas, including some regions of Mexico, California, and New Zealand where water conservation is vital to our business.**

**These initiatives range from innovative wastewater recycling at our breweries to investments in groundwater recharge and watershed restoration projects in the communities where we operate around the world.**

### **1. Enhancing Water Efficiency in Our Operations**

We aim to continuously improve operational efficiencies across our brewing operations and practice more sustainable agricultural water use across our vineyards. We've invested in resources, including new technology, to support the efficiency of our water use, reuse, and treatment, and we continue to integrate sustainability considerations into the design of our operations.

For example, in fiscal year 2025, we began installing a wastewater system at our Lingua Franca Winery in Oregon. This system will increase our wastewater treatment capacity while reducing mechanical wear on existing systems, enhancing the longevity and efficiency of water use across the facility.

Ruffino in Italy has three state-of-the-art water treatment plants—for Ruffino S.r.l. in Pontassieve, for Tenute Ruffino on the Poggio Casciano estate, and on the San Donà di Piave site as well as three phytoremediation plants in Tuscany in our Gretole, La Solatia, and Greppone Mazzi sites. These help ensure wastewater is treated to high environmental standards before being returned to local waterways or repurposed for irrigation. This process aims to reduce the environmental impact of wastewater discharge, with the goal of managing the water used in our operations more responsibly. These efforts included constructing six basins to collect rainwater and precision agriculture technology to control water use when irrigating, helping to save more water than in traditional irrigation.

### **2. Helping Sustain Healthy Watersheds**

We are committed to sustaining healthy watersheds in priority locations where we operate, aiming to protect and restore local ecosystems. To achieve this, we collaborate with partners across various sectors, including NGOs, foundations, and state and municipal governments, to understand key water challenges and seek to identify effective solutions. Our investments in public infrastructure and watershed health projects are designed to help address these challenges and ensure the future resilience of water resources we actively utilize. Here we highlight a few of our water restoration efforts.

In the state of Sonora, Mexico, where our Obregón Brewery is located, we collaborated with the Yaqui River Irrigation District to support infrastructure upgrades to improve irrigation efficiency and reduce demand in this agricultural region, significantly contributing to reaching our initial water restoration target by increasing the efficiency of the irrigation system and reducing the amount of water lost.

In fiscal year 2025, our team in Mexico expanded on the work in Sonora by collaborating with the Yaqui River Irrigation District, the Yaqui River Watershed Council, and the Matape River Watershed Council to build six pumps that will recover water from the Yaqui River Basin for agricultural reuse. Based on data provided by the Yaqui River Irrigation District, the project is expected to restore more than 3,750 megaliters of reusable water per year by reusing water from irrigation and providing more sustainable water resources for local residents and industry in the communities where we live and work.



In collaboration with the Colorado River Indian Tribe (CRIT) and precision irrigation technology provider N-Drip, during fiscal year 2025, we helped install precision drip irrigation on CRIT farmland. Unlike conventional flood irrigation, drip irrigation delivers water directly to the soil, minimizing evaporation and runoff. This project is aimed at enhancing the long-term resilience of tribal farm operations, while also seeking to help stabilize water levels in Lake Mead, a key reservoir for the Colorado River Basin. Reducing water stress here can help support watershed health for California, which depends on these shared water sources.

Our team in New Zealand is committed to protecting and restoring the Otouwhero River Watershed through a long-term initiative beginning in fiscal year 2022 through fiscal year 2031. The project began with planning and site preparation, followed by the first native vegetation planting in fiscal year 2023. Each year, the team hosts safety and environmental days focused on removing invasive species and planting native vegetation along the riverbanks. These native plants act as natural filters, helping stabilize the riverbanks, reduce surface water runoff, and support local aquatic habitats. By reducing flood risk and improving ecological resilience, the project aims to enhance the health of the watershed for future generations.





Nava Brewery, Mexico

### 3. Helping Ensure Water Accessibility

Our water stewardship extends beyond our own operations as we help ensure access to clean and accessible water in the areas where we operate, benefiting both our business and the local communities. This includes promoting efficient water use and reuse, upgrading infrastructure, and implementing wastewater treatment processes that return water to the community.

Across Sonora and Coahuila, Mexico, we work with local governments and NGOs to improve access to safe drinking water through multiple initiatives, including a water infrastructure modernization project in Nava. In fiscal year 2025, our team in Mexico collaborated with the State of Coahuila Water and Sanitation Commission to upgrade potable water infrastructure to reduce water loss, improve water efficiency, and improve accessibility for local residents near our Nava brewery. The project is

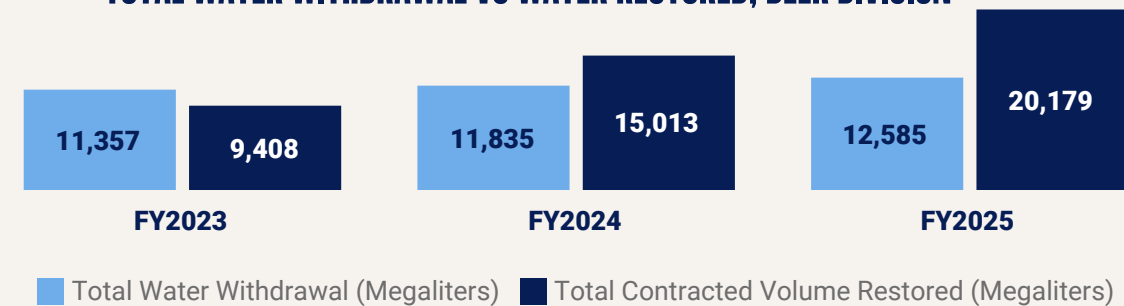
expected to restore approximately 473 megaliters of water per year contributing to our new water restoration ambitions. The project is also expected to improve water access and reliability to an estimated 4,400 nearby Nava residents providing better sanitation and healthier livelihoods.

During fiscal year 2025 in Nogales, Arizona—a vital entry point for our products coming from the Obregón Brewery—we partnered with the Sonoran Institute to address pollution in the Nogales community. The Nogales Trash Trap Project removes river-borne debris and is aimed at improving water quality for approximately 20,000 people. By investing in essential infrastructure, we're not only cleaning local waterways but also helping protect the health of residents who rely on this vital resource.

### 4. Supporting Supply Chain Water Stewardship

We are committed to collaborating with key suppliers on initiatives to support more sustainable water use and water accessibility and availability. Moving forward we plan to continue collaborating with key suppliers to explore water stewardship efforts that support our collective business and our communities.

### TOTAL WATER WITHDRAWAL VS WATER RESTORED, BEER DIVISION



All volume benefits are estimated based on best available data and estimation techniques following the Volumetric Water Benefit Accounting (VWBA): A Method for Implementing and Valuing Water Stewardship Activities. Annual volume benefits may change or fluctuate as conditions on the ground change, or when new information is obtained. Contracted volume restored refers to volume water benefits resulting from water restoration activities that Constellation Brands contracted through our project partners.

**Each year we continue to enhance our ability to help restore water back to watersheds and communities where we operate.**

The Prisoner Wine Company, California



# CLIMATE

We remain focused on managing our GHG emissions by reducing our reliance on non-renewable energy sources and improving our overall energy consumption, which helps to reduce potentially harmful effects to our environment and communities where we operate. We aim to accomplish this by:

## 1. Reducing Scope 1 & Scope 2 Emissions

- Reducing Scope 1 and Scope 2 emissions in our brewery operations in Nava and Obregón by approximately 10-20% by the end of fiscal year 2028 through internal energy efficiency projects and cost-effective renewable energy procurement agreements (vs. fiscal year 2025).
- Leveraging renewable energy at key wineries to help reduce GHG emissions.
- Leveraging autonomous electric tractors at key vineyards to help reduce GHG emissions.

## 2. Reducing Scope 3 Emissions

- Collaborating with key suppliers on initiatives to help reduce GHG emissions across our supply chain.

## Managing GHG Emissions Through Energy Efficiency and Renewable Energy Initiatives

We are committed to investing in solar energy systems across our vineyard operations, starting with solar initiatives in California and Italy.

In California, The Prisoner Wine Company completed a phased solar energy project consisting of both ground-mount and rooftop systems. All systems were powered on and officially connected to the utility grid in fiscal year 2024. The combined system has the capacity to supply close to 100% of the winery's average annual electricity needs, reinforcing its commitment to clean, renewable energy.

Elsewhere in California, our To Kalon Vineyard continues to use solar energy to meet some on-site energy demands which feeds renewable clean energy back into the electric grid, subsidizing the electricity consumed to operate while also charging and powering on-site equipment.

At Ruffino, in Italy, we've installed solar systems at several of our wineries in Tuscany, Veneto, and Pontassieve, which are now generating renewable energy that partially powers our facilities. In fiscal year 2025, we achieved 438 kilowatt peak of solar energy, the majority of which was self-consumed at the sites.



## Honoring Environmental Sustainability Best Practices

Our annual Environmental Sustainability Awards honor exemplary Constellation Brands initiatives that help drive business value and demonstrate meaningful commitment to enhancing our environmental stewardship.

The Leadership Award recognizes facilities that demonstrate best-in-class environmentally sustainable practices focused on water stewardship and at least two additional sustainability categories.

The Stewardship Award recognizes facilities that implemented outstanding projects in any sustainability category that led to strong environmental benefits.

Calendar year 2024 award recipients included:

### The Obregón Brewery, Leadership Award Winner

The team at the Obregón Brewery implemented a range of comprehensive environmental sustainability initiatives focused on water, energy, waste management, ecosystems, and supply chain. These included water management programs for reduced consumption and increased reuse, a community water project with the Yaqui River Irrigation District, a transition to natural gas boilers for energy efficiency, and ongoing waste reduction efforts, in addition to other projects.

### Quarry Lake Winery, Stewardship Award Winner

The Quarry Lake Winery was recognized for implementing energy initiatives to help the site eliminate the need for propane fuel. The team is also implementing energy improvements, identifying projects and processes to reduce electricity consumption and manage overall annual kWh/tons produced.

### The Prisoner Wine Company, Stewardship Award Winner

The Prisoner Wine Company was honored for its strong environmental initiatives in the water category, taking measures to significantly reduce water usage at the facility.

### Energy Efficiencies in Our Operations

In addition to solar energy initiatives, we are enhancing energy efficiency through refrigeration upgrades at key facilities.

At the Kim Crawford Winery in Marlborough, New Zealand, the aging refrigeration system was replaced in fiscal year 2025 with a modern, ammonia-based system that is expected to result in a reduction in the winery's total emissions footprint. The project marks a significant step forward in enhancing operational efficiency and lowering climate impact across the facility.

At the Obregón Brewery in Mexico, we successfully transitioned from fuel oil to natural gas for our boilers, helping to reduce our GHG emissions. Natural gas is one of the cleanest fuels when burned and offers higher energy efficiency, positively impacting our carbon footprint compared to using less energy-efficient fuels such as diesel and fuel oil.

Additionally, the brewery utilized biogas from wastewater treatment to fuel auxiliary boilers. Biogas is a renewable energy source which generates fewer pollutants than fossil fuels. We recovered and used approximately 3,400,000 cubic meters of biogas in the same year. We've also focused our efforts on CO<sub>2</sub> recovery. During the beer brewing process at the Obregón Brewery, CO<sub>2</sub> is naturally generated during wort fermentation. Instead of letting it escape, we recover and condition this CO<sub>2</sub> for reuse in beer carbonation, counter-pressure in beer tanks, and moving air out of beer transport lines to prevent oxidation from impacting product quality. This system achieved self-sufficiency, eliminating the need for external CO<sub>2</sub> purchases since fiscal year 2024. These innovative practices enhance our operational efficiency and exemplify a commitment to implementing more sustainable solutions for our business, industry, and the environment.

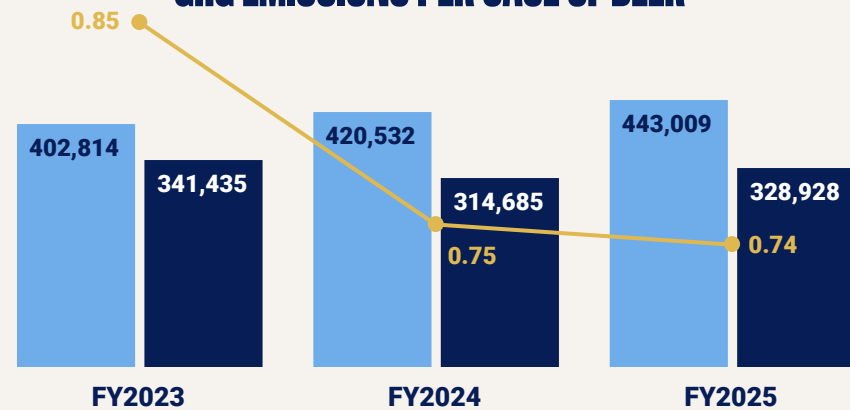
### Collaborating with Industry and Advocating for Climate Action

Advancing climate action requires collaboration across the industry. We work with industry partners that share best practices and collectively work toward a more sustainable, low-carbon economy.



Robert Mondavi Winery, California

### GHG EMISSIONS PER CASE OF BEER



■ Total Beer division volume of Product Produced (Thousand case eq.)  
 ■ Total Beer division GHG emissions (MTCO<sub>2</sub>e)  
 ● Intensity (Metric tons CO<sub>2</sub>e/thousand case eq.)

Includes Scope 1 and 2 emissions.

Methodology and assumptions regarding measurement of GHG emissions are set forth below in the Data Performance Tables under the heading GHG and Energy.

**Through our efforts, we were able to reduce GHG emissions per case by 12% while also increasing our production by ~10% to meet consumer demand.**

# PACKAGING AND WASTE

Our packaging sustainability and waste management efforts seek to minimize pollution and play a critical role in environmental protection in communities where we operate, while helping enhance consumer satisfaction of our high-quality brands. As part of our packaging and waste efforts, we are committed to:

## 1. Prioritizing Waste Reduction

- Maintaining our TRUE Zero Waste certifications in our Nava and Obregón breweries while continuously identifying opportunities to enhance waste reduction and resource efficiency.

## 2. Enhancing Circular Packaging

- Collaborating with key suppliers on initiatives to help improve our packaging circularity through sustainable resource management practices and packaging technology and design principles.



In fiscal years 2024 and 2025, we focused on reducing the weight of bottles in our wine and spirits portfolio and optimizing the use of labels, corks, and wine bottle capsules to limit potential waste and lower shipping emissions. Since fiscal year 2023, we achieved a 20% reduction in packaging weight for SKUs that were included in these packaging transformation efforts.

Our TRUE Zero Waste certifications, achieved in fiscal year 2025, for our Obregón Brewery (Silver) and Nava Brewery (Gold) demonstrate our commitment to reducing waste sent to landfill through comprehensive waste diversion programs. These certifications recognize our commitment to reducing waste and seeking to ensure that materials are reused, recycled, or composted instead of ending up in landfills.

Our compost program repurposes waste for local agriculture, while the Nava Brewery's Crecidendo Juntos Nursery grows native plants to support biodiversity.

## Optimizing Packaging for Sustainability & Recyclability

We continue to seek opportunities to incorporate post-consumer recycled (PCR) content in our packaging portfolio. To further strengthen our commitment to sustainability, we replaced hi-cone plastic rings with recyclable paperboard for all 4-pack and 6-pack SKUs in our beer portfolio. As part of our ongoing commitment to sustainability, we initiated a project in fiscal year 2023 across our breweries to transition from single-use wooden pallets to reusable plastic pallets exclusively for can and bottle transportation.

Furthermore, this project is currently 98% complete, and we anticipate achieving full transition by the end of the first half of fiscal year 2026. We're also eliminating one-way wood pallets and replacing them with reusable pallets made from recycled content to reduce tree felling, as well as carbon emissions from fabrication of the pallets and transportation in our logistics operations, along with promoting a pallet return process.

Our Nava Brewery discontinued the use of non-slip film in select packaging presentations and reduced the use of air packaging for transport, eliminating more than 35 tons of waste in fiscal year 2024.



## Lighter Bottles, Less Waste: Ruffino's Eco-Design Approach

At Ruffino in Italy, we are rethinking packaging with an eco-design-oriented approach that reduces glass waste while maintaining the quality and safety of our bottles. After extensive studies, we implemented a three-year roadmap to reduce the average bottle weight by nearly 7%, with some bottle types seeing weight reductions as high as 42%.

- In fiscal year 2023, we introduced the first bottle modifications, saving over 330 tons of glass.
- By fiscal year 2024, total glass savings reached over 640 tons since the initiative began.
- In fiscal year 2025, we expanded light bottle designs to additional brands, bringing total glass savings at Ruffino to over 1,360 tons.

Beyond glass, Ruffino took steps to ensure that 100% of the paper and cardboard used in its packaging is FSC-certified as of calendar year 2024. Additionally, its premium wooden cases are now on a roadmap to transition to PEFC-certified sustainable wood, with the goal of 100% certification by calendar year 2028.



### Corona Protect Our Beaches: Removing Plastic Waste in Oceans

The Corona Protect Our Beaches initiative exemplifies how our brands foster positive environmental change. Launched in partnership with international NGO Oceanic Global, this program focuses on removing plastic waste from coastlines, reducing plastic footprints, and educating consumers about marine conservation. Through reducing internal plastic usage and engaging communities in cleanup efforts nationwide, this initiative has removed over 1.2 million pounds of plastic waste from beaches and Constellation's business.

The program's success reflects our ongoing efforts to reduce waste while we engage with communities to contribute to environmental improvements.

### Scaling Recycling & Circular Economy Initiatives

Looking for more ways to recycle, our vineyards in Marlborough, New Zealand, are working with Repost, a sustainable waste solution for treated timber viticulture and orchard waste, to recondition used or broken vineyard posts and sell them to the local farming community, upcycling more than 22,000 posts or an estimated 720m<sup>3</sup> of material that were destined for landfills.

These efforts extend to our employees through our recycling and waste management initiatives, which are embedded in our culture of continuous improvement. By educating employees on how to properly dispose of waste and enhancing recycling and composting practices, we aim to contribute to a more sustainable environment.

### Reducing Operational Waste & Landfill Diversion

We are continuously exploring ways to reduce waste and repurpose byproducts, supporting a more circular waste management system across our global operations.

At The Prisoner Wine Company, waste is carefully tracked to reduce landfill impact. The winery recycles hazardous and electronic waste and composts 100% of production refuse, including stems, pomace, and grape skins. Our partnership with Upper Valley Waste Management, who we have been working with since 2013, enabled us to divert approximately 25 tons of food waste from landfills in calendar year 2024.

At our Nava Brewery in Mexico, a significant portion of waste is also diverted through innovative reuse programs. Spent grains from the brewing process are repurposed and a portion is donated as livestock feed, supporting local agriculture and reducing overall waste.

In New Zealand, both the Selaks and Kim Crawford wineries are successfully diverting 100% of their harvest pomace (marc) from landfill. At Selaks, all marc is sent to a composting facility located adjacent to the winery, turning a byproduct of winemaking into nutrient-rich compost. At Kim Crawford, marc is either spread beneath vineyard vines to naturally return nutrients to the soil or sent to a feed lot where it is used as cattle feed. Together, these practices diverted approximately 5,000 tons of marc from landfill in fiscal year 2025 alone, exemplifying how waste can be transformed into a valuable resource.

These collective efforts reflect our commitment to responsible production and regenerative practices, reducing our environmental footprint while supporting local ecosystems and communities.



# LAND PROTECTION AND BIODIVERSITY

## Restoring Land and Enhancing Biodiversity

Our commitment to land restoration is reflected in multiple initiatives that support biodiversity and promote environmental sustainability. At Ruffino's vineyards in Veneto and Tuscany, we planted tree species and hedges, added beehives, and created and restored wetlands, working to protect local flora and fauna. These projects help support biodiversity and protect the habitats of native species, contributing to ecosystem resilience. Our team has spent more than 13 years implementing precision viticulture techniques to improve production, while intervening only when required and exploring new technologies to further enhance biodiversity. These efforts culminated in the calendar year 2024 harvest, when Ruffino had its first fully organic harvest.

In Italy, our estates operate with 100% organic farming practices, creating a healthy environment not only for our vineyards but also for the surrounding ecosystems. As part of this commitment to enhancing biodiversity, we partner with local beekeepers to support the health of pollinators, which are essential for food production and ecosystem resilience. Through our honey production initiative, beehives were installed across multiple estates, providing a thriving habitat for bees while supporting the pollination of local crops. The presence and good health of the bees serve as a strong indicator of our positive environmental impact, reinforcing the value of organic agriculture in sustaining natural systems.

Our commitment to biodiversity extends beyond Italy. All Constellation Brands owned and operated vineyards are certified to the Leading Harvest Farmland Management Standard, which promotes agricultural practices that balance production with conservation. This includes measures to recognize and protect threatened and endangered species, conserve native habitats and riparian ecosystems, and carefully manage inputs like herbicides and pesticides. Across our vineyards, we implement regionally appropriate practices, such as cover cropping, installing bird boxes, soil erosion control, and planting native flora and grassland species, all designed to enhance wildlife habitat and preserve biodiversity.

At our Nava Brewery, we held an environmental awareness fair to educate local students on our sustainability efforts, fostering community engagement with environmental protection efforts.

In New Zealand, our teams further contribute to local ecosystems by participating in annual safety and environmental days, where they actively engage in native reforestation projects. In fiscal year 2025 alone, nearly 5,000 plants were planted across the Mōtū region, supporting long-term ecosystem health and restoration.

We are committed to demonstrating best practices that support biodiversity where we operate and to continually improving the sustainability of our vineyard management.

## Conserving Forests and Natural Habitats

We are focused on protecting forests and natural habitats that play a key role in carbon sequestration and climate regulation. Our Forest Stewardship Council (FSC) certification in winemaking at Ruffino ensures that the wood products we use, such as paper and cardboard, are sourced from sustainably managed forests. This commitment helps preserve global forests, which are essential to carbon storage and biodiversity conservation.



Ruffino La Solatia Estate, Italy

# INDUSTRY CERTIFICATIONS AND PARTNERSHIPS

Industry certifications and strategic partnerships are key tools we use to guide, measure, and reduce our environmental impact. Certifications help validate our adherence to global best practices, while partnerships with leading organizations allow us to collaborate, share knowledge, and accelerate progress. Together, these efforts can ensure we continue to meet and exceed international sustainability standards across our operations.

## Industry Partnerships

We believe partnerships and collaborations reinforce our position in the industry and create a community of thought leadership and learning. These important relationships help us accelerate internal change and stay abreast of best practices and standards.



## Our certifications include:





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# HELPING THE COMMUNITIES WHERE WE OPERATE THRIVE AND PROSPER

Since its founding, Constellation Brands has been dedicated to helping the communities we serve by ensuring that our corporate social responsibility efforts are aligned to our business needs and the values of our core consumers. We do this by supporting community-based organizations with strong records of success and by empowering our employees to volunteer their time, share their skills, and donate their resources, so that together, we can create a greater, lasting impact.

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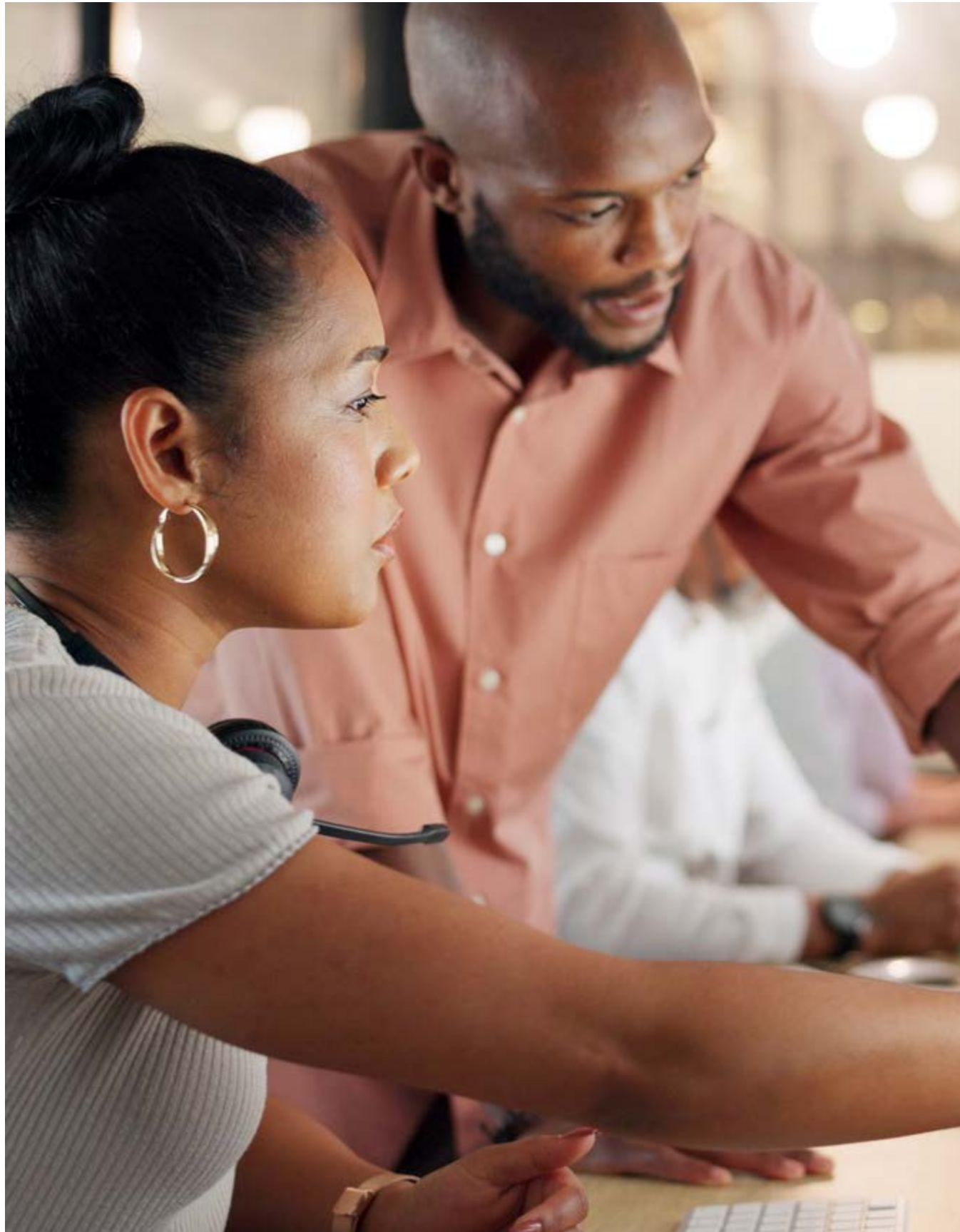
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# ENHANCING ECONOMIC DEVELOPMENT IN COMMUNITIES WHERE WE OPERATE

**Our approach to economic development focuses on helping to remove barriers to financial stability for people and communities in need where we operate. We are dedicated to helping create pathways to homeownership, promoting financial literacy, and providing stable workforce opportunities, helping to ensure that these communities have the tools they need to thrive.**

Through our support of community-based organizations with strong records of success, we are helping make a tangible impact in communities where we live and work. We believe that by creating these opportunities, we contribute to sustainable economic development for all, ensuring that both communities and businesses can prosper together.

## **Supporting Pathways to Homeownership**

We have worked with UnidosUS, a nonprofit, nonpartisan organization, since 2021 to support the communities we serve through housing and financial counseling programs. Over the past five years, we have helped thousands of families avoid eviction and navigate first-time home buying through pre-purchase counseling, and provided financial coaching to help homeowners manage their budgets and maintain their homes. We believe this partnership resonates with our shareholders, employees, and consumers, and by continuing our support, we are helping families stay in their homes, build credit, and work toward long-term financial independence.

Homeownership is a fundamental building block for financial security, yet many barriers often prevent first-time buyers from achieving this goal. That is why we supported the UnidosUS HOME Initiative in calendar year 2024, which addresses issues like credit access and home affordability.

A key affiliate partner from this initiative is The Resurrection Project in Chicago, a priority market that is home to our commercial beer division. The program converts vacant city-owned land into affordable homes using modular construction methods. This work is already creating opportunities for first-time buyers, helping to transform communities and support homeownership.

### Continued Support for Job Readiness and Professional Development

We believe our commitment to supporting job training and career development both through internal programs and community-driven initiatives is essential to economic prosperity. This support seeks to ensure that people across our industry, organization, and beyond have the tools to thrive in their careers. When properly equipped, they increase organizational effectiveness and business outputs, grow economies, and strengthen communities.

### Empowering Future Leaders: Enhancing Skills and Employability in the Beverage Industry

Through the Constellation Brands Scholarships program, we provide tuition support to up to 1,500 students annually in Sonora, Coahuila, and Veracruz, Mexico. Additionally, our Constellation Brands Talent Incubator helps students build essential skills, increasing their employability in the beverage industry and beyond. Our Constellation Brands With You program offers workshops to support high school and college students, as well as their families, to enhance their educational success. This initiative has supported approximately 7,730 people during the period from fiscal year 2022 through fiscal year 2025.

### Changing Lives and Building Careers Through the Power of the Restaurant Industry

The National Restaurant Association Educational Foundation (NRAEF) empowers people to build careers through the opportunity that is abundant in the restaurant industry. Since calendar year 2022, we've supported NRAEF programs, including Restaurant Ready and Hospitality Opportunities for People (Re)Entering Society (HOPES) programs that we believe are transforming lives and ensuring that everyone who wants to can find a home in the restaurant and hospitality industry.

The Restaurant Ready program helps equip people with work-ready skills to prepare for industry employment. In calendar year 2024, the program launched a suite of engagement materials to help young people understand industry career pathways. More than 1,300 individuals received first-job skills training through Restaurant Ready in calendar year 2024.

More than 600 individuals secured training and job placement through HOPES in calendar year 2024, which utilizes the Restaurant Ready framework to engage people with previous justice involvement through tailored training and career placement support to set them on a path to success. Our support of HOPES has helped NRAEF implement the program at 10 community-based organizations across seven states, impacting more than 1,200 people since it launched in 2019. We're proud to support NRAEF's work to build and nurture a sustainable workforce—changing lives, developing the industry's future leaders, and improving the communities where we live and work.

### Expanding Our Partnership with Dress for Success

Since 2020, our partnership with Dress for Success (DFS) has helped thousands of participants access professional development resources, career training, and mentorship. In calendar year 2024, we expanded our support to include major markets and metropolitan areas including Miami, Phoenix, San Antonio, and central New Jersey and international support in Auckland, New Zealand, allowing us to reach more people in more places.

Beyond financial contributions, our employees have volunteered their time to provide mentorship, offering career coaching, leadership training, and networking opportunities to help individuals advance in their careers.

Additionally, our contributions have strengthened DFS's ability to enhance data collection and impact tracking, enabling a deeper understanding of how its programs drive income growth, savings, and leadership development for participants. In total, these efforts have supported thousands of people in communities where we operate to help them thrive in work and life. Through these initiatives, we aim to help create a workplace and industry where everyone has an opportunity to succeed, lead, and inspire.



**“These efforts have supported thousands of people in communities where we operate to help them thrive in work and life. Through these initiatives, we aim to help create a workplace and industry where everyone has an opportunity to succeed, lead, and inspire.”**

# PROMOTING RESPONSIBLE BEVERAGE ALCOHOL CONSUMPTION

Creating brands people love, while promoting the safe and responsible enjoyment of them, is fundamental to Constellation Brands' mission. We're focused on enhancing responsible consumption education, promoting moderation, and ensuring compliance across all marketing efforts.

Our education initiatives, industry partnerships, and continued investments in moderation-driven products help equip employees and consumers to make informed decisions about how to make responsible choices in their beverage alcohol consumption. Together, we're helping shape a more responsible future for the beverage alcohol industry.



## Advancing Alcohol Education with Responsibility Works

April is Alcohol Responsibility Month in the U.S., and in calendar year 2024, we expanded our commitment to promoting responsible consumption by introducing Responsibility Works, an alcohol education tool developed in partnership with Responsibility.org. This program provides employees with foundational knowledge and skills to make responsible, informed choices about alcohol consumption.

Our strategy centers on fact-based education, engagement programs, and policies that help shape a culture of moderation and mindful consumption. Through our continued partnership with Responsibility.org, we are working to ensure that our approach to responsibility is integrated into our workplace culture and beyond.

## Safe Ride Home: Encouraging Responsible Celebrations

Recognizing the importance of safe transportation choices, we partnered with Uber to expand our Safe Ride Home program which provides employees with complimentary ride vouchers on key celebratory occasions. Whether for Cinco de Mayo, Fourth of July, Halloween, or Día de Los Muertos, this initiative helps allow our employees to enjoy their celebrations responsibly while making safe transportation decisions.

In calendar year 2024, this program provided over 350 safe rides during major company and brand celebrations. By fostering a culture of responsibility both inside and outside the workplace, we are reinforcing our commitment to safety as a priority during key moments of connection and celebration.

During Super Bowl LIX in 2025, we reinforced this message through our internal "Responsibility is the Winning Play" campaign, for employees to keep in mind whether attending a party, hosting one, or enjoying the game at an on-premises venue. This initiative highlighted steps such as providing food, water, and non-alcoholic options, ensuring guests have a plan for a safe ride home, and emphasizing responsible drinking choices.

These efforts also extend beyond our employees. We sought to promote responsible consumption on our social media platforms during cultural celebrations and holidays, such as the Fourth of July, the Super Bowl, and more.



### Moderation in Everyday Life

Consumer preferences around alcohol consumption are evolving, with a growing consumer interest in moderation. Our portfolio reflects this shift, offering a diverse range of low-calorie, lower-ABV, and non-alcoholic options to meet consumer demand.

To support this evolution in consumer interests toward moderation, we continue to highlight our growing portfolio of products that meets these trends, which now includes:

#### Constellation Brands

- Corona Non-Alcoholic, a non-alcoholic beer with the taste of the original crisp, balanced Mexican Lager
- Modelo Oro, a light cerveza that seals in Modelo’s golden flavor to deliver an exceptionally smooth, elevated taste with a crisp, clean finish
- Kim Crawford Illuminate, a bright, crisp wine with lower alcohol and only 70 calories

#### Constellation Ventures Investments

- Hiyo, an organic, non-alcoholic social tonic crafted with a proprietary blend of adaptogens, nootropics, and botanicals
- HOP WTR, a non-alcoholic, sparkling hop water crafted with bold hops and mood-boosting ingredients
- Karma Water, a probiotic or energy water with a patented Push Cap to protect the active ingredients until you’re ready to drink

By providing a range of low-alcohol and non-alcoholic choices, we are offering consumers options to best align with their lifestyle choices.

### Leadership in Responsible Wine Consumption

In Italy, Ruffino participates in the Wine in Moderation (WiM) initiative. As an Ambassador Company, Ruffino promotes moderate and mindful wine consumption through educational training, responsible marketing, and community engagement.

Ruffino took part in the first-ever global WiM Day in fiscal year 2024 supported by local media engagement, public awareness campaigns, and an educational program in schools around Florence, all reinforcing the importance of balanced and responsible wine enjoyment. Ruffino continued its commitment by participating again in fiscal year 2025, helping seven restaurants and wine bars in the city of Florence in becoming WiM supporters and adopting responsible serving best practices.

Through continued involvement in WiM Day and moderation-focused initiatives, Ruffino remains a strong advocate for mindful consumption.

### Responsible Marketing & Industry Compliance

When we advertise our products to consumers, we use a combination of methods to forecast the number of advertising impressions made on individuals at or above the legal drinking age. Our approach prioritizes age-appropriate audience targeting, leveraging recognized audience measurement services such as Nielsen and ComScore to ensure that our advertising placements reach legal drinking age consumers.

In fiscal years 2024 and 2025, we maintained zero incidents of noncompliance with industry or regulatory labeling and marketing codes. Additionally, Constellation Brands incurred zero monetary losses as a result of legal proceedings related to marketing or labeling practices. These results underscore our dedication to maintaining high standards of responsible communication and transparency in how we engage consumers.



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# CORPORATE GOVERNANCE



## Our Approach to Enterprise Risk Management (ERM)

Our Board oversees risk management with a focus on the most significant risks we face. This oversight happens at multiple levels. At a macro level, the Board evaluates and addresses the primary risks associated with our strategic plans, divisions, and corporate functions. From a micro-level, each Board committee addresses specific risks related to their functions.

## The Audit Committee

Our Audit Committee oversees accounting, internal controls, and financial reporting practices; reviews major enterprise risk exposures and their monitoring and control; monitors compliance with legal and regulatory requirements; and oversees cybersecurity, including privacy and information security, with regular updates from the Chief Information Security Officer.

## The Human Resources Committee

The Human Resources Committee is responsible for reviewing executive and non-executive compensation programs and practices related to risk management and risk-taking incentives. It also oversees the company's human capital matters.

## The Corporate Governance, Nominating, and Responsibility Committee

This committee oversees risks related to governance structure and processes as well as environmental, sustainability, and social responsibility programs; administers our related person transactions policy, including overseeing risk mitigation in such transactions; ensures compliance with the company's anti-pledging policy and monitors permitted pledging; and reviews shareholder proposals and makes recommendations to the Board.

Our risk management efforts, from the Board to its committees and the ERM Department, look at threats not just from a loss-prevention perspective but also as factors that could impact our strategic goals.

Beyond the Board, the ERM Department serves as part of Constellation's second line of defense and owns processes to oversee operational risk management across the organization, monitor risks within our business units, ensure alignment with organizational objectives, and manage crises as they arise. The ERM Department provides regular updates to Constellation Leadership, the Executive Management Committee, the Audit Committee, and the Board.

The ERM Department facilitates four standing ERM sub-committees that regularly meet to identify and assess risks within their respective scopes: The Beer Risk Committee, the Wine & Spirits Risk Committee, the Corporate Risk Committee, and the Cyber and Privacy Risk Committee.

Each sub-committee has cross-functional representation inclusive of leaders from operations, internal audit, finance, legal, logistics, security, etc. These committees develop and implement processes to manage and mitigate identified risks, act as a crisis team for incidents in their designated areas, and manage policy exceptions via a defined process. The ERM Department periodically reports the findings and actions of these committees to the Board and the Audit Committee to facilitate oversight and feedback.

We disclose risks that could materially impact our business, liquidity, financial condition, and operations in our Annual Report on Form 10-K and other SEC filings. These include ESG-related risks such as water quality, agricultural supply, climate change concerns, and our ESG strategies. For more detailed information, refer to our Form 10-K and other SEC filings.



# CODE OF BUSINESS CONDUCT AND ETHICS

Our values of people, customers, entrepreneurship, quality, and integrity are central to our culture and decision-making. For 80 years, these values have guided our business practices and our interactions with employees, customers, shareholders, suppliers, and communities and are also reflected in our Code of Business Conduct and Ethics.

Our Code reflects our strong ethical standards and culture of compliance with applicable laws and regulations, as well as our own internal policies. Every employee, officer, and Board member is held accountable to these principles. The Code emphasizes fairness, honesty, and integrity in all our operations and is reinforced by ongoing ethics training and an Ethics and Compliance Helpline for confidential reporting.

## **Ethics & Compliance Training**

To support our commitment to ethical behavior, all employees are required to complete ethics and compliance training. This includes guidance on making ethical decisions aligned with our values and policies. Our training covers a wide range of topics, including conflicts of interest, compliance with laws, and ethical decision-making.

We provide an Ethics and Compliance Helpline, offering employees a confidential and anonymous avenue to report concerns or violations of our Code, policies, or laws. This promotes a continuous commitment to integrity and accountability throughout our organization.

## **Anti-Bribery & Anti-Corruption**

We are dedicated to earning our business through exceptional products and services, not through unethical practices. Our Global Anti-Bribery & Anti-Corruption Policy explicitly prohibits bribery and other improper payments in all business operations. The policy outlines the responsibilities of our employees to ensure compliance and to uphold the ethical standards of our company.



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# CREATING A FUTURE THAT'S WORTH REACHING FOR

We are committed to fostering a workplace where people feel supported, empowered, and able to grow both professionally and personally. By prioritizing safety, professional development, and wellbeing, we aim to shape a culture that enables our teams to thrive. Our approach is centered on investing in our people, providing them with the tools to succeed, and maintaining a workplace environment that values and respects every individual.

Across our global operations, we are continually refining our programs to ensure that employees at all levels have access to the resources, training, and support they need. From leadership development to mental health initiatives, our effort reflects our commitment to creating a workplace where people can reach their full potential.

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# INCLUSIVE CULTURE

To cultivate a workforce and culture that enables successful execution of our business strategy, enhances Constellation's reputation as a destination for top talent, and creates a sustainable competitive advantage benefiting our stakeholders, our efforts are focused on three strategic pillars of opportunity:

- **Cultivating a High-Performing Workforce That Reflects Our Consumers and Communities.** Partnering with our Global Talent team to support the company's workforce development strategy.
- **Building an Inclusive Culture Where All Employees Can Thrive and Contribute to Our Collective Success.** Working with our Business Resource Groups (BRGs) that are open to all Constellation employees on a volunteer basis to continue to enhance workplace culture aligned to our company values and leadership standards.
- **Building Inclusive Communities Where We Operate That Allow Local Residents and Industry to Prosper** by collaborating with local community organizations, suppliers, and stakeholders.

## Building a Workplace That Reflects our Consumers

We are committed to cultivating a workforce that reflects the consumers and communities we serve and building an inclusive workplace culture that fosters strong relationships among employees rooted in mutual understanding, respect, and trust. We believe these elements are critical in building a high-performing team, winning with an evolving consumer base, and achieving our strategic ambitions.

## Supporting Inclusion & Belonging at Our Company

Our Inclusive Culture team helps drive our company's focus on building an inclusive culture that helps support our business strategy, meets the needs of an evolving consumer base, positively contributes to our communities, and creates sustainable competitive advantage.

This spirit fueled the inaugural Constellation Brands Supplier Inclusion Summit in April 2024, which featured our partners and business leaders sharing insights into innovation capabilities and services. Together, the 36 supplier attendees gained an understanding of upcoming opportunities with our beloved brands.

## Talent Worth Reaching For

Our Inclusive Culture Recruitment team partnered with several organizations to expand our reach in finding best-in-class talent to fuel the future of our business. These organizations held recruiting events to link their members with prospective employers, allowing members of our Business Resource Groups to serve as culture champions. These events led to nearly 700 attendees joining our talent network in fiscal year 2025, demonstrating strong interest and engagement from top talent.

## Empowering Our Employees Through BRGs

**Our Business Resource Groups are employee-led, open to all employees, and participation is voluntary. These groups support our business and talent strategies by engaging in culture-building activities and by providing professional development opportunities for talent across our business.**



# HEALTH, SAFETY, AND WELLBEING

## Our Commitment to Employee Wellbeing

Ensuring the health and safety of our employees is at the forefront of our operations. Our global Environmental, Health & Safety (EHS) policy underscores our commitment to providing a safe and healthy work environment while fostering a culture of shared responsibility. By continually improving our EHS management systems, enhancing safety training, and engaging leadership at all levels, we strive to ensure that every employee works in a safe, supportive atmosphere.

This commitment has resulted in work-related injury rates consistently well below the industry average.

## Supporting Mental Health at Work & Beyond

We believe that mental and emotional health are integral to employee success. Constellation provides accessible, high-quality mental health resources to help employees navigate challenges and maintain wellbeing.

Employees have access to Lyra, Constellation’s Mental Health Solution provider, with confidential, compassionate, and personalized support for employees and their families. Lyra’s Mental Health Solutions include expert mental health providers matched to the individual’s needs. Access includes free therapy or mental health coaching sessions at no cost, self-care resources, and fast, immediate access to providers.

Employees also have access to Headspace, a platform offering meditation, sleep training, and other mental health support resources. Our Employee Assistance Program (EAP) offers free counseling sessions, covering topics like grief, anxiety, and stress management.

Through a partnership with Care.com, a leading provider of childcare and personal support resources, we offer access to caregivers, tutors, home support providers, and pet sitters to ensure employees are able to find the right care for loved ones.

Our BRGs further expand mental health awareness by hosting expert-led discussions on work-life balance, mindfulness, and stress management. The quarterly “Live Well” wellness newsletter provides employees with insights and strategies for maintaining mental and physical wellbeing.

In Mexico, employees have access to on-site psychological services, gym membership discounts, corporate wellness programs, and nutritional counseling, with a long-term goal of improving overall health outcomes.

## Employee Health & Safety

Work-related injuries resulting from the production of our beer, wine, and spirits products are well below industry average. Our recordable incident rate as compared to the industry average is as follows:

	FY2023	FY2024	FY2025
Recordable Incident Rate <sup>1</sup>	0.73	0.47	0.43
Industry Average <sup>3</sup>	2.47	2.86	3.25

Lost time work-related injuries resulting from the production of our beer, wine, and spirits products are also well below industry average. Our days away from work rates as compared to the industry average are as follows:

	FY2023	FY2024	FY2025
Days Away From Work Rate <sup>2</sup>	0.15	0.15	0.14
Industry Average <sup>3</sup>	0.88	1.11	1.14

<sup>1</sup> Defined as total number of worldwide Constellation work-related injuries (cases beyond first aid) per 100 full-time employees.

<sup>2</sup> Defined as total number of worldwide Constellation work-related injuries (cases beyond first aid) that had at least one lost day per 100 full-time employees.

<sup>3</sup> Calculated by taking the weighted average of the most recent (2023) U.S. Bureau of Labor Statistics data for wineries, breweries, and distilleries based on our portfolio mix on February 2025, February 2024, and February 2023 for the years ended February 28, 2025, February 29, 2024, and February 28, 2023, respectively.





# PROFESSIONAL DEVELOPMENT AND TRAINING

## Fiscal Year 2025 Development Investments

**\$17M+ invested in training & development**  
**~400 mentoring relationships facilitated**

### Investing in Employee Growth & Development

Building strong talent pipelines, delivering best-in-class people development, and championing professional advancement are key components of our human capital strategy which is designed to position our business for long-term growth. We are committed to offering programs, resources, and experiences that empower employees to grow their careers.

The University of Constellation Brands, our digital learning and development center, allows employees to find opportunities to grow, develop, gain new skills and insights, explore, and expand interests through regularly updated curricula. In fiscal year 2025, we invested more than \$17 million in employee training and development costs, including the delivery of six executive, leadership, and other development programs as well as leadership coaching workshops for nearly 350 of our people leaders, and produced approximately 400 matched relationships under our formal career development mentoring program.

In fiscal year 2024, Ruffino employees completed 3,371 total training hours, averaging 15.5 hours per employee—a significant increase from the previous year. Our sustainability training initiative, introduced in fiscal year 2023, follows a three-year roadmap to educate the entire workforce on sustainability topics, aligning employees across all levels with Ruffino’s sustainability initiatives. By bringing together directors, managers, office staff, and laborers, these training sessions foster greater knowledge sharing and alignment across the organization, reinforcing our long-term commitment to responsible business practices.

We continue to expand training initiatives at our breweries and corporate office in Mexico, including creating a Center of Excellence at the Nava Brewery to provide hands-on learning to develop expertise related to technology, technical skills, and operational expertise. Today it has over 20 training modules that include a VR forklift simulator and a brewing lab.

The Star Trainers Program, launched in 2020, leverages experienced employees to train their peers, fostering a culture of continuous learning. Similarly, the Brew Leadership Program helps advance leadership skills across the division, engaging more than 1,700 employees in 2024.

### Supporting Employees Through Flexible Work Options

Our FlexAbility program provides adaptable work arrangements, allowing employees to balance personal and professional commitments while maintaining high performance.

Depending on their role and location, employees can choose between full-time or hybrid in-office work. By providing these options, we aim to foster a workplace that values autonomy, trust, and performance-driven results.

### Cultivating Knowledge and Growth

At Ruffino, we believe that knowledge sharing and continuous learning drive innovation, sustainability, and professional growth. Through partnerships with higher education institutions, research organizations, and internal training programs, we can shape the future of the wine industry while strengthening our own expertise.

Engaging with national and international universities and R&D organizations allows us to contribute to the advancement of viticulture and enology, while gaining valuable insights that drive sustainable practices. By opening our doors to students and researchers, we create a space for mutual learning and enrichment.

Key partnerships include:

#### Master VENIT Viticulture and Enology (University of Piacenza)

Our agronomists and winemakers shared expertise and best practices with university students, while welcoming them to our wineries and vineyards. This partnership deepens our local connections and provides job opportunities for students.

#### Master Vinifera (University of Milan)

For the fifth consecutive year, students attended a week-long Sustainable Viticulture Course at Poggio Casciano estate, featuring discussions with scientists and industry experts.

#### Osservatorio ESG Ability (La Sapienza University, Rome)

We contributed to corporate sustainability research, reinforcing a company culture centered on ESG principles.

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# WATER WITHDRAWALS

Intensity metric: Total Water Withdrawal normalized to million liters of Product Produced [Megaliters/million liters product produced]

The data presented is associated with water withdrawals from our facilities (breweries, wineries, vineyards, distilleries, warehouses, and offices) during time periods for which we had operational control over the respective facility.

The data presented is based on actual measurements to the extent possible. Where direct measurements are not available, we employ engineering calculations or estimates. We continue to strive to increase the accuracy of the data we report.

Our water withdrawals, discharges, and consumption have been verified by a third-party verification/assurance company in accordance with the International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. The verification was using a limited assurance level as described in the standards.

Numbers are commonly rounded when presented in tables. As a result, the sum of the individual numbers throughout this table may not add up precisely to the totals provided.

FY24: During fiscal year 2024, the total water withdrawal increase (compared to fiscal year 2023) was mainly driven by increased irrigation in New Zealand due to weather-related events such as heat waves and increased production at our Obregón brewery.

FY25: Our fiscal year 2025 data contains actual and estimated values. Estimated values primarily include the fourth quarter of fiscal year 2025 and are largely based on actual and forecasted production volumes, historical trends, and environmental factors. The increase in production at our breweries and irrigation needs at our vineyards drove most of the increase in water withdrawals (compared to fiscal year 2024).

## WATER WITHDRAWALS

**FY2023** **FY2024** **FY2025**

### Water Withdrawals by Source (megaliters)

Fresh Surface Water	2,146	2,928	3,138
Brackish Surface Water/Seawater	N/A	N/A	N/A
Rainwater	N/A	N/A	N/A
Groundwater - Renewable	8,609	8,768	9,693
Groundwater - Non-Renewable	12,239	13,004	14,332
Produced/Process Water	90	N/A	54
Municipal Supply	586	720	390
Wastewater from Another Organization	N/A	N/A	N/A
<b>Total Water Withdrawals by Source (megaliters)</b>	<b>23,669</b>	<b>25,421</b>	<b>27,607</b>
<b>Total Water Withdrawal Normalized to Million Liters of Product Produced (Megaliters/million liters product produced)</b>	<b>7</b>	<b>7</b>	<b>7</b>

### Water Withdrawals by Business Unit (megaliters)

Beer	11,357	11,835	12,585
Wine	12,257	13,526	14,953
Spirits	38	44	53
Corporate/Other	16	16	16

### Water Discharges by Destination (megaliters)

Fresh Surface Water	4,864	5,346	6,187
Brackish Surface Water/Seawater	N/A	N/A	N/A
Groundwater	1,150	1,025	941
Produced/Process Water	N/A	N/A	N/A
Municipal Treatment Plant	123	129	71
Wastewater from Another Organization	N/A	N/A	N/A
<b>Total Water Discharges by Destination (megaliters)</b>	<b>6,137</b>	<b>6,501</b>	<b>7,200</b>

**Total Water Consumption (megaliters)** **17,532** **18,920** **20,407**

# GHG AND ENERGY

## GHG EMISSIONS, SCOPE 1

FY2023 FY2024 FY2025

### GHG Emissions, by Scope [metric tons CO<sub>2</sub>e]

#### Scope 1 GHG Emissions, by Region

Region	FY2023	FY2024	FY2025
North America (U.S., Canada & Mexico)	316,885	270,679	282,933
Europe & Asia	5,145	3,365	18,347
New Zealand	2,583	2,426	2,324
<b>Global Total Scope 1 GHG Emissions</b>	<b>324,613</b>	<b>276,470</b>	<b>303,607</b>
<b>Scope 1 GHG Emissions Normalized to Million Liters of Product Produced [Metric tons CO<sub>2</sub>e/million liters product produced]</b>	<b>91</b>	<b>72</b>	<b>76</b>

#### Scope 1 GHG Emissions, by Business Division

Business Division	FY2023	FY2024	FY2025
Beer	286,928	241,072	251,627
Corporate	10,944	13,734	18,459
Wine & Spirits	26,741	21,663	33,521

## GHG EMISSIONS, SCOPE 2

FY2023 FY2024 FY2025

### GHG Emissions, by Scope [metric tons CO<sub>2</sub>e]

#### Scope 2 GHG Emissions (Location Based), by Region

Region	FY2023	FY2024	FY2025
North America (U.S., Canada & Mexico)	69,855	88,099	92,120
Europe & Asia	1,381	1,153	1,380
New Zealand	781	521	589
<b>Global Total Scope 2 GHG Emissions</b>	<b>72,017</b>	<b>89,773</b>	<b>94,089</b>
<b>Scope 2 GHG Emissions Normalized to Million Liters of Product [Metric tons CO<sub>2</sub>e/million liters product produced]</b>	<b>20</b>	<b>23</b>	<b>23</b>

#### Scope 2 GHG Emissions (Location Based), by Business Division

Business Division	FY2023	FY2024	FY2025
Beer	54,507	73,613	77,301
Corporate	523	1,612	587
Wine & Spirits	16,987	14,548	16,200

#### Scope 2 GHG Emissions (Market Based), by Region

Region	FY2023	FY2024	FY2025
North America (U.S., Canada & Mexico)	65,264	84,643	86,925
Europe & Asia	1,079	465	400
New Zealand	781	521	589

#### Scope 2 GHG Emissions (Market Based), by Business Division

Business Division	FY2023	FY2024	FY2025
Beer	54,663	73,613	77,432
Corporate	529	1,778	666
Wine & Spirits	11,932	10,238	9,815
<b>Global Total Scope 2 GHG Emissions (Market Based)</b>	<b>67,124</b>	<b>85,629</b>	<b>87,914</b>
<b>Scope 2 GHG Emissions Normalized to Million Liters of Product Produced [Metric tons CO<sub>2</sub>e/million liters product produced]</b>	<b>19</b>	<b>22</b>	<b>22</b>

**Global Total Scope 1 & 2 GHG Emissions (Location Based) 396,630 366,243 397,696**

**Scope 1 & 2 GHG emissions normalized to million liters of product produced [Metric tons CO<sub>2</sub>e/million liters product produced] 111 95 99**

**Global Total Scope 1 & 2 GHG Emissions (Market Based) 391,737 362,099 391,521**

**Scope 1 & 2 GHG emissions normalized to million liters of product produced [Metric tons CO<sub>2</sub>e/million liters product produced] 110 94 98**

## GHG EMISSIONS, SCOPE 3

FY2023 FY2024 FY2025

### GHG Emissions, by Scope [metric tons CO<sub>2</sub>e]

#### Scope 3 GHG Emissions (Indirect), by Category

Purchased Goods and Services	2,510,079	2,933,838	3,117,841
Capital Goods	Not Relevant	Not Relevant	Not Relevant
Fuel-and-Energy-Related Activities (Not Included in Scope 1 or 2)	89,258	87,832	92,384
Upstream Transportation and Distribution	837,647	1,824,213	1,443,157
Waste Generated in Operations	2,975	29,559	34,052
Business Travel	9,096	8,892	10,316
Employee Commuting	Not Relevant	Not Relevant	Not Relevant
Upstream Leased Assets	Not Relevant	Not Relevant	Not Relevant
Downstream Transportation and Distribution	Not Relevant	Not Relevant	Not Relevant
Processing of Sold Products	Not Relevant	Not Relevant	Not Relevant
Use of Sold Products	Not Relevant	Not Relevant	Not Relevant
End of Life Treatment of Sold Products	Not Relevant	Not Relevant	Not Relevant
Downstream Leased Adders	Not Relevant	Not Relevant	Not Relevant
Franchises	Not Relevant	Not Relevant	Not Relevant
<b>Total Scope 3 GHG Emissions (metric tons CO<sub>2</sub>e)</b>	<b>3,449,055</b>	<b>4,884,334</b>	<b>4,697,751</b>

## ENERGY MANAGEMENT METRICS

METRIC	CATEGORY	UNIT OF MEASURE	CODE	FY2023	FY2024	FY2025
Total energy consumed	Quantitative	Gigajoules (GJ)	FB-AB-130a.1	7,016,691	6,460,093	6,948,554
Percentage of energy it consumed that was supplied from grid electricity	Quantitative	Percentage (%)	FB-AB-130a.1	11%	14%	13%
Percentage of energy it consumed that is renewable	Quantitative	Percentage (%)	FB-AB-130a.1	5%	6%	7%

Intensity metric: Total Scope 1 & 2 GHG emissions normalized to million liters of Product Produced [Metric tons CO<sub>2</sub>eq/million liters product produced]

The data presented is associated with greenhouse gas (GHG) emissions from our facilities (breweries, wineries, vineyards, distilleries, warehouses, and offices) during time periods for which we had operational control over the respective facility.

The data presented is based on actual measurements to the extent possible. Where direct measurements are not available, we employ engineering calculations or estimates. We continue to strive to increase the accuracy of the data we report.

Our Scope 1, Scope 2, and Scope 3 GHG emissions have been verified by a third-party verification/assurance company in accordance with ISO 14064-3 Second Edition 2019-04: Greenhouse gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements. The verification was using a limited assurance level as described in the standards.

Numbers are commonly rounded when presented in tables. As a result, the sum of the individual numbers throughout this table may not add up precisely to the totals provided.

#### Scope 1 (natural gas, fuel, biomethane, refrigerants, fertilizer)

FY24: The Scope 1 emissions decrease in fiscal year 2024 is mainly related to turbogenerator maintenance at our Nava brewery, as well as our Obregón Brewery successfully transitioning from fuel oil consumption to natural gas. Turbogenerators generate electricity by burning natural gas, so natural gas was not utilized during the maintenance period.

FY25: Our fiscal year 2025 data contains actual and estimated values. Estimated values primarily include the fourth quarter of fiscal year 2025 and are largely based on actual and forecasted production volumes and historical trends. The increase of Scope 1 emissions in fiscal year 2025 is mainly attributed to an increase in production at our breweries. Further increases were due to the use of fertilizer and propane at some of our Italian sites. Increased fertilizer use was due to a change in agricultural strategy. These increases were partially offset by our Obregón Brewery operating with natural gas for the full year after their transition from fuel oil to natural gas in fiscal year 2024.

#### Scope 2 (electricity)

FY24: The increase of Scope 2 emissions (location and market) in fiscal year 2024 is mainly attributed to turbogenerator maintenance at our Nava brewery. Turbogenerators generate electricity by burning natural gas, so the electricity needed during this maintenance period had to be sourced directly from the grid.

FY25: Our fiscal year 2025 data contains actual and estimated values. Estimated values primarily include the fourth quarter of fiscal year 2025 and are largely based on actual and forecasted production volumes and historical trends. The increase of Scope 2 emissions in fiscal year 2025 is mainly attributed to increases in production at our breweries.

#### Scope 3

FY23: In alignment with the GHG Protocol, we regularly seek to improve the sources of data used to prepare our GHG emissions calculations. In making these data source changes, we prioritized the largest emission sources that we had calculated to date. Under this approach, in fiscal year 2023 we targeted Beer Division carton/cardboard purchases, which are top contributors to our Scope 3 GHG emissions, by identifying the actual quantities and average weight of carton/cardboard purchased. In addition, the Wine & Spirits Division also applied the revised calculation methodology to its entire Purchased Goods and Services category in fiscal year 2023. Using this data and revised calculation methodology, we derived what we consider a more accurate total of our Scope 3 Purchased Goods and Services emissions.

FY24: Similar to fiscal year 2023, our fiscal year 2024 Scope 3 data reflects changes in the nature of the data used to calculate our emissions as in alignment with the GHG Protocol; we regularly seek to improve the sources of data used to prepare our GHG emissions calculations. In fiscal year 2024 we include detailed upstream transportation and distribution calculations for the Beer division and in addition, more thorough and detailed waste data was collected for fiscal year 2024. The detailed breakdown of waste types and disposal methods allow for use of more specific emission factors for each waste stream.

FY25: Our fiscal year 2025 data contains actual and estimated values. Emissions factors were applied to actual and forecasted information such as purchased quantities and weights, shipment data, waste type, and disposal method. Forecasted inputs were based on historical trends and production volume projections. Our Scope 3 emissions decreased slightly from fiscal year 2024 mainly driven by more precise measurement of transportation distances for the Beer division.

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# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are a collection of 17 global goals established in 2015 by the United Nations General Assembly. SDGs are designed to serve as a blueprint for achieving a better and more sustainable future for all. Our sustainability targets are aligned with six SDGs that we believe provide our industry and our business with the greatest opportunities to make meaningful, positive impact for people and the planet.

## SDG 2

Zero Hunger

We support this goal by partnering with key raw material suppliers to develop and implement sustainable farming and agriculture initiatives.

## SDG 6

Clean Water and Sanitation

We support this goal by focusing on longer-term initiatives, including efforts to reduce pollution to improve water quality, improve water use efficiency, ensure sustainable withdrawals and supply of freshwater to address water scarcity, and support the participation of local communities in improving water and sanitation management.

## SDG 7

Affordable and Clean Energy

We support this goal by working to decrease our dependence on non-renewable energy sources, reduce GHG emissions, and reduce energy consumption.

## SDG 12

Promoting Responsible Consumption and Production

We support this goal by promoting sustainable management and efficient use of natural resources within our own operations, and substantially reduce waste generation through prevention, reduction, recycling, and reuse.

## SDG 14

Life Below Water

We support this goal by preventing and reducing marine pollution through our Fish Friendly Farming, Pacifico Preservers, and our Corona's Protect Our Beaches initiatives.

## SDG 15

Life on Land

We support this goal through our involvement with CSWA (California Sustainable Winegrowing Alliance) in the U.S. and through our involvement with Sustainable Wine-Growing New Zealand (SWNZ), SQNPI-Italy, Lodi Rules certification, and our Fish Friendly Farming certification, by restoring fish and wildlife habitat and working to improve water quality in Napa and Sonoma counties in California.



The recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) are designed to solicit decision-useful, forward-looking information that can be included in annual disclosures. The recommendations are structured around four thematic areas that represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets. See the table below for more information on how Constellation Brands' disclosures are informed by the recommendations of the TCFD. Our reporting on climate change management has been guided by the TCFD recommendations since 2023. We acknowledge that the recommendations of the TCFD have been incorporated into the ISSB Standards and continue to report against the TCFD framework while we actively monitor evolving reporting requirements and will continue reviewing these developments to inform and enhance our future sustainability reporting practices.

SUMMARY OF DISCLOSURE REQUIREMENT	SUPPORTING INFORMATION
<p><b>Governance</b></p> <p>A. Describe the board's oversight of climate-related risks and opportunities.</p> <p>B. Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<p>The Board of Directors Corporate Governance, Nominating, and Responsibility Committee oversees climate-related risks and opportunities through:</p> <ul style="list-style-type: none"> <li>• Review of annual and quarterly updates from senior executives on climate-related risks and sustainability initiatives.</li> <li>• Review of our environmental, sustainability, and social responsibility programs and goals, and progress toward achieving those goals—enabled by enhanced governance responsibilities and reporting structures.</li> </ul> <p><b>For more information, refer to CDP 2024 Questionnaire - C4 (4.1.2)</b></p> <p>Our management teams play a key role in assessing and managing climate-related risks and opportunities through:</p> <ul style="list-style-type: none"> <li>• Oversight of sustainability performance and management by our EVP Chief Communications, CSR &amp; Inclusion Officer, and our CSR/ESG Group.</li> <li>• Development of targets, tracking of regulations, and formulation of strategic plans for environmental issues, including climate-related issues.</li> <li>• Provision of quarterly updates to the Executive Management Committee and the Board Corporate Governance, Nominating, and Responsibility Committee.</li> </ul> <p><b>For more information, refer to CDP 2024 Questionnaire - C4 (4.3)</b></p>

SUMMARY OF DISCLOSURE REQUIREMENT	SUPPORTING INFORMATION
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<p><b>Strategy</b></p> <p>A. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p>B. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p> <p>C. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, included a 2°C or lower scenario.</p>	<p>Risks and opportunities are assessed using various tools with outcomes integrated into the enterprise-wide risk management process. Chronic physical risks from changing precipitation patterns have been identified as a short-term upstream risk. This risk may lead to challenges in maintaining the quality and quantity of our raw agricultural products across global operations. Impacts could include potential supply chain disruptions, agricultural productivity, insurance costs, and production operations. In response, we look to bolster environmental-related engagement with our suppliers. Furthermore, we have developed Business Continuity Plans (BCPs) for our top operational risks as we seek to enable the continued delivery of our critical business activities. Each facility has its own BCP, which is tested usually annually using a risk scenario along with risk mitigation activities, followed by recommendations and follow-up actions. Resource efficiency opportunities in direct operations present themselves in the short term. In response, we have implemented water and energy efficiency projects across our footprint. These efforts help reduce our environmental impact and also contribute to operational cost reductions, given the energy-intensive nature of the beverage industry.</p> <p><b>For more information, refer to CDP 2024 Questionnaire - C2 (2.1, 2.2.2) and C3 (3.1, 3.1.1, 3.6, 3.6.1)</b></p> <p>Climate-related risks and opportunities significantly influence our business operations, strategy, and financial planning. Risks include changes in weather patterns and increased chances of drought, while opportunities lie in strengthening our sustainability performance and resilience. To help combat these risks and take advantage of these opportunities we have:</p> <ul style="list-style-type: none"> <li>• Transitioned from hi-cone plastic rings to recyclable paperboard for all applicable 4 and 6 pack SKUs.</li> <li>• Encouraged, through our supplier code of conduct, suppliers to adopt a clear environmental policy, implement environmental management systems that reduce the supplier's water and energy use, and implement sustainable agricultural, packaging, and waste practices.</li> <li>• Invested in research and development efforts that allow facilities to actively preserve and restore ecosystems. Investments in innovative variable dose technology has led to a 30% reduction in pesticide waste at some facilities.</li> <li>• Obtained CCOF certification for the To Kalon Vineyard in January 2023, which places stringent standards on vineyard applications, renewable resources, and soil and water conservation.</li> <li>• Procured renewable sourced wind electricity leading to 99% renewable electricity at Woodbridge Winery. Similarly, have installed 84,000 sq. ft. of solar panels at Stonewall Canyon Winery.</li> </ul> <p><b>For more information, refer to CDP 2024 Questionnaire - C3 (3.1.1, 3.6.1) and C5 (5.2, 5.3.1, 5.3.2, 5.14, 5.14.1) and ESG Impact Report pg. 11-12</b></p> <p>We have used a qualitative and quantitative climate scenario analysis in FY23 that allows us to create an actionable model for our California-based operations. This model links climate scenarios, business strategy, and predicted risks. The model helps create discrete baselines that allow for more calibrated responses that monetize short- and long-term impacts. As such, we have increased the resilience of the strategy by being able to:</p> <ul style="list-style-type: none"> <li>• Use the unique insights from each site and region to help build and implement water stewardship initiatives and strategies.</li> <li>• Consider site-specific risks, opportunities, and current state when developing goals and targets.</li> <li>• Identify opportunities to engage in community water initiatives.</li> <li>• Expand water conservation and efficiency strategies in California wineries via improved monitoring and instrumentation, helping to identify opportunities such as the use of Ultrafiltration to reduce sanitation cycles in bottling.</li> <li>• Improve climate change resilience in our California vineyards via optimization of our irrigation infrastructure and where possible reusing operational process wastewater for irrigation needs.</li> <li>• Engage key suppliers to better understand water consumption and stewardship practices with a view to partnering on increasing efficiency and building resilience.</li> </ul> <p><b>For more information, refer to CDP 2024 Questionnaire - C5 (5.1, 5.1.1, 5.1.2)</b></p>
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The Sustainability Accounting Standards Board (SASB) Standards aim to guide the disclosure of financially material sustainability information by companies to their investors. The Standards identify the subset of ESG issues most relevant to financial performance in each industry. Constellation Brands is reporting against the SASB Standard for the Alcoholic Beverage industry. For this, we report both accounting metrics and activity metrics as defined by SASB. Accounting metrics are a set of quantitative and/or qualitative metrics intended to measure performance on each topic. Activity metrics are a set of metrics that quantify the scale of a company's business and are intended for use in conjunction with accounting metrics to normalize data and facilitate comparison.

## SASB ACCOUNTING METRICS

ACCOUNTING METRIC	UNIT OF MEASURE	CODE	LOCATION
<b>Energy Management</b> Total energy consumed, percentage grid electricity, percentage renewable	Gigajoules (GJ), Percentage (%)	FB-AB-130a.1	<a href="#">ESG Impact Report - Energy Data Table (pg. 34)</a>
<b>Water Management</b> (1) Total water withdrawn and (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress  Discussion of water management risks and description of management strategies and practices to mitigate those risks	Thousand cubic meters (m <sup>3</sup> ), Percentage (%)  N/A	FB-AB-140a.1  FB-AB-140a.2	<a href="#">ESG Impact Report - Water Data Table (pg. 32)</a>  <a href="#">ESG Impact Report - Water Stewardship (pg. 8-10)</a>  CDP 2024 Questionnaire - C2  We are taking steps to be able to disclose more detailed information on this.
<b>Responsible Drinking &amp; Marketing</b> Percentage of total advertising impressions made on individuals at or about the legal drinking age  Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes  Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices  Description of efforts to promote responsible consumption of alcohol	Percentage (%)  Number  U.S. Dollars (\$)  N/A	FB-AB-270a.1  FB-AB-270a.2  FB-AB-270a.3  FB-AB-270a.4	We are assessing our approach for this metric.  <a href="#">ESG Impact Report - Responsible Marketing &amp; Industry Compliance (pg. 22)</a>  <a href="#">ESG Impact Report - Responsible Marketing &amp; Industry Compliance (pg. 22)</a>  <a href="#">ESG Impact Report - Promoting Responsible Beverage Alcohol Consumption (pg. 21)</a>

### SUMMARY OF DISCLOSURE REQUIREMENT

### SUPPORTING INFORMATION

#### Risk Management

A. Describe the organization's process for identifying and assessing climate-related risks.

In FY23, we conducted a climate scenario analysis focusing on the impact of climate change on grape supplies in California's Napa and San Luis Obispo/Santa Barbara regions. Since 2017, we have conducted a comprehensive global water risk assessment of our operations every three years, with the most recent assessment conducted in 2023. The assessment includes assigning risk factors for our sites developed based on a composite rating derived from internal and external inputs. The internal rating used an average score from site-survey questionnaires, evaluating current and future physical, regulatory, social/reputational, and water quality risks. The external rating used an average score calculated from core WRI Aqueduct and WBCSD Indicators and leveraged third-party expertise for local result validation.

**For more information, refer to CDP 2024 Questionnaire - C2 (2.1, 2.2.1, 2.2.2, 2.2.5, 2.2.6, 2.2.8, 2.2.9) and ESG Impact Report pg. 24**

B. Describe the organization's process for managing climate-related risks.

Enhanced risk identification allows us to pinpoint specific vulnerabilities, such as the susceptibility of certain grape varieties in California's Napa and San Luis Obispo/Santa Barbara regions. Management, through informed decision-making, facilitates comprehensive water risk assessments, which guide strategic investments in water-saving technologies and community partnerships. Proactive risk management is exemplified by targeted action plans for water-stressed regions, including advanced irrigation systems and rainwater harvesting. Effective stakeholder engagement is achieved through our sustainability initiatives that involve employees, consumers, and local communities in projects like water conservation education and ecosystem restoration. These efforts enable us to anticipate and mitigate disruptions, make strategic decisions, address potential threats proactively, and foster a culture of sustainability and resilience.

**For more information, refer to CDP 2024 Questionnaire - C2 (2.1, 2.2.1, 2.2.8, 2.2.9)**

C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

We employ a comprehensive approach to identifying and assessing climate-related risks, utilizing an ISO-31000 aligned enterprise risk management (ERM) system. This process considers physical and transitional risks such as: reputational, market, policy, technological, and liability risks, which are considered across short-, medium-, and long-term time horizons.

**For more information, refer to CDP 2024 Questionnaire - C2 (2.1, 2.2.1)**

#### Metrics And Targets

A. Disclosure the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

**For more information, refer to CDP 2024 Questionnaire - C7 (7.52, 7.54, 7.54.1, 7.54.2) and ESG Impact Report pg. 11-12**

B. Disclosure Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

**For more information, refer to CDP 2024 Questionnaire - C7 (7.6, 7.7, 7.8, 7.8.1) and ESG Impact Report pg. 33-34**

C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Our climate initiatives include, but are not limited to, conducting decarbonization assessments, enhancing operational efficiency, and transitioning to alternative energy sources, including renewables.

**For more information, refer to CDP 2024 Questionnaire - C7 (7.53, 7.53.1, 7.53.2, 7.53.4, 7.54, 7.54.1, 7.54.2) and ESG Impact Report pg. 11**

## SASB ACCOUNTING METRICS

ACCOUNTING METRIC	UNIT OF MEASURE	CODE	LOCATION
<p><b>Packaging Lifecycle Management</b></p> <p>(1) Total weight of packaging, (2) percentage made from recycled or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable</p> <p>Description of strategies to reduce the environmental impact of packaging throughout its lifecycle</p>	Metric tons (t), Percentage (%)	FB-AB-410a.1	We are taking steps to be able to disclose more detailed information on this.
	N/A	FB-AB-410a.2	<p><a href="#">ESG Impact Report - Optimizing Packaging for Sustainability &amp; Recyclability (pg. 13)</a></p> <p>CDP 2024 Questionnaire - C5 (5.3.1, 5.11.5) &amp; C7 (7.8) &amp; C10 (C10.1, C10.2)</p>
<p><b>Environmental &amp; Social Impacts of Ingredient Supply Chain</b></p> <p>Suppliers' social and environmental responsibility audit conformance:</p> <p>(1) major non-conformance rate and associated corrective action rate and</p> <p>(2) minor non-conformance rate and associated corrective action rate</p>	Rate	FB-AB-430a.1	We are taking steps to be able to disclose more detailed information on this.
<p><b>Ingredient Sourcing</b></p> <p>Percentage of beverage ingredients sourced from regions with High or Extremely High Baseline Water Stress</p> <p>List of priority beverage ingredients and discussion of sourcing risks due to environmental and social considerations</p>	Percentage (%) by spend	FB-AB-440a.1	CDP 2024 Questionnaire - C9 (9.2.5, 9.2.6)
	N/A	FB-AB-440a.2	<p>ESG Impact Report - (pg. 8-10, 15-16, 24-25, 36)</p> <p>CDP 2024 Questionnaire - C2</p> <p>We are taking steps to be able to disclose more detailed information on this.</p>

## SASB ACTIVITY METRICS

ACTIVITY METRIC	UNIT OF MEASURE	LOCATION	FY2023	FY2024	FY2025	Notes
Volume of products sold	Millions of hectoliters	FB-AB-000.A	35.59	37.75	38.77	
Number of production facilities		FB-AB-000.B	29 Facilities: 5 Breweries 5 Distilleries 19 Wineries	26 Facilities: 2 Breweries 5 Distilleries 19 Wineries	26 Facilities: 2 Breweries 4 Distilleries 20 Wineries	<p>In May 2023, we sold the Daleville Facility in connection with our decision to exit the craft beer business. In June 2023, we completed the sale of the Funky Buddha Brewery LLC and Four Corners Brewing Company LLC businesses and related production facilities.</p> <p>In June 2024, we acquired the Sea Smoke business including a California-based luxury wine brand, vineyards, and a production facility.</p> <p>On January 6, 2025, we sold the SVEDKA brand and related assets.</p>
Total fleet road miles	Miles	FB-AB-000.C	14,941,174	13,374,293	13,630,379	This data represents U.S. only.

# INFORMATION REGARDING FORWARD-LOOKING STATEMENTS, DISCLAIMERS, AND CAUTION REGARDING OUTDATED MATERIAL

The data and information in this ESG Impact Report (Report), which has been prepared by us, are presented for informational purposes only.

This Report may contain forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those set forth in, or implied by, such forward-looking statements. All statements other than statements of historical fact included in this Report are forward-looking statements, including without limitation statements relating to our business and ESG strategy, future plans, events, performance, commitments, goals, targets, aspirations, or objectives, future operations, future environmental, financial or social metrics, promises, or expected actions of third parties. When used in this Report, the words “anticipate,” “intend,” “expect,” “plan,” “continue,” “estimate,” “exceed,” “may,” “will,” “project,” “potential,” “target,” “implementing,” “could,” “might,” “should,” “believe,” “vision,” and similar words or expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. All forward-looking statements speak only as of the date of this Report, June 6, 2025. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. In addition to the risks and uncertainties of ordinary business operations and conditions in the general economy and markets in which we compete, the forward-looking statements contained in this Report are also subject to the risk, uncertainty, and possible variance from our current expectations regarding: future global economic conditions; market conditions; regulatory conditions; unanticipated environmental liabilities and costs; changes to governmental rules and regulations; the actions of competitors; consumer expectations, preferences, and behaviors; operating activities taking place on expected scope, terms, costs and timetables; communicable disease outbreaks, pandemics, or other widespread public health crises; severe weather, natural and man-made disasters, and climate change; general economic, geopolitical, domestic, international, and regulatory conditions, and other factors and uncertainties disclosed from time to time in our filings with the U.S. Securities and Exchange Commission. Any projections of future results of operations should not be construed in any manner as a guarantee that such results will in fact occur, and investors should not place undue reliance on forward-looking statements as a prediction of actual results or actual performance.

Terms such as “ESG” and “sustainability” can be subjective in nature, and there is no representation or guarantee that these terms, as used by us, will reflect the views, policies, principles, frameworks or preferred practices of any particular investor or other third-party or reflect market trends. The inclusion of information in this Report should not be construed as a characterization regarding the materiality or financial impact of that information. Further, in this Report, we are not using terms such as “material” or “materiality” as they are used under the securities or other laws of the United States or any other jurisdiction, or as they are used in the context of financial statements and financial reporting. Materiality, for the purposes of this document should not, therefore, be read as equating to any use of the word in our other reporting or statements.

Certain information contained herein relating to any commitments, goals, targets, aspirations, objectives, intentions, expectations, or timelines, including with respect to climate change, water stewardship, GHG emissions, waste reduction, circular packaging, inclusion, belonging, responsible beverage alcohol consumption, and governance is subject to change, and no assurance can be given that such commitments, goals, targets, aspirations, objectives, intentions, or expectations will be met within the applicable timeframes or at all. The SDGs are aspirational in nature. The analysis involved in determining whether and how certain initiatives may contribute to the SDGs is inherently subjective and dependent on a number of factors. There can be no assurance that reasonable parties will agree on a decision as to whether certain projects or investments contribute to a particular SDG. Accordingly, investors should not place undue reliance on the company’s application of the SDGs, as such application is subject to change at any time and in the company’s sole discretion. Further, statistics and metrics relating to ESG matters, including water use and GHG emissions metrics, may be estimates and based on estimates or assumptions (which may prove to be inaccurate) or developing standards (including the company’s internal standards and policies). The accuracy of such statistics and metrics are subject to variance.

Similarly, there can be no assurance that our ESG policies and procedures as described in this Report will continue; such policies and procedures could change, even materially. We are permitted to determine in our discretion that it is not feasible or practical to implement or complete certain of our ESG initiatives, policies, and procedures based on cost, timing, or other considerations. Therefore, there can be no assurance that the company’s ESG policies and procedures as described in this Report will continue; such policies and procedures could change further. The receipt of any awards by the company is no assurance that our business objectives, including our ESG objectives, have been achieved or successful.

Certain information contained herein has been obtained from third parties, and in certain cases have not been updated through the date hereof. We have not independently verified the data from these third-party sources. While these third-party sources are believed to be reliable, we make no representation or warranty, express or implied, with respect to the accuracy, fairness, reasonableness, fitness for use or completeness of any of the information contained herein, and expressly disclaim any responsibility or liability thereto. References to case studies in this Report are intended to be illustrative and are not intended to be used as an indication of the current or future performance.

Unless otherwise indicated, the information presented is as of June 6, 2025. Therefore, it should be considered historical and subject to further update by us, but we are not under any obligation to update or keep current the information contained herein. Nothing contained herein constitutes investment, legal, tax, or other advice or is to be relied on in making an investment or other decision. The notes offered under our commercial paper program have not been and will not be registered under the Securities Act of 1933 and may not be offered or sold in the U.S. absent registration or an applicable exemption from the registration requirements. This Report is not intended as a current or past recommendation or a solicitation of an offer to buy or sell any securities, including the notes under our commercial paper program.

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