



ELEVATING LIFE
RESPONSIBLY
EVERY DAY



Constellation Brands



COMPANY OVERVIEW

Constellation Brands (NYSE: STZ and STZ.B), a Fortune 500® company, is a leading international producer and marketer of beer, wine, and spirits with operations in the U.S., Mexico, New Zealand, Italy, and Canada. Constellation is the No. 3 beer company in the U.S., with high-end, iconic imported brands such as Corona Extra, Corona Light, Modelo Especial, Modelo Negra, and Pacifico.

The company's beer portfolio also includes Ballast Point, one of the most awarded craft brewers in the U.S. In addition, Constellation is the world leader in premium wine, selling great brands that people love, including Robert Mondavi, Clos du Bois, Kim Crawford, Meiomi, Mark West, Franciscan Estate, Ruffino, and The Prisoner. The company's premium spirits brands include SVEDKA Vodka, Casa Noble Tequila, and High West Whiskey.

Based in Victor, N.Y., the company believes that industry leadership involves a commitment to brand building, our trade partners, the environment, our investors, and to consumers around the world who choose our products when celebrating big moments or enjoying quiet ones. Founded in 1945, Constellation has grown to become a significant player in the beverage alcohol industry with more than 100 brands in its portfolio, about 40 facilities, and approximately 9,000 talented employees.

We express our company vision: to elevate life with every glass raised.

About

40

facilities

100+

brands in our portfolio

Approximately

9,000

talented employees

\$7.3 billion

FY17 Net Sales



A *letter* FROM OUR CEO

TO OUR STAKEHOLDERS,

I am proud to say that in our 2017 fiscal year we continued to make great progress in all of our corporate social responsibility focus areas. From an environmental standpoint, our production facilities around the world have remained focused on reducing our impact on the land. In addition to our many carbon, solar, and waste initiatives, we continue to focus on improving our efficiency when it comes to our most important resource, water. In fact, our largest facility by production volume, our brewery in Nava, Mexico, is one of the most water-efficient breweries in the world, and our team there continues to find new ways to improve.

From a giving back perspective, our employees joined together for a record-breaking year for two of our cornerstone global initiatives. Year-over-year, we increased our employee volunteer participation in our Nourishing Neighbors program by 42%, and increased funds donated through our Employee Match Program by 83%. Momentum for these programs, and our many local and regional efforts, continues to grow.

We also strengthened our commitment to alcohol responsibility. We built upon existing programs and partnerships and created new ones, like our first global employee alcohol responsibility training, to continue to ensure our company, and our industry, promotes responsible drinking practices and reduces underage drinking and drunk driving.

Above all, last year reinforced my admiration for our employees. They all are committed to doing business the right way, and continue to innovate when it comes to enhancing lives in the communities we call home. We all believe that our shared commitment to operating responsibly will help us remain a successful business, and a good neighbor, for the long term.

As we continue to grow as a total alcohol beverage category leader, we will remain committed to growing responsibly. Our business is the strongest it has been in our 70-year history, as is our commitment to elevating life responsibly every day.

Sincerely,

A handwritten signature in black ink that reads "Rob Sands". The signature is fluid and cursive, with the first name "Rob" and last name "Sands" clearly distinguishable.

Rob Sands
President and Chief Executive Officer

sustainability

At our core, we're an agricultural company. Land and other natural resources are essential to making our wine, beer, and spirits. We recognize that it's our responsibility to reduce our impact on the environment, not only because it's the right thing to do, but because the long-term success of our company depends on it.

INTERNAL SUSTAINABILITY AWARD Franciscan Estate won our third-annual award for its water stewardship, energy efficiency, and environmental team initiatives. This award recognizes our facilities' accomplishments and encourages employee involvement in making progress towards meeting our overall sustainability goals.

BEVERAGE INDUSTRY ENVIRONMENTAL ROUNDTABLE (BIER) We are a proud member of BIER, a coalition of leading global beverage companies working to advance environmental sustainability. We're also signatories of BIER's Joint Commitment on Climate Change, which states that as a sector we will continue to reduce energy consumption, help fulfill national commitments on greenhouse gas (GHG) reductions, and develop tools and know-how to best evaluate and manage water risk.

TRANSPARENCY AND DISCLOSURE We emphasize transparency and have made our annual submission to the CDP (formerly the Carbon Disclosure Project) public since 2010. In 2016, we received a score of B for both climate change and water responses.

A COLLABORATIVE APPROACH

AT RUFFINO Ruffino Estate in Italy works with suppliers to encourage sustainable practices all along the supply chain. All agreements require adherence to Ruffino's dedication to preserve and enhance the environment. Half of their main suppliers of glass, caps, cork, labels, and cardboard have obtained ISO14001 or FSC certifications. The winery also collaborates with the University of Milan's Department of Agricultural and Environmental Science to develop precision farming methods to improve crop yields, reduce chemical pollution, and provide better information for management decisions.



VINEYARD TEAM PARTNERS ON ENVIRONMENTAL STUDY

Our RH Phillips Vineyard Operations team worked with a University of California at Davis researcher to develop better ways to naturally control pests in our vineyards.

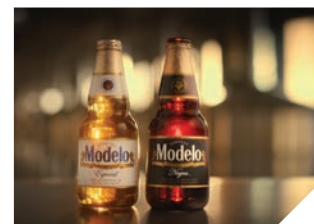
ENVIRONMENTAL VOLUNTEERING Employees from our Mexico City office proudly participated in a reforestation volunteer day in the Sierra de Guadalupe mountains.

CARBON FOOTPRINT

Global Greenhouse Gas Emissions*

Carbon Intensity Metric Scope 1 and 2 (Metric Tonnes CO₂e/Million Liters of Product Sold)

METRIC TONNES CO ₂ E	LITERS PRODUCT SOLD	YEAR	
230,842	1,659M	FY16 ^o	139
207,354	1,536M	FY15	135
194,518 [†]	1,423M [†]	FY14	137
122,018	694M	FY13	176
114,063	690M	FY12	165
102,275	648M	FY11	158
186,926	1,075M	FY10	174



GHG REDUCTIONS

IN MEXICO Our brewery in Nava, Mexico switched its boilers from oil to natural gas, reducing nitrous oxide emissions by 83%. The brewery's zero-emission warehouse forklifts save more than 100,000 liters of diesel, equivalent to 263 tons of CO₂ emissions, per day.

* In preparing data for this report, we made non-material updates to prior year data to ensure we are reporting the most current and accurate data available.

^o Our global greenhouse gas emissions data collection is completed in June each year, making FY16 our latest available data.

[†] Significant increase in Liters of Product Sold and Metric Tonnes CO₂e due to FY14 acquisition of Nava Brewery.



WATER STEWARDSHIP AT ROBERT MONDAVI WINERY

In fiscal year 2016, the winery's Operations team installed a glycol heat exchanger, completed a landscape irrigation project, and implemented a recovery and reuse line, **saving close to 50% of the water** used to wash their 35,000 barrels each year.

850,000

gallons of water saved per year, thanks to our new glycol heat exchanger

140,000

fewer gallons of city water withdrawals per month

WATER

RIVER RESTORATION PROJECT

Our Napa Valley Vineyard Operations team collaborated with the EPA and other partners to design and implement a Napa River restoration project which benefits wildlife and promotes biodiversity, increases water quality within the restoration zone, and improves flood control.



CONNECT THE DROPS CAMPAIGN

We joined Ceres' Connect the Drops campaign to show our commitment to working with other California companies on responsible water use.

FY17 Water Intensity



*Beverage Industry Environmental Roundtable's 2016 Water and Energy Use Benchmarking Study

†Only winery water withdrawals used; no vineyard irrigation water data included

◊Only represents spirits facilities under our operational control

Water Intensity Reductions | FY17 vs. FY16

▼17%

Dunnewood Winery

▼18%

Turner Road Vintners

▼30%

Wild Horse Winery

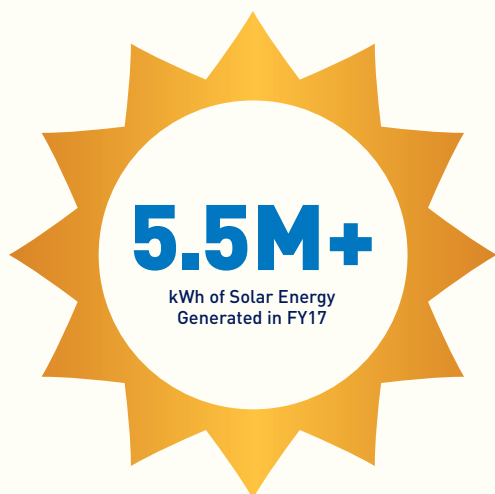
▼11%

Woodbridge Winery

▼5%

Nava Brewery

SOLAR



SOLAR FOOTPRINT Our solar footprint spans four of our facilities in California—Clos du Bois Winery (pictured), Estancia Winery, Gonzales Winery, and Ravenswood Winery.

107%
of Ravenswood's FY17 total energy needs were generated by on-site solar

WASTE



245,583

metric tons of landfill material generated

223,299

metric tons of material recycled, composted, or diverted

* Our waste emissions data collection is completed in June each year, making FY16 our latest available data.

150/500

TOP GREEN COMPANIES IN THE U.S. *Newsweek* ranks the world's largest companies on environmental impact and sustainability. In 2016, we ranked 150 of 500 in the U.S., up from 173 in 2015.

CERTIFICATIONS

Many of our individual production facilities hold a wide range of certifications. Here are just a few:



"It's important to work for a company that *truly* cares about more than just the bottom line."

Tom Kane
Chief Human Resources Officer



giving BACK

We're committed to giving back to the communities we call home. We're proud of our employees' passion and honored to support them as they give back to the causes we all care about most. Our three main global initiatives—Nourishing Neighbors, Community Giving, and our Employee Match Program—are complemented by the many activities our employees champion at the local, regional, and brand level.



NOURISHING NEIGHBORS

Since 2014 this program has unified employees worldwide to help **fight hunger in their communities**. During our annual week of giving back, employees have paid time off to volunteer at local food banks. Employees and the company also donate food and money. Our global employee ambassadors help coordinate the initiative at the local level, ensuring the needs of each community are met.

1,000+
employees volunteered
(+42% over prior year)

80,000+
pounds of food collected at
company locations

\$100,000+
in employee and company donations to Blessings in a Backpack and other food banks in our communities providing vital food assistance to those in need

EMPLOYEE MATCH

This program doubles the impact employees have on the causes that matter most to them. In FY17, the program donated nearly **\$780,000 to 350 not-for-profits, +83% from FY16**, and more than tripled participation. It's **donated more than \$2.5 million** since 2011.

nearly
\$780,000
in donations from employees
and Constellation Brands,
+83% from prior year

Employee Match Day resulted in a
one-day employee donation total of
\$346,902
+113% from prior year

\$2.5M
donated by the program since 2011
to the causes our employees care
most about

COMMUNITY GIVING

Our Giving Back team includes employees worldwide who truly understand the needs of their communities. They help us maximize our efforts, which are focused in arts and culture, health care, and education.

100,000+
bottles of wine, beer, and spirits
donated to charitable events in FY17

2,500
not-for-profit organizations
supported worldwide in FY17

\$5M*
in FY17 donations through
our corporate community
giving program

*Total includes monetary, in-kind, and pro-bono donations made through our corporate community giving program, and not donations made by our divisions or brands.



A



B



C

THE V FOUNDATION FOR CANCER RESEARCH

Supported by record participation from our Gold Network distributors, retailers, and consumers, **last year we raised \$1.23 million for The V Foundation**, a leading cancer research funding organization in the U.S. Since 2010, our beer division has raised more than **\$4 million** for research and **\$10 million** overall for the fight against cancer. [A]

THE UNITED WAY Employees across the U.S. participated in the 2016 United Way campaign, **donating \$123,668**.

EMERGENCY PREPAREDNESS IN COAHUILA We donated **\$180,000** to help the fire department in Coahuila, Mexico, purchase equipment to support the city and surrounding towns.

SUPPORTING MISSION-ORIENTED ENTREPRENEURS

A **\$400,000 donation** from Constellation Brands and CEO Rob Sands will fund a two-year pilot at Pace University's Food and Beverage Law Clinic, providing legal services to farmers, community and grassroots groups, and mission-oriented food and beverage entrepreneurs.

SERVICE IN CHICAGO

More than 250 employees volunteered at an elementary school in Chicago during our seventh-annual summer service event, in partnership with Chicago Cares, Chicago's leading connector of people, communities, and causes through volunteerism. [B]

LOUISIANA FLOOD RELIEF

We **donated \$25,000** to a relief fund set up by Republic National Distributing Company (RNDC), which helped the families of RNDC employees.

CORONA CARES With our Gold Network distributors in North Carolina, we **raised more than \$200,000** for the N.C. Cancer Hospital. Corona Cares has **raised more than \$1,000,000** in eight years.

GIVING AT BALLAST POINT

Ballast Point is committed to supporting its hometown, San Diego. During one week in 2016, employees **packed 1,694 "backpack" meals** at a local food bank and **raised \$50,500** between employee donations and a special company match. [C]

“Elevating life means being more **compassionate** to people in our community.”

Joanna Pernick
Analyst, Quality Control



ITALIAN EARTHQUAKE SUPPORT Ruffino and its employees **donated nearly \$40,000 in food and money** to feed 300+ people for one month after last summer’s earthquakes.

SKYRISE CHICAGO The 90+ Team Corona Light members were the top performers at SkyRise Chicago 2016, a charity race up the Willis Tower. They **raised \$200,000** via corporate sponsorship and individual fundraising, +11% over last year, for the Rehabilitation Institute of Chicago.

TOUR DE CURE Eighty “Smooth Finishers” riders **raised \$42,000+** for the American Diabetes Association in California, Illinois, New York, San Antonio, and Washington.

WINE BRANDS MAKE A DIFFERENCE At this year’s Sonoma Wine Country Weekend, hosted by Sonoma County Vintners, special tastings and auction lots from SIMI, Ravenswood, and Clos du Bois, and a donation from Constellation Brands contributed to the record-breaking charity auction total.

\$20 MILLION HEALTH CARE DONATION The Sands Family Foundation and Constellation Brands donated **\$20 million** to Rochester Regional Health for construction of a new critical-care center. [D]

DYNAMO CAMP IN TUSCANY Since 2015, Ruffino and its employees have **donated more than \$43,000** to the first therapeutic recreation camp in Italy. The camp is free of charge and designed for children with serious illnesses undergoing therapy or post-hospitalization.

DESARROLLO INTEGRAL DE LA FAMILIA (DIF) More than 60 Nava Brewery employees supported DIF, a public institution in Mexico focused on helping families in extreme social and economic situations, by contributing to the cost of scholarships for young women. The brewery matched each contribution.

SOCIAL *responsibility*

As a total beverage alcohol leader, we believe we should produce, advertise, and sell our brands in a responsible manner. Our social responsibility efforts are focused in three areas: our own practices, community outreach, and advocating for our beliefs.

FOUNDATION FOR ADVANCING ALCOHOL RESPONSIBILITY (FAAR)

We are a proud member of FAAR (responsibility.org), a leader in the fight to eliminate drunk driving and underage drinking. Last year, FAAR launched the #SummerResponsibly campaign, encouraging responsible summer drinking practices. We also support FAAR's "No Excuses" campaign, aimed at curbing underage drinking.



SAFE RIDES ON NEW YEAR'S EVE

Our sales team helped revelers ring in the new year responsibly during the Chi-Town Rising New Year's Eve celebration in Chicago.

3,331

free transit vouchers
circulated to revelers



The legal
drinking age is
21

Thanks
for **NOT** providing
alcohol to teens

PROUDLY SUPPORTED BY
Constellation Brands



DontServeTeens.gov

WE DON'T SERVE TEENS Each year we support the U.S. Federal Trade Commission's We Don't Serve Teens campaign. Our in-kind marketing donation included English- and Spanish-language billboards, digital bulletins, and radio spots.

60 MILLION

impressions generated (+13% over last year)

NEW EMPLOYEE ALCOHOL TRAINING In FY17 we launched “Alcohol Responsibility: Our Shared Commitment,” our first global employee alcohol responsibility training. It gives all employees a common base of knowledge regarding alcohol and its effects, which helps us be more responsible when enjoying and selling the great brands we make. It also explains how we can support colleagues, family, and friends in the responsible, safe enjoyment of our products.

RESPONSIBLE ADVERTISING Compliance with our Global Code of Responsible Practices for Beverage Alcohol Advertising and Marketing is mandatory across all our brands and companies, and by others involved with the promotion of our brands. The code, which follows industry best practices, provides a fundamental framework for ensuring that our brands are marketed responsibly, and our messages are directed at drinking-age consumers.

TEAM COALITION We are part of the Techniques for Effective Alcohol Management (TEAM) Coalition, an alliance that promotes responsible drinking and positive fan behavior at sports and entertainment facilities. In 2016, Corona Extra and TEAM collaborated to promote responsible drinking at Maná concerts, L.A. Rams games, and boxing events as part of the Responsibility Has Its Rewards program.

RAISE YOUR ARMS AGAINST DRUNK DRIVING In April, we internally promoted TEAM’s Raise One Million Arms campaign. Hundreds of employees signed a pledge to never drive drunk.

SAFE RIDE HOME PROGRAM We are committed to the well-being and safety of our employees, and to promoting responsible drinking practices. Our Safe Ride Home program reimburses taxi or public transit fare for employees’ personal, non-company use.

SHARING BEST PRACTICES We work with counterparts in the industry to get feedback on our responsible drinking efforts from lawmakers. With the Beer Institute, we also invited members of the U.S. Congress to create responsible drinking messages for their home districts through a collaboration with the National Association of Broadcasters.

SOCIAL CAMPAIGN IN ITALY For the second year, Ruffino joined alcohol producers, retailers, and others for Conoscere l’alcol (Do You Know Alcohol?), a five-week campaign reaching over three million people. It was part of a broader program promoting a healthy lifestyle, the program is endorsed by Italy’s Ministry of Health.

ROCK ON RESPONSIBLY At the Constellation Brands-Marvin Sands Performing Arts Center (CMAC), we host activities and promotions to encourage responsible drinking practices among concert-goers.



“We are committed to operating responsibly in all aspects of our business.”

Edgar Guillaumin
VP, External Affairs





ABOUT THIS REPORT This report highlights many of the key initiatives of our Corporate Social Responsibility program during our 2017 fiscal year (March 1, 2016 through February 28, 2017). It is intended to provide an overview of our commitment to our CSR program for our investors, customers, employees, and other stakeholder groups.

More information on our CSR efforts can be found on our CSR website, www.constellationcsr.com, and on our corporate website, www.cbrands.com. More detailed information about the risks, management, and performance relating to our greenhouse gas emissions and water use is available to the public through our submission to the CDP (formerly the Carbon Disclosure Project).

More information on Constellation Brands, Inc. can be found on www.cbrands.com and in our fiscal 2017 Annual Report.

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