



Constellation Brands

For more than 70 years, Constellation Brands has been committed to operating responsibly and with the highest standards for quality, safety, sustainability, ethics and integrity in everything we do. These principles guide the decisions we make and actions we take in each market around the world where we have operations. This includes our brewery construction project in Mexicali.

Mexicali is a vibrant community with roots in agriculture. One reason agriculture has had success locally is due to abundant availability of good quality water in massive underground aquifers. This water resource has been sustainably used for decades. Today, the vast majority of water use (about 80 percent) is used for agriculture. Over the years, the community has encouraged more industrial development to enhance job creation and economic prosperity for local residents. As a result, there are now a number of multi-national companies currently operating manufacturing facilities in the local area. These include several large, well-known pharmaceutical, food and beverage and alcohol companies. So, our investment in Mexicali is not a new concept. Industry uses a very small amount of water overall on an annual percentage basis and our future brewery operations will do nothing to change this.

At the same time, we fully understand our responsibility as part of the larger business community to operate in a responsible way. Our team at Constellation Brands is committed to doing our part to safeguard precious natural resources such as water in Mexicali and every other market around the world where we have operations. As part of this commitment, we are constructing a brewery that will be one of the most state-of-the-art and highly efficient breweries in the world, sparing no expense in serving as a good steward of the environment.

Based on an independent 3rd party analysis conducted by one of the most reputable environmental research firms in Mexico (Lesser y Asociados S.A. de C.V.), once up and running, our new brewery in Mexicali will consume less than 0.1% of the water available in the region on an annual basis at 5M HL of annual brewing capacity, **posing no risk to local water supply**. Furthermore, Constellation Brands has been working with local, state and federal authorities in Mexicali, Baja California and Mexico for the past two years to ensure that all aspects of our brewery construction project adhere to all local rules, regulations and laws. This fact has been publicly validated by Mexico's Ministry of the Interior.

During the span of our project, Constellation Brands will invest more than \$1 billion in the local community, producing a number of tangible benefits to both the city and local residents of Mexicali. Among these benefits include the creation of more than 750 permanent jobs for local residents, and thousands more related to construction activities. In addition, other local businesses will benefit from our brewery operations, such as transportation providers, retail operations, food and hospitality venues. We look forward to helping build future prosperity in Mexicali as the city continues to encourage further business and economic development.