



Constellation Brands

**Supplier Code of Conduct and
Sustainability Guidelines**

2019

INTRODUCTION

In selecting suppliers, Constellation Brands, Inc., its subsidiaries and affiliates (“Constellation Brands”) work to choose reputable business partners who are committed to ethical standards and business practices compatible with our own. Constellation Brands is committed to upholding the highest standard of ethical and legal conduct and conducting business in a sustainable manner. Fairness, honesty and integrity have been at the heart of our dealing with employees, stockholders, retailers, distributors, suppliers, government agencies and our community for more than 70 years. We continue to evolve and adapt to a changing world but these fundamental principles remain unchanged. We hold all of our employees, officers, and directors accountable to the highest principles of business conduct (as stipulated in the *Constellation Brands Code of Business Conduct and Ethics*) and we expect the same of our suppliers. As a premier producer of beverage alcohol products, we recognize our responsibility to set the right example.

As a Constellation Brands supplier, you are required to comply with the provisions of this Constellation Brands’ Supplier Code of Conduct and Sustainability Guidelines (the “Code”). Constellation reserves the right to amend the Code from time to time, and supplier shall comply at all times with the Code as amended. The terms of the Code apply both to the supplier’s own practices and to the acts of the supplier’s employees toward Constellation Brands and Constellation Brands employees. Constellation Brands strongly encourages suppliers to exceed the requirements of this Code and to promote best practices and continuous improvement throughout their operations and supply chain.

Additionally, Constellation Brands expects that any violation of this Code is to be reported to Constellation Brands by the supplier in order that a remediation plan to correct the situation can be devised and implemented.

ETHICS AND INTEGRITY

FAIR DEALINGS & COMPLIANCE WITH LAWS - We require our suppliers to follow all applicable laws, regulations, and this Code to ensure that their own dealings with workers, customers, their suppliers, government personnel and others are conducted legally, honestly, and with integrity. Suppliers should not take advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. Constellation Brands will not tolerate threats or acts of violence (either explicit or implicit) by any supplier towards Constellation Brands, or any worker.

ANTI-TRUST AND COMPETITION – Suppliers must comply with all anti-trust laws, which were created to ensure a free and open marketplace. Suppliers must not propose, or enter into, any agreements with a competitor to fix or stabilize pricing, allocate customers, territories, products or markets, rig bids or collude on bid quotes, or boycott a competitor or customer.

ANTI-CORRUPTION – Suppliers must comply with the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, and all other global and local anti-corruption and anti-bribery laws. Suppliers are prohibited from paying, offering, giving, authorizing, or promising, either directly or indirectly, money, or anything of value to a government official or other person in order to secure an improper advantage, obtain or retain business, or direct business to any person or entity.

CONFIDENTIAL INFORMATION AND PRIVACY – Suppliers must only use Constellation Brands confidential information for its intended business purpose and must not disclose such confidential information to an unauthorized party. Suppliers must ensure appropriate controls are in place to collect, protect, maintain, and use Constellation Brands confidential information, including personally identifiable information and sensitive information, in accordance with data privacy laws.

CONFLICTS OF INTEREST – Suppliers must avoid engaging in business activities that create a conflict or the appearance of a conflict of interest in their dealings with Constellation Brands.

EXPORT CONTROLS – Suppliers must comply with all laws and regulations related to the exportation and re-exportation of products. Suppliers must not use deceptive practices to deliberately misrepresent the country of origin of products that will be used by Constellation Brands in order to evade quota or import restrictions or duties.

LABOR AND EMPLOYMENT PRACTICES AND WORKPLACE CONDITIONS

HARASSMENT AND DISCRIMINATION – Suppliers shall encourage a diverse workforce that is free from all forms of discrimination and harassment. All workers shall be treated with dignity and respect and no worker shall be subjected to any physical, sexual, psychological or verbal harassment or abuse. Suppliers shall not employ mental or physical disciplinary practices. Suppliers shall not engage in discrimination on the basis of sex, race, color, age, religion, creed, sexual orientation, national origin or citizenship, ancestry, physical or mental disability, medical condition (cancer or genetic characteristics), marital status, gender (including gender identity or gender expression), familial status, military or veteran status, genetic information, pregnancy, childbirth, breastfeeding, or related conditions, or other basis protected by law.

SAFE WORKING CONDITIONS – Suppliers shall provide a safe and healthy working environment, including fully-functioning water, sanitization, and hygiene services for all workers. Suppliers shall comply with or exceed all applicable laws and regulations concerning safe working conditions. Suppliers shall provide protective safety equipment and safeguards on machinery, and shall require use of such equipment by all its workers. Supplier shall train workers in the use of such equipment.

FORCED LABOR, SLAVERY, AND HUMAN TRAFFICKING – Suppliers shall not engage in human trafficking, slavery, or use forced labor. Suppliers must adopt policies and establish systems to ensure that materials incorporated into their products comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

CHILD LABOR – Suppliers shall not employ anyone under the legal minimum age and Suppliers shall comply with all relevant International Labor Organization standards.

HOURS, WAGES, AND BENEFITS – Suppliers shall comply with all standards set by law regarding working hours, wages, benefits and overtime pay practices, including minimum wage and the payment of compensation for overtime hours.

LAWFUL EMPLOYMENT – Suppliers shall, prior to hiring any worker, ensure the worker has the legal right to work in that jurisdiction. Consistent with applicable law, Suppliers shall not restrict, including through direct or indirect coercion, the right of workers to join or refrain from joining associations and worker organizations.

CONFLICT MINERALS

Suppliers shall adopt policies and establish systems to ensure that any tantalum, tin, tungsten or gold contained in any components, parts or products that supplier manufactures or procures for or on behalf of Constellation Brands, will be sourced from supply chains that do not directly or indirectly finance or benefit armed groups in the Democratic Republic of Congo (“DRC”) or its adjoining countries, including Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.

Suppliers will ensure traceability of such metals to the smelter of origin, and if those metals are determined to originate from the DRC or any such adjoining country, will exercise due diligence in accordance with a recognized due diligence framework to determine whether those metals directly or indirectly financed or benefited such armed groups. Supplier will provide supporting data on its supply chains for tantalum, tin, tungsten, and gold to Constellation Brands upon request.

ENVIRONMENTAL COMPLIANCE & SUSTAINABILITY

Constellation Brands is committed to looking for ways to reduce our collective impact on the environment while operating profitably and building brands that people love. We are committed to being a conscientious steward of the natural resources that make the creating of our beer, wine and spirits possible across all of our locations, and that commitment extends throughout our supply chain. Our sustainability commitment and efforts are demonstrated in our *Corporate Social Responsibility Report*.

Constellation Brands requires suppliers to comply with local and national environmental laws and regulations. Where regulations are absent, we expect our suppliers to adopt suitable global standards. We encourage our suppliers to adopt a clear environmental policy, implement appropriate environmental management systems, and adhere to the following environmental management and sustainability practices wherever feasible:

WATER USE - Suppliers should take steps to minimize water usage and manage water discharge to minimize environmental impact.

ENERGY USE – Suppliers should monitor and assess energy used and carbon emitted to drive efficiency improvements and use alternative or renewable energy options.

PACKAGING – Suppliers should promote sustainable packaging by reducing material weights and using recyclable materials.

WASTE MANAGEMENT – Suppliers should incorporate practices to recycle materials and reduce waste.

AGRICULTURAL PRACTICES – Suppliers with agricultural operations should adopt the following sustainable agricultural practices: prevent soil erosion by applying best-practice soil management practices; minimize and optimize pesticide and fertilizer use; and protect native species and minimize the impact on ecosystems and biodiversity of the land.

REPORTING CONCERNS

Suppliers must promptly report actual or potential misconduct that violates the Code to the Constellation Brands Ethics and Compliance Hotline.

US & Canada – 1-877-888-0002

International - 1-770-810-1147

Mexico - 01-800 288-2872, followed by 855-402-5632

Italy – 800-172-444 followed by 855-402-5632

New Zealand- 050-843-8258

Online reporting - cbrands.tnwreports.com

Email reporting - ethics@cbrands.com